

## U.S.-China Relations

### Contending with the Rise of China

#### Build on Three Decades of Progress

#### Background

China's power is growing rapidly, as its economy expands at about 10 percent annually. Corporations see China's cost-effective manufacturing base and massive new consumer market as keys to survival, while countries rich in natural resources see the Chinese market as a key to prosperity. China's leaders and diplomats are translating economic clout into global political leverage. And their military, the People's Liberation Army, is gradually gaining impressive strength.

The next Administration will engage China during a critical phase in that country's power trajectory. Economically, we already share an uneasy codependence. Militarily, the projection of Chinese military power eastward will bump up against existing American deployments. Politically, China's authoritarian system remains at odds with American liberal democratic values. American suspicion that China's rise challenges U.S. leadership in East Asia combines with Chinese concern about U.S. intentions to create a climate of uncertainty. If we treat China as an enemy, we will acquire an enemy; but if as a friend, we will gain in friendship.

#### Recommendations

The next President should embrace the strategy of engagement initiated by President Nixon and sustained by all his successors to date. Presidential candidates should avoid tendentious condemnations of China and instead signal their intention to develop a personal relationship of trust with their Chinese counterpart soon after taking office. Specifically, the next President should:

- convince Chinese leaders that they can best promote their country's national interests by working in concert with the United States and other great powers to meet challenges to international peace and security, for example, by cooperating to restrain Iranian and North Korean nuclear arms development
- further China's integration into the network of international organizations and regimes and facilitate China's contribution to their future evolution
- encourage Chinese economic reforms that will foster a stronger foundation for equitable two-way trade and investment ties with China



- act to modernize the Asia-Pacific security structure to assure the United States is not excluded
- actively promote Chinese cooperation on energy issues
- lead in building a domestic consensus supporting his or her China policy

At the same time, the new President should tread gingerly in the field of human rights, while remaining true to core U.S. values, and with respect to China-Taiwan relations. Finally, Presidential candidates should expect to be tested by unforeseen developments surrounding the 2008 Summer Olympics in Beijing.

## **Key Facts**

- China has experienced a 10 percent annual economic expansion
- China's *per capita* GDP stands at only \$1,600
- China also faces the challenges that include an aging population and high dependent-to-worker ratio and relocation of 10 to 13 million people a year from the countryside into the cities

A full version of this paper, as well as supporting background material, is available at [www.opportunity08.org](http://www.opportunity08.org).

## **About the Authors and the Project**

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