From Obama to Trump, and beyond: Washington's painful search for a credible China policy

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Introduction

In 2018, one-time members of the Obama administration – Assistant Secretary of State for East Asian and Pacific Affairs, Kurt Campbell, and former Deputy National Security Advisor to Vice President Joe Biden, Ely Ratner – noted that, since the end of the Second World War '[t]he United States has always had an out-sized sense of its ability to determine China's course. Again and again, its ambitions have come up short.' Today, they argued, 'the starting point for a better approach is a new degree of humility about the United States' ability to change China ... Basing policy on a more realistic set of assumptions ... would better advance US interests and put the bilateral relationship on a more realistic footing.'¹

At the same time, *The Economist* featured a story on 'How the West Got China Wrong.' It had, it said, 'lost its bet on China, just when its own democracies are suffering from a crisis of confidence'. China behaved as a 'regional superpower bent on driving America out of East Asia.'² Minxin Pei, a China commentator, declared that '[e]ngaging China may have been a noble experiment, but now is the time to go for realpolitik.'³ Finally, and in testimony to the US Congress in February 2018, long-term neorealist critic of US China policy Aaron L. Friedberg argued that Washington's two-pronged strategy of preserving stability 'while waiting for engagement to "tame" and ultimately to transform China' had failed in its intended result.⁴

These four analyses differ significantly in a number of respects, but all ultimately agree that Washington's engagement and balancing policy towards China of the last few decades has fallen short of its objectives. The election of Donald Trump as president of the United States in late 2016 brought something of a sea change to US foreign policy. Yet it remains true that Washington needs to develop a viable policy based on today's – and tomorrow's – realities. No such policy is in sight.

From a Western perspective, it can, naturally, be tempting to dream of traveling back in time to an era when China was catching up rather than constituting an economic, military, political and even systems challenge. There have been critical moments. Notably, China's entry into the WTO in 2001 provided an added boost to its rapid economic growth. Today, China is the largest economy in the world in terms of purchasing power parity (PPP), by far the world's largest trading nation in goods, and a potential world leader in key future technologies such as artificial intelligence (AI).

In terms of alliances China may be "a lonely power", but it is pursuing an increasingly pro-active role, taking advantage of strategic opportunities and launching initiatives of its own. These include the Asian Infrastructure Investment Bank (AIIB), the Belt and Road Initiative (BRI) and the role as the world's second largest (on par with Japan) and most strategic direct foreign investor. Indeed, authoritarian China is, ironically enough, globalisation's greatest winner, with justifiably mounting US and EU demands for reciprocity. In the zero-sum worldview of President Donald Trump and his administration, China's rise, and even the United States' relationships with some of its closest Asian partners, has been at America's expense.

In his report to the nineteenth party congress, Chinese President Xi Jinping declared that 'China already stood tall in the East', and that now it is time for the nation 'to take center stage in the world and to make a greater contribution to humankind'. China's road to modernisation, he said, was 'offering a new option for other countries'.³ In an amendment to the party constitution, it was stated that the Chinese Communist Party should 'uphold its absolute leadership over the People's Liberation Army' and 'implement Xi Jinping's thinking on strengthening the military'.⁶ By the mid-twenty-first century, China's people's armed forces would be 'fully transformed into world class forces, built to fight'.⁷ China, to date, is still a Leninist party-state that is far from tamed. Rather than undermining the government, the Internet has become an indispensable tool of Beijing's "controlocracy".⁸ China's violations of human rights have grown more brazen and the surveillance state is thriving.

Was John J. Mearsheimer, the most consistent critic of US policy of engagement, then right in saying that letting China into the WTO was a fatal mistake? Mearsheimer argues that the future Chinese threat 'might be far more powerful and dangerous than any of the potential hegemons that the United States confronted in the twentieth century', and that the United States 'has a profound interest in seeing Chinese economic growth slow considerably'. A wealthy China, he argues, would not be a status quo power, but 'an aggressive state determined to achieve regional hegemony'.⁹

How should former US President Barack Obama's China policy, and ultimately legacy, be assessed in this light? Was his sincere ambition to engage and balance China naïve? Since his inauguration in January 2017, Trump has negated much of

what Obama tried to achieve, and their worldviews could hardly be more different. As president, Obama had to cope with the ongoing, seemingly inescapable US–Chinese power shift. Across the first two years of the Trump administration, to early 2019, the relationship developed more in the direction of a global rivalry, with the potential to define both his and future presidencies.

Obama's Asia Pacific vision: Engagement and Pivot

Cooperation amidst global challenges: Obama's early ambitions

Less than a year after assuming office in January 2009, Obama made a state visit to Beijing to meet China's President Hu Jintao. At the time I was in the capital, attending an EU–China conference. Rarely has Washington prepared a state visit with more care. Obama had the ambition to develop a comprehensive US China policy, based on an internationalist worldview which made it natural to aim for deeper cooperation. Still, I witnessed what would turn out to be a failed visit. The Chinese, uncertain about both how to manage their own growing role and how to assess and relate to Obama, treated him to a “state visit minus”. This could later be contrasted to the boundlessly lavish “state visit plus” Trump was offered eight years later in 2017.

Still, 2009 was at a time of huge global challenges which would test the limits of the US–Chinese relationship. The visit happened in the midst of the financial crisis and just a month before the Copenhagen meeting on the global environment. The United States and China needed to cooperate to address the world's economic and financial problems, climate change, and other great challenges which demanded multilateral efforts. Pax Americana was not the answer. Obama inherently understood the importance and vast potential of the Asia Pacific broadly, and China more specifically. It was clear that he had come to Beijing with the intention of building trust and deepening the relationship.¹⁰ He clearly wanted to create a more sustainable foundation for US–Chinese relations, channelling China's rise in as non-confrontational a direction as possible.

A very elaborate joint declaration, with a number of new concrete areas of cooperation, was adopted at the summit. To the surprise of many, Washington accepted a paragraph saying that the two countries had agreed to respect each other's “core interests”. From the Chinese perspective that meant Tibet, Xinjiang, Taiwan and even the South China Sea, and suggested that Obama might be a weak president; maybe even another Jimmy Carter. Indeed, despite Obama's efforts to create a collegial climate, the visit was not a success – not in Beijing, and certainly not in Washington. Obama was only allowed to address a select public gathering in Shanghai and at home Obama was not seen to be standing up for his country's interests as the world's hegemonic power.

Soon afterwards, US China policy became more assertive. Adding to the shift was the distrust that emerged between Obama and Prime Minister Wen Jiabao shortly after the climate change summit. China's quiet response to the North Korean navy sinking of a South Korean navy ship in March 2010 contributed to the tensions, along with more forward-leaning Chinese surveillance of US activities in the South China Sea. American concerns were raised that China had begun to challenge the prevailing regional order.

The Pivot and renewed American assertion

At the beginning of 2011 the chief architects of Obama's original China policy, Deputy Secretary of State James Steinberg and Senior Director for Asian Affairs on the US National Security Council Jeffrey Bader, left office. The centre of gravity shifted to Secretary of State Hillary Clinton and her Asia manager, Kurt Campbell. From then on, the US Pivot towards Asia – by which the United States planned to devote more strategic attention and resources to the Asia Pacific – came to the fore.

A critical moment was the ASEAN Regional Forum (ARF) meeting in Hanoi in July 2010. In her speech to the Forum, Secretary Clinton – urged by a number of ASEAN countries – stressed that the United States remained neutral on which regional countries had stronger territorial claims to disputed islands in the South China Sea. Yet, she explained, Washington had an interest in preserving free shipping in the area and would facilitate talks on the issue.

Though presented as an offer to help ease tensions, the stance amounted to a sharp rebuke of Beijing. Claiming ownership of all islands within its so-called Nine Dash Line, China insisted that any disputes should be resolved bilaterally between itself and ASEAN claimants. In March 2010, senior Chinese officials had pointedly warned their American counterparts that they would brook no interference in the South China Sea, which they called part of the “core interest” of Chinese sovereignty.¹¹

Washington's position was in clear alignment with implicated ASEAN members, and marked the first time it had taken sides on the dispute. China and the wider region noticed. The Chinese Foreign Minister, Yang Jiechi, lost his temper, reminding his Singaporean colleague that ‘China is a big country and other countries are small countries and that is just a fact.’¹² In late 2011, Secretary Clinton stated that just as the United States once played a central role in shaping the architecture across the Atlantic, it was now doing the same across the Pacific. The twenty-first century will be America's ‘Pacific Century’, she insisted.¹³

At around the same time, President Obama delivered a speech to the Australian parliament in which he spoke about a broad shift in US policy to the Asia Pacific, including sending US marines to Darwin.¹⁴ An underlying assumption, that did not materialise, was that the shift would be made possible through military

disengagement in the Middle East. Inherited wars in that region, however, along with their consequences, never ceased to demand huge resources.

The Pivot was, first and foremost, a matter of reconfirming commitment to American allies and crucial forward defence lines in the Pacific. A primary objective, however, was also to enhance the United States' economic presence in the region. Initially, Obama was less committed to free trade than his immediate predecessors; George W. Bush had in 2008 begun negotiating a Trans-Pacific Partnership (TPP), though with a limited number of countries. Yet in December 2009, after his visit to China, Obama notified Congress that he planned to enter into TPP negotiations with Pacific partners. It was not until 2013 that the negotiations gained momentum, though without a crucial Trade Promotion Authority mandate from the US Congress. "Everyone but China", including communist Vietnam, was invited. It also represented a new generation of trade agreements, with labour rights as a significant new element. When all the other eleven invited countries on board stood ready to implement the agreement in 2016, it was clear that the US Congress would turn it down.

The tide had turned. In the 2016 presidential election campaign, Hillary Clinton, who once called TPP 'a gold standard trade agreement',¹⁵ was no longer ready to defend it. Republican nominee Donald Trump pledged to cancel it on his first day in office. When visiting Washington in late 2016, the Prime Minister of Singapore called the TPP a 'litmus test' of US credibility in Asia, telling Obama that Washington had taken them all to the altar, leaving partners waiting for the bridegroom, embarrassing themselves and the United States.¹⁶

Human rights and a straining relationship

Human rights had a central place in the value system of the Obama administration. The way the question has evolved in China's relationship with Brussels and Washington is a stark illustration of mounting US–Chinese divergence. During my years in Beijing, human rights were a given subject on the agenda of high-level EU–China and bilateral meetings. Both the EU and the United States, along with a number of other countries, had an established human rights dialogue with China. Over time, the Chinese side became increasingly unwilling to accept such dialogues and the scrutiny they brought. Today, such dialogues have almost come to an end, no longer tolerated by today's much more assertive and nationalistic China. At the same time, China has become more vocal about human rights conditions in the United States and other countries. The Chinese Communist Party's (CCP) skin is increasingly thin.

In 1988 China signed two major UN covenants on human rights: the International Covenant on Civil and Political Rights and the International Covenant on Social, Economic and Cultural Rights. The latter was ratified after a few years, but the former never was, and today China rejects the very idea of

universal human rights. In 2013 Beijing issued a central party document in which seven perils were enumerated, including Western constitutional democracy, civil society, 'universal values', and Western-inspired notions of media independence.¹⁷ The document bore the unmistakable imprimatur of Xi Jinping. Further deteriorations happened under Obama's watch. Human rights were kept on the bilateral agenda, but not at the expense of the overall relationship.

With an ongoing shift of global power, broadly speaking from West to East, the Obama administration injected a degree of stability and predictably into US–Chinese relations, even as tensions in the South China Sea and elsewhere grew. Successful cooperation on matters of global significance was also achieved. That was true with regard to the Paris agreement on climate change, for which Obama and Xi in 2014 laid the foundations. Still, the realignment of power continued, inevitably deepening strategic competition, and making it even more important to develop stable bilateral mechanisms for managing the power rivalry.

Was an opportunity lost, given Obama's original approach to China? China's rise did indeed amount to a challenge of the predominant role of the United States in the Asia Pacific. No American administration could help but focus on the task of developing a strategy that would convincingly reconfirm long-term American commitment to the region. Such a strategy could, however, have been more or less comprehensive. Obama's first senior advisor in Asia, Jeffrey Bader, stresses that:

at no point has US policy been based on some gauzy conception of a "benign" China that would sacrifice its own interests for ours, adopt a political system modelled on Western values, or cease to be a difficult competitor. Policy-makers have understood that the US-China relationship would be a mixture of cooperation and competition, with the hope of maximizing the former and managing the latter so that it did not escalate into conflict.¹⁸

In his 2016 book on the US Pivot to Asia, Kurt Campbell's primary message was that it should be made more comprehensive and more consistent in the post-Obama era.¹⁹ That would have likely materialised if Hillary Clinton had become president. The Obama administration had the ambition to develop a more comprehensive strategic US response, both to China and the wider Asia Pacific region; it was clear by then that engagement would not produce the type of systemic convergence that President Bill Clinton in particular had hoped for when delivering China's entry into the WTO. Yet Obama fell short of striking a new viable balance between liberal internationalism and security, by underestimating the magnitude of the challenge.

In 2012, in the heat of the final debate of his second campaign for the presidency, Obama did in fact talk about China as an "adversary". Yet the main ambition of his administration was to build an effective and cooperative partnership

with Beijing, through such mechanisms as the annual high level Strategic and Economic Dialogue.

The East Asian peace: Long, but fragile

China's strategic ambitions and the Trump administration

Since the end of the Vietnam War, China and the East Asian region have enjoyed what is sometimes referred to as “the long peace”. The East Asian share of global battle deaths fell from around 80 per cent in 1946–79 to just 6 per cent in the 1980s, to less than 2 per cent in the 1990s, and to less than 1 per cent today.²⁰ “Economic Asia” prevailed, but now “security Asia” is re-emerging. East Asia, indeed, is not short of serious unresolved conflicts. Identity, sovereignty and boundaries have become key battlegrounds, in at least partial contradiction to the ideal of deeper integration. East Asia's “long peace” is increasingly fragile.

Washington's forward defence line, manifest in key alliances and a heavy regional naval presence, is a central theme in American strategic culture that for a long time has applied to the Far East.²¹ The line runs near China which increasingly sees itself as the natural hegemon in a Sino-centric East Asia. In 2013, Xi Jinping suggested that the Pacific was big enough for both the United States and China. Core US policy will no doubt be tested in coming years, sharpening the focus on military strength.

Throughout his presidency, Obama incrementally reduced the US defence budget, which by the time he left office still amounted to close to one third of global defence expenditure. During his last years in office, however, additional funds were requested for ongoing operations and a military modernisation programme. US military engagements in the Middle East remained very costly in terms of resources as well as credibility.

Meanwhile, as of early 2019, China maintains its substantial military modernisation programme. China's defence budget, the second largest in the world, is estimated by the Stockholm International Peace Research Institute (SIPRI) to amount to around US\$228 billion.²² According to official Chinese figures, which are lower than SIPRI's estimates, this budget increased by 8.2 per cent in 2018 and by 7.5 per cent in 2019, a declining percentage trend but still a huge volume.²³ The Chinese budget is still just a third of the US budget, and slightly less than 2 per cent of GDP. Continued, rapid, modernisation of the People's Liberation Army (PLA), however, remains a key priority.

A salient illustration of China's vision of its own global role is the military strategy released in 2015, which states that ‘the traditional mentality that land outweighs sea must be abandoned and great importance must be attached to managing the seas and oceans and protecting maritime rights and interests.’²⁴ Almost

600 years have passed since China was a prominent naval power. Today, China is becoming a major power in this regard, as symbolised by its ambitious air carrier programme and a fleet by some measures outsize that of the United States.

Partly in response to this expansion of China's capabilities, after coming to office in early 2017, President Donald Trump declared that the United States is 'going to have a military like never before, because we ... just about never needed our military more than now'. In his budget proposal for 2019, he demanded US\$716 billion – an increase of 6 per cent compared to his first budget.²⁵ Trump's then Defense Secretary James Mattis called both China and Russia 'revisionist powers' that 'seek to create a world consistent with their authoritarian models'. He warned that the US military advantage over its adversaries had eroded 'in every domain of warfare', concluding that 'Great power competition, not terrorism, is now the primary focus of US national security'.²⁶ The 2017 National Security Strategy echoed this view, describing China (and Russia) as a competitor, which is 'trying to erode American security and prosperity'. In this world reduced to a state of 'great-power competition', countries pursue their national interests without any commitment to creating a better world.²⁷

Across its first two years, the strategic response to these challenges by the Trump administration has appeared to show little interest in the underpinning logic of Obama's Pivot to the region; to build on his predecessor's efforts would be contrary to Trump's instincts. For him, the Pivot represented another multilateral sell out. The irony now, however, is that the TPP is coming into being, renamed the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and to join later would now mean the United States fitting into a framework led by others.

East and Southeast Asian security challenges

The East Asian region harbours a number of unresolved conflicts which remain far from any kind of sustainable solution, and none are completely dislocated from the dynamics of US–China relations. Taiwan is the most "existential". China's One China policy is a non-negotiable feature of its national identity, and Washington's commitment to defend the island should not be underestimated. The Obama presidency was an era of relative calm here, but during his campaign for the presidency Donald Trump openly challenged the One China policy by treating Taiwan as a bargaining chip and speaking to President Tsai Ing-wen, angering Beijing.²⁸ For the CCP, the reunification of Taiwan with the mainland is inevitable, and Xi Jinping has expressed noticeable impatience.

North Korea's nuclear weapons programme constitutes the most serious immediate challenge, directly threatening the United States. The Obama administration chose a policy of "strategic patience", unsuccessfully trying to involve Beijing in a genuine effort to bring Pyongyang into talks, while encouraging UN sanctions.

Trump quickly made North Korea's nuclear development a test case of US–Chinese relations, in part via the threat of escalating sanctions. Military threats were used to coerce Pyongyang, but there is no military solution. For decades the international community failed to contain this poor, backward and isolated country's nuclear ambitions, allowing the current global security dilemma to emerge.

China's policy is determined by its own security concerns; Beijing wants a nuclear free peninsula, but it has attached even higher priority to stability. In 2003 China assumed a key role as convener of the Six-Party talks on North Korea's nuclear programme, a process that went on for six years but failed to deliver any lasting results. As Head of the Asia Department in the Swedish Foreign Ministry I visited North Korea a number of times. In 2001 I accompanied Prime Minister Göran Persson, then-chairperson of the European Council, to Pyongyang for an EU–North Korean summit with Kim Jong-il.

South Korean President Kim Dae-jung's Sunshine policy and the Clinton administration's advanced direct talks with Pyongyang had created a conducive climate, but when President George W. Bush entered the White House in 2001, he launched a policy reversal, choosing to discontinue dialogue and denouncing the "Axis of Evil", of which North Korea was a central element. The same year, it also became clear that North Korea was pursuing its nuclear ambitions. China, meanwhile, played a surprisingly small role and focused instead on maintaining the status quo. As ambassador to China from 2002 I observed first-hand how Beijing treated North Korea's nuclear programme as primarily an American dilemma. Ultimately, as North Korea became a *de facto* nuclear power, the magnitude of the challenge created a new sense of urgency, with Obama advising Trump in his final months in office to regard North Korea as an issue of the highest priority.²⁹

Promising from the outset to meet North Korean threats with 'fire and fury',³⁰ President Trump ventured to pursue instant summit diplomacy. Yet he underestimated the magnitude of the task, with complete and verifiable denuclearisation remaining a distant goal. East Asian security has at least temporarily been enhanced as a result, but only on the provision that the diplomatic process is kept alive.

Elsewhere, the South China Sea has also recently become an arena of significant US–China tension. In 2010, following a verbal confrontation at the ASEAN Regional Forum meeting in Hanoi between Secretary of State Hillary Clinton and her Chinese counterpart Foreign Minister Yang Yiechi, a more assertive China stepped forward and expanded its presence in the region. Using gradual "salami tactics", it introduced military installations and air strips, and turned shallow reefs into islands. The United States, in response, expanded its naval presence. At a White House meeting in 2015, Xi made a commitment not to militarise artificial islands that Beijing has been building, but the process nevertheless continued.³¹

From the outset, the Trump administration declared that China's island building programme in the South China Sea had to cease. The build-up continued nonetheless, with ASEAN countries caught in the middle, forced to hedge against territorial encroachments. They did so, and continue to do so in early 2019, while uncertain about American staying power as Trump quickly showed less interest in ASEAN than Obama after taking office. On the whole, Washington has failed to strengthen key regional partnerships in the face of a rising China.

The situation in the East China Sea appears more stable, but Sino-Japanese tensions over territory, deeply rooted in history, remain. The Senkaku/Diaoyu Islands, controlled by Japan but claimed by China, are bound to remain a serious issue. Beijing will likely never give up its claims, while Tokyo does not accept the existence of a territorial issue. The United States has not taken a firm stand on the issue as such, but as tensions rose, the Obama administration in 2014 unequivocally included the islands in Washington's commitment to defend Japan. News of accelerated Chinese air and naval excursions in sensitive areas near Japan and Taiwan are also becoming increasingly common, causing concern.³² This should come as no surprise, especially after the nineteenth party congress when Xi Jinping outlined his visions for Chinese sovereignty.³³

Coping with strategic distrust: The emerging systems clash

The concern for authors like Graham Allison is that China and the United States are 'on a collision course for war—unless both parties take difficult and painful actions to avert it'.³⁴ As such, the two risk falling into a so-called "Thucydides Trap" where an ascending power challenges an established power with destabilising results. In Thucydides' analysis, it was the fear that this instilled which made war inevitable. Particularly worrying to Allison is that 'many Americans are still in denial about what China's transformation from agrarian backwater to "the biggest player in the history of the world" means for the United States',³⁵ and that Washington lacks a coherent strategy for dealing with a rising China. Both are major nuclear powers, now responsible for avoiding the "uncontrollable" from happening.

Key elements of a comprehensive US China strategy were developed and implemented during Obama's term in office. A key element of Obama's legacy, indeed, was reversing a systemic neglect in the White House of China's rise, which had emerged and endured during the years of George W. Bush's post-9/11 war on terror. It was inconceivable when Trump was elected in 2016 that his administration could do anything but afford China as much attention as had that of Obama, with the Pivot laying the essential foundations for Trump's 'free and open Indo-Pacific' strategy.³⁶ Under Obama, alliances were strengthened, the TPP was launched, and military shifts were made. The Paris Climate Accord was also proof that successful cooperative endeavours were possible. Still, all this was overshadowed by growing populism, nationalism, authoritarianism, global realignments of power, and a liberal international order in retreat. A certain shift to Asia took place but the idea of

the twenty-first century becoming an “American Pacific century” in fact became more remote. By the close of Obama’s tenure, US–Chinese relations seemed to have begun a drift towards a systems clash.

In its first two years in office, the Trump administration concentrated on the strategic challenges and competition in the US–China relationship, with faint signs of interest in deepening cooperation on global challenges. Trump’s engagement with Obama’s legacy on China is thus one of evolution rather than revolution; the ends of constraining China’s influence remain consistent, while the means of multilateralism have been replaced by a preference for unilateralism. The strategy does, however, contain elements which are likely to survive the Trump presidency. A significant new element may be the idea of an Indo-Pacific strategy, bringing together US East Asian allies and India in jointly facing the geopolitical Chinese challenge.³⁷ (Modi’s India, however, is likely to hedge its bets, rather than ally itself fully with Washington.)

The policies of the early Trump administration amounted to major shifts from that of Obama in several respects. For some time, it seemed as if the US alliance system in Asia would be an example of significant continuity, but Trump’s unilateral way of handling key alliances created a new sense of unpredictability. The most significant differences between Obama and Trump lie in their basic attitudes towards international cooperation, multilateralism, and the importance of a rule- and community-based international order. Whereas Obama showed a strong commitment to global governance, that commitment was immediately questioned by Trump who not only lacked interest in strong and effective international institutions, but even seemed inclined to undermine them.

For its part, Beijing has a great interest in playing a leading role in world governance on its own terms, with less dependence on the Western-led systems that have long dominated. At the 2017 World Economic Forum in Davos, Xi Jinping came out in a rousing defence of globalisation. The contrast to Trump’s strategy of “America First” was stark, but it was hardly a confirmation of the liberal economic order. Rather, it was a sermon by the prophet of the Chinese Dream of revival. China’s ambition has been to continue reaping the benefits of integration into the global economy, while minimising the vulnerabilities and potential security risks associated with it.³⁸ Trump challenged that strategy, putting trade, intellectual property rights and technology at the forefront of his approach. The style is uniquely Trumpian, but deeper American consensus seems to have emerged around a more confrontational approach to China’s emergence.

Under Trump, the relationship between China and the wider West is no longer predicated on the expectation of convergence, but of rivalry and competition. Opportunities for cooperation are not seized, and the future increasingly appears to be one of systemic dissonance. China on one side is building a party-state-driven economy based on its own distinctive vision for globalisation, while the West’s adherence to a rules-based liberal order is severely weakened by the post-2017 “America First” doctrine.³⁹

Trade is at the epicentre of US–Chinese competition. At the beginning of 2018, the Trump administration went as far as saying that supporting China's WTO accession was a mistake.⁴⁰ The pivotal element of Trump's protectionist confrontation with China on trade is, however, not steel or aluminium. It is over intellectual property rights and the "Made in China 2025" strategy in which China invests heavily in areas like robotics, new-energy vehicles, biotechnology and, not least, artificial intelligence. On that frontier, Trump is taking measures, far beyond trade, to contain China. Intensified confrontation around the fourth generation of industry will remain a real threat, with potentially profound global consequences.

In his first State of the Union address in January 2018, Trump reiterated his image of China as a challenge to American interests, grouping it together with 'rogue regimes and terrorist groups'. '[R]ivals like China and Russia', he explained, 'challenge our interests, our economy, and our values. In confronting these horrible dangers, we know that weakness is the surest path to conflict, and unmatched power is the surest means to our true and great defense.'⁴¹

Strategic distrust seems bound to define an increasingly complex US–China relationship. At no time therefore has the United States appeared to be in more urgent need of a comprehensive and viable China policy, beyond transactional improvisations and power projections. It would have been natural for Trump to build on Obama's policy, by broadening and deepening the political-economic-security agenda, and strengthening Washington's institutional capacity to manage mounting challenges. Across Trump's first two years in charge, essentially the opposite happened.

There remains ample scope for joint efforts and we can only hope for such an era, but the ongoing global power shift will cast an increasingly long shadow, challenging the status quo. US China policy seems set to progress along a slippery slope. Still, containing China is hardly a possibility for the United States. It remains, to rephrase Campbell and Ratner, an outsized ambition. The only option for Washington remains to develop a more ambitious and long-term policy, where engagement and even accommodation, must be central elements.

A major US–China war is hardly inevitable, but confrontations and miscalculations are ever-present risks. Confrontations at sea, with assumed constraints on escalation, appear alarmingly probable. Institutional mechanisms are critical, but so is sufficient trust to enable them to function effectively.⁴²

Notes

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