

# LOOKING BEFORE WE LEAP: WEIGHING THE RISKS OF US-CHINA DISENGAGEMENT

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## **EXECUTIVE SUMMARY**

Foreign F af brookings

In recent years, American views of China (especially in elite opinion circles) have grown increasingly antagonistic. Though in part attributable to China's behavior and to the policies of the Trump administration, these shifts in U.S. thinking reflect a larger unease over the implications of Beijing's emergence as a global power, with China seen as an ever-larger danger to American commercial, political, and security interests. To many, the defining question is no longer how to manage relations with China, but how to counteract and (if possible) impede China's advance to major-power status.

The political right and left in the United States have both long hewed to antagonistic views of China, though for very different reasons. The far more pronounced shifts in thinking now emanate from intellectual constituencies and commercial interests in the center of U.S. policy debate. By default or by design, centrist opinion now aligns with sentiments in the Trump administration and on the right and left of the political divide, with all arguing that China's policy goals and strategic intentions are increasingly malign.

China's economic and technological emergence and the leadership's reversion to a state-dominated economic strategy have been the focal point of much U.S. policy debate. The more dire views see China's advance leading ineluctably to the weakening of American power and the displacement of the United States from regional and ultimately global leadership. In this pessimistic assessment, these power shifts warrant a decoupling between the world's two largest economies and a parallel effort at strategic separation.

Amidst the torrent of grievances voiced in the United States, there has been very little attention to where an adversarial stance toward China could lead. China is now the world's lead trading state, deeply integrated in supply chains involving U.S. allies and partners. It is increasingly active in infrastructural funding across Asia, Africa, and Europe, including as a multilateral lender. Its products (including in some high-technology sectors like telecommunications) are competitively priced and welcomed in global markets. Perhaps most important, there is no meaningful support outside the United States to exclude China from an ever-larger role in global and regional economics.

Should the Chinese elite and mass opinion conclude that the United States is intent on denying the China its rightful place in global affairs, no one should expect Beijing to be compliant or submissive. At the same time, none of China's neighbors, even those uneasy about the growth of Chinese power, want to be caught in a struggle between the U.S. and China.

For both Washington and Beijing, the patient rebuilding of a rules-based order, not the assertion of unilateral advantage by either, remains the only credible path forward. Rather than mirror-image Chinese xenophobic or paranoid behavior, the United States should insist on reciprocity in the relationship to promote openness, move aggressively to open China's markets, welcome Chinese visitors and researchers, and defend our allies. The United States also needs to fix its own broken domestic politics and mitigate the downsides of globalization at home to diminish the gratuitous scapegoating of China. Without such efforts, the region and the world will inevitably move toward open-ended rivalry, or worse—from which no country, including the United States, can possibly benefit.

#### INTRODUCTION

Over the past decade—but especially since Xi Jinping assumed leadership in 2012—China's politics and foreign policy have displayed very disquieting behavior, raising questions about what its rise as a major power portends. Rather than assurance and increased tolerance at home and restraint in the exercise of power abroad, China has moved in regressive directions, suppressing pressures for domestic change and raising deep concern about its policies toward the outside world, including relations with the United States.

China's conduct seems highly contradictory. Since joining the World Trade Organization (WTO) in 2001, it has vaulted to second place in the ranks of the world's economic powers. It is now the world's largest trading state, and it pursues ambitious infrastructural goals across much of Asia, Africa, and Europe.

Chinese leaders claim they are unabashed advocates of globalization, but they favor subsidized state-owned enterprises at the expense of the private sector, which accounts for most of the country's rapid advance. Despite pledges to enhance marketization and openness, the leadership moves at a glacial pace in both areas and has yet to fulfill obligations to level the playing field for foreign firms seeking a larger role inside China.

In the military domain, China has been engaged in a substantial buildup of capabilities seen as challenging to the United States and threatening to China's neighbors. It has thus far refrained from initiating military conflicts. But its establishment of small bases on disputed islands in the South China Sea, its incrementally more threatening language and exercises directed against Taiwan, and its ambitious deployments of new capabilities in the western Pacific and beyond have led analysts to ask whether Beijing's military restraint can be assumed in the longer term.

China's behavior toward many of its own citizens is even more disturbing. Beijing exhibits a narrowness of vision and self-protectiveness, at the same time warily eying America's increasingly stark and threat-driven characterizations of relations with China. The mass incarceration of Uighurs in the guise of "re-education" in Xinjiang, the suppression of critics within the Communist Party, widespread surveillance of Chinese universities, curtailment of Chinese media, and severe restrictions on the role of foreign NGOs reflect heightened fear and insecurity, not a self-confident China aspiring to enhanced leadership in global and regional affairs. These issues pose fundamental questions about China's role as a major power, and how the United States should approach this future.

The most disruptive and unpredictable American presidency in memory renders these tasks far more difficult. President Trump displays scant regard for the efforts of his predecessors to build an equitable global and regional order. He is openly contemptuous of the multilateral agreements that have been the primary building blocks of international peace and prosperity for decades. At the same time, his protectionist policies and his transactional approach to relations with close allies and partners make international collaboration far more difficult to pursue.

However, the underlying sources of Sino-American estrangement run much deeper than the president's tweets and angry outbursts. Americans outside of government voice growing concern about China's conduct in numerous areas—including trade, telecommunications technology, a state-dominated economic strategy, Beijing's infrastructural investments across Asia and beyond, heightened internal repression, its military advances, and inconsistent adherence to global norms.

Most of these concerns are tied directly to presumptions about the inevitable advance of China's economic and technological capabilities. However, leading Chinese researchers acknowledge that the past growth model that propelled the economy forward is no longer sustainable. The divide between the dynamic coastal regions and the laggard performance of interior provinces and the northeastern rustbelt continues to widen, without a viable strategy to alter it. Economic planners continue to seek a way out, but have yet to find it.

Amidst China's problematic internal economic prospects, the Trump administration has concluded that China's economic advancement poses a direct threat to the United States. The administration's imposition of tariffs on Chinese exports (and retaliatory measures by Beijing on U.S. exports to China), major U.S. restrictions on Chinese purchases of U.S. microchips, the slow-rolling or outright cancellation of visas to the United States for Chinese scholars, and heightened surveillance of ethnic Chinese scientists and graduate students all manifest sharp and disturbing alterations in U.S. policy.

## AMERICA'S POLICY CHOICES

In broad terms, three potential approaches to China's emergence as a global and regional power present themselves to the United States. The first presumes essentially unqualified acceptance of China's rise to major power status, premised on the expectation that the United States and China can somehow agree on a new equilibrium of power.

The second posits the need to fully analyze the factors underlying China's pursuit of wealth and power and the parallel need to influence Beijing's future behavior, in close consultation with America's allies and partners.

The third assumes the inevitability of an existential clash of American and Chinese interests, necessitating open-ended competition with China in all dimensions of national power. It posits the necessity of decoupling the two economies and disengaging wherever possible in other domains, including professional, scientific, academic, and military cooperation and exchanges.

The Trump administration has opted for the third approach, which puts the United States on a very risky course. Even more troubling, much of the foreign policy establishment seems to have largely endorsed the administration's policies. However, in recent weeks some contrary voices, notably in an open letter in the Washington Post signed by more than 150 foreign policy experts (including the authors of this policy brief) have pushed back against these views.<sup>1</sup> Susan A. Thornton, the former acting assistant secretary of state for East Asian and Pacific affairs, has also dissented at length from administration policy in an important essay in the Foreign Service Journal.<sup>2</sup>

For more than four decades, both Republican and Democratic administrations have sought to develop constructive relations with China. The Trump administration, cheered on by the foreign policy establishment, appears intent on negating these possibilities. The United States thus confronts the prospect of a badly tattered relationship with China, without a safety net and, seemingly, without much consideration of where estrangement could lead.

# ENGAGEMENT'S CRITICS: WHAT THEY WANT AND WHY THEY WON'T GET IT

China's critics seem to believe that American diplomacy with our most important allies and partners will be unable to advance U.S. interests as Chinese power grows. This is demonstrated by a transactional approach to alliances that treats them as disposable, the threatening or punishment of allies and partners with different views of reliance on Chinese technology, and America's withdrawal from the Trans-Pacific Partnership. The critics presumably expect that a far harsher unilateral policy will elicit more pliant behavior from Beijing, or perhaps a weakening and collapse of its political and economic system.

Animosity toward China is not a new phenomenon in U.S. politics. Security hawks, human rights advocates, and political opponents of free trade are all in common cause, each for their own reasons. The more significant changes in thinking have occurred among centrists in the China policy debate. Business and intellectual constituencies that long supported closer ties have gone largely silent or have altered course. By default, if not by design, centrists are increasingly aligned with the political and bureaucratic forces that demand, at a minimum, far greater pushback against Chinese actions or even outright disengagement.

America's alienation from China is also linked to our domestic problems and policy dysfunction within the United States. But China is not responsible for America's decrepit infrastructure, the immigration crisis, glaring income inequality and inequities in the tax system, ballooning budget deficits, or the failure to invest in the training and education of the future U.S. workforce. These are almost entirely problems of America's own making, and a deepening U.S.-China divide will not solve them. In Pogo's timeless observation, we have met the enemy and he is us.

In addition, there are growing calls to stymie and/ or (in more ambitious versions) to reverse what until now has been China's increasing centrality in the global economy. Since its admission into the WTO, China has been the primary engine of global economic growth. But there is mounting American unease about China as a fully-arrived economic power, triggering arguments favoring technology denial and economic decoupling. In part, this is a reaction to Chinese mercantilist and protectionist policies, but there is also widespread resentment directed against China and increasing fear of a potential peer competitor.

Widespread disaffection with the effects of globalization also explains the sharp change in American attitudes. China is deemed the principal villain of this narrative. In earlier years, economic changes inside China were widely expected to result in a more open and tolerant system. China's internal development and domestic reform, combined with its admission into the WTO, were seen as major pluses for American interests and for global economic well-being. An advancing and more prosperous China, even one imbued with convictions about restoring China to the glories of a long-ago past, was long viewed as a much safer wager than China remaining backward and isolated.

Some analysts also contend that a deepening bilateral divide could rescue the internationalist foreign policy that the Trump administration seems determined to dismantle. But this presumes that some of China's major trading partners (many of whom are pivotal U.S. allies) are prepared to distance themselves from Beijing. Many have legitimate objections to Chinese commercial practices and the leadership's overbearing political conduct, but there are few if any takers for a larger strategic separation. To pursue a policy of disengagement from China without allies or partners is a road to nowhere.

Advocates of strategic separation nonetheless see it as feasible and necessary. The paradigm for the division of the world into a presumably large pro-U.S. camp and a presumably small pro-China camp is reminiscent of U.S. strategy during the Cold War. But this stroll down memory lane is little more than a forced and deeply flawed analogy to a bygone era. China's international conduct bears little comparison to the Soviet Union. It does not pursue comparable imperial ambitions or engage in proselytizing beliefs. Moreover, China is now a major force in the global economy, and the Soviet Union never was. The Cold War entailed a stark ideological and military divide in the center of Europe, with equally consequential reverberations across Asia. By contrast, China does not have satellite or lackey states in an imperium. But it does seek acknowledgment and legitimation of its reemergence on the world stage, which should surprise no one.

Internal decisions and domestic forces have driven China's economic advances, not a surreptitious photocopying of the U.S. economy. These have included an unprecedented opening to the outside world for trade, investment, ideas, overseas Chinese participation, and marketization all begun under Deng Xiaoping in 1978. This strategy has also featured massive infrastructural investment; the training of ever larger numbers of welleducated, hard-working citizens, the emergence of a globalized highly talented entrepreneurial class; and the development of a consumer-oriented middle class that, according to official Chinese data, already numbers 400 million. These are incontestable facts.

The question is what comes next in China's development process, and America's ability to affect it. The United States long admired China's economic and societal transformation, but now seems to have concluded that a less successful China would be more to America's liking.

### **DESPONDENCY AND ALARM**

Much of the U.S. policy debate about disengagement and decoupling is focused not on what could happen within China, but on what American commentators see as the undermining of the U.S. global strategic position. China appears on the cusp of emerging as a dual-capable—security and economic—major power whose aggregate capacities will in coming decades challenge that of the United States. Pessimists believe China's advances will result in the weakening of American power, and that China could ultimately supplant America's postwar dominance of global politics, economics, and military power. They contend that this threat must be stifled by detaching China from the major developed economies and by greatly heightening a looming military rivalry with China.

In a memorable 1967 essay in *Foreign Affairs* that prefigured his subsequent opening to China, Richard Nixon warned of the dangers of China remaining in "angry isolation" from the rest of the world.<sup>3</sup> That era has passed. China is neither poor nor weak. But the wisdom of Nixon's observation remains relevant today.

The United States seems to be on a path, whether by design or by accident, to recreate China's "angry isolation" that Nixon decried. It openly seeks disengagement with the apparent hope the Chinese will find themselves without friends and fewer trading partners. This is an even more perilous path than the one that Nixon warned against, since we now face a powerful China that can do real damage to others.

The Trump administration is closely aligned with and actively encourages these alarmist sentiments. The president and many of his senior advisers view the growth of the Chinese economy and the U.S.-China trade imbalance in highly malign terms. They contend that China, from the outset, was intent on stripping the U.S. heartland of its industrial base, copying or outright stealing U.S. technology, flooding the U.S. market with lower-priced consumer goods, and running massive trade surpluses that amounted to "stealing" ("raping," in candidate Trump's terminology) American assets.

These views contributed directly to Donald Trump's election as president, but they are not appreciably different from arguments put forward by many leading Democratic politicians. Republicans and Democrats alike seem to be implying that they would prefer that China had never emerged as the world's leading trading state. They contend that the cure for America's diminished standing and for China's enhanced power and stature is not to up our game but instead to drag China down. Taken to its logical conclusion, one that President Trump has suggested privately, the best trade relationship with China would be no trade at all, since there would no longer be a U.S. trade deficit.

Both ends of the political spectrum are thus joined in a shared alienation from China, though for different reasons. Those on the left see an illiberal China intent on exploiting its increased wealth and power to challenge the liberal international order, repress ethnic and religious groups and dissidents at home, and hollow out U.S. manufacturing through production by lower-priced labor. The political right has an even more malevolent view, some with ugly racial overtones. Those on the hard right believe China not only is intent on dominating the western Pacific and expelling the U.S. military from the region, but ultimately on world domination.

Public statements by senior Trump administration officials echo these themes, including claims that China as a non-Western major power of different ethnicity poses a unique and heretofore unprecedented threat to the United States. These arguments are dangerous, historically ignorant, and profoundly offensive across all of Asia. But they have contributed directly to advocacy in the executive and legislative branch to a "whole-ofgovernment" strategy that seeks to inhibit China's continued advance.

Both left and right have also seized on China's "influence campaign" in the United States. Critics suggest that America is vulnerable to subversion by Confucius Institutes teaching Chinese language and culture on campuses, seduced by Chinese money funding academic and research institutions, oblivious to Chinese spies disguised as students, and even lulled by special advertising supplements in American newspapers.

The intimation of subversion is especially pernicious, with ominous echoes of the "loss of China" arguments that poisoned American policy in Asia for decades. These accusations cast suspicions on hundreds of thousands of Chinese students in the U.S., and on institutions that have sophisticated safeguards to prevent undue moneyed influence. These controversies have recently resulted in the dismissal of ethnic Chinese cancer researchers (in several instances, including U.S. citizens) from prestigious positions in American medical institutes, after years of facilitating close cooperation between scientists in both countries.<sup>4</sup>

The U.S. government, particularly its security institutions, seems to assume a highly gullible American citizenry unable to distinguish propaganda from reality, a disturbing characterization by our government agencies and policy elites. The recent public letter from the president of MIT about the essential role of openness and foreign brainpower in American institutions of higher learning is a much-needed pushback against such alarmism and borderline paranoia. Comparable warnings have followed from the presidents of other leading universities.

## THE REAL CHOICES

American vexations about China often seem more like caricatures than reasoned, evidence-based appraisals. The larger questions concern the realworld strategic choices of the United States. The alarmist camp sees the U.S.-China relationship as fundamentally broken. Its proponents argue that it would be better to separate from China and to discard long-established and sensible areas of cooperation, exchanges, interactions, and communications, and to reinvent bilateral relations on the basis of overt hostility.

Advocates of strategic separation might prefer that the rest of the world not have a voice and a vote in the global economic future, but such beliefs are delusional. This begins with China itself, which displays no intention to submit to America's will or to subordinate its long-term future to a capricious and unpredictable United States. Beijing has begun to prepare for the possibility of a protracted trade and technology conflict with the United States. It no longer assumes that the U.S. is intent on productive, equitable relations with China. The short-term damage of such a state of affairs is self-evident, but we also need to contemplate the longer-term prospect that hundreds of millions of young Chinese will become convinced that America is intent on denying China its rightful place in global affairs.

Huawei represents an instructive case. Among the world's largest telecommunications companies and widely admired by Chinese entrepreneurs as an exemplar of creativity and innovation, the firm is now exploiting patriotic sentiment as it faces the prospect of greatly diminished access to the U.S. market.

There are legitimate concerns about Chinese governmental support in facilitating Huawei's success, and any posited security threat from the company warrants careful, fact-based scrutiny and defensive measures. But important U.S. allies and partners do not share the dire assessment of U.S. intelligence agencies and are unwilling to deny Huawei's high-quality and low-cost products access to their economies.

The responses of China's neighbors and America's allies in Asia will therefore prove especially significant. No country, least of all China's immediate neighbors, underestimates the essential importance of long-term relations with the region's most powerful country. All are deeply integrated with and invested in China's economic future, and do not accept an either-or choice in a looming trade war or any effort at large-scale technology denial. Even as some firms that have partnered extensively with China explore ways to minimize perceived risks, these do not alter market fundamentals, and, if anything, could create economic inefficiencies for their products.

At the same time, none of Beijing's neighbors wish to ally with China or to face China alone without the balance of a strong United States. The speech by Singaporean Prime Minister Lee Hsien Loong, a close and loyal friend of the U.S., at the Shangri-La Dialogue in early June made abundantly clear that the region does not welcome U.S.-China confrontation.<sup>5</sup> Even those with long-standing anxieties about China are unsympathetic to a protectionist U.S. administration overtly hostile to free trade and to multilateralism.

### **TARIFF MAN**

President Trump's imposition of tariffs on \$250 billion of Chinese exports to the United States and his threat to levy even steeper penalties on the remainder of Chinese exports amounting to another \$300 billion have inflicted undeniable damage on the Chinese economy, and to a lesser extent on the United States. Though his threats to impose tariffs on all of China's exports to the U.S. were suspended following the Trump-Xi meeting on the sidelines of the G-20 Summit in Osaka, Japan, they are by no means off the table. Moreover, President Trump remains wholly unable or unwilling to grasp how tariffs work, in particular the costs imposed on American exporters and on American consumers.

The intensified politics on both sides make a near- to mid-term breakthrough very unlikely. If anything, the results at Osaka could reinforce Beijing's belief that the primary U.S. intent is to disrupt China's future development and not to arrive at a lasting, mutually satisfactory trade agreement.

Trump's decades-long obsession with trade imbalances animates many of his moves against China. Administration officials believe that heightened pressure to limit Chinese exports and to sharply curtail China's access to U.S. technology will compel major structural changes in the Chinese economy, either by weakening China as a competitor or forcing market-oriented change. But these two goals are in inherent contradiction with each other.

Recent U.S. actions have also strengthened the political hand of Chinese officials advocating for diminished dependence on the U.S. market and increased movement toward autarky in key sectors

such as information technology. They have also triggered widespread nationalistic sentiment fanned by over-the-top Chinese propaganda that the longerterm U.S. goal is to weaken and destabilize China. Moreover, they have not diminished the American global trade deficit, merely shifting it to other supplier and surplus countries.

Chinese officials grasp that a prolonged trade war amidst increasing domestic economic vulnerabilities could readily impose more pain on China than on the United States. Rather than narrow the disputes between the two countries, the United States has opted to deepen and escalate them, with China's cutting-edge industries increasingly in America's crosshairs. But Beijing might calculate that if push comes to shove, the state's financial assets provide it options that the United States does not possess.

The repercussions on both economies and on the countries of East Asia are only beginning to be felt. Across East Asia, various countries (including major U.S. allies) are critical nodes in an ever more integrated regional supply chain. The entire region views the prospect of being caught in the undertow of a deepening technological and trade divide with genuine dread. They will not readily forgive the U.S. for trade actions that undermine their own economic growth, which disruptions of supply chains assuredly will.

## **CHINA'S MULTILATERAL INITIATIVES**

The growing interdependence between China and its neighbors and the rest of Eurasia is fueled by more than integrated regional supply chains, bilateral trade, and investment. China's development of multilateral initiatives adds a major new element to this picture. Establishment of the Asian Infrastructure Investment Bank (AIIB) demonstrates Beijing's readiness to show leadership in Asia that directly advances internationally shared development goals. The AIIB's structure and governing arrangements rely heavily on World Bank and Asian Development Bank precedents and experiences. The new bank's goals are wholly complementary with those of existing multilateral institutions, not a challenge to them. On the other hand, the Belt and Road initiative (BRI), Xi Jinping's signature economic proposal, presents a more complex mix of potential benefits and costs. Making a virtue of necessity, it provides China a means to offload excess industrial commodities and sustain China's comparative advantage in infrastructural development with needier states. Yet it remains laden with uncertainty and downside risks, especially as China confronts the consequences of underfinanced development projects. It is also deeply unpopular at home, with citizens voicing objections to projects that deny resources to domestic needs.

Beijing is nonetheless prepared to pursue projects for which American companies and the U.S. government have neither the capacity nor the interest to undertake. BRI continues to find favor in dozens of countries, despite American warnings to others to avoid entrapment in Chinasponsored development projects. States with limited or nonexistent means to undertake major infrastructural tasks view these opportunities very differently. The value they place on American advice matches the economic infrastructure and development aid that the U.S. offers, which in recent years has been altogether unimpressive. The old adage that you can't beat something with nothing applies here.

The U.S. nonetheless persists in characterizing BRI in very ominous terms. Senior U.S. officials view it as a strategy designed to undermine America's global strategic position, destroy the sovereignty of other states, and exercise increased control over major seaports and transportation hubs.

However, this misconstrues the primary motivations underlying BRI, which in virtually all cases are commercial rather than military. (Pakistan is a singular exception, in as much as Beijing has long deemed close relations with Islamabad a vital strategic interest.) U.S. critiques ignore the fact that China's partners in BRI projects have agency and make decisions based on their own interests and needs, not with a gun to their head.<sup>6</sup> Recent speeches by Secretary of State Mike Pompeo and Admiral Phillip Davidson, commander of U.S. forces in the Indo-Pacific region, as well as a major Defense Department policy document, put an explicit national security gloss on BRI. Leaders in Beijing, like virtually all of China's neighbors, appear to regard these characterizations with befuddlement, if not bemusement.<sup>7</sup> Such appraisals serve bureaucratic interests in the Pentagon, but they find little favor with the regional states the Defense Department claims to support.

## **IS THERE A WAY OUT?**

The intensifying U.S.-China estrangement contains warningsigns of political and economic antagonisms that could shape relations for decades to come. Amidst a profusion of overheated critiques, it is not at all clear what the United States expects from China. The Trump administration seems to believe that a strategy based on identifying China as our present and future enemy would better advance and protect U.S. interests. But the administration has barely even consulted with America's close allies and partners about the attendant costs and consequences. It seems so far to be doing much more talking and hectoring than listening.

Nearly everyone in Asia views China's economic, political, and military reemergence as an inexorable trend. Even many who are wary of the growth of Chinese power recognize this reality. Yet the U.S. seems to be suggesting that there is no room at the superpower table for both the United States and China. If Beijing cannot achieve a reasonable accommodation with the U.S., the sentiments within China favoring separation from the United States will only grow, matching American enmity.

The larger risks involve mutual alienation and outright enmity between the U.S. and China that would ultimately dominate Asia's economic and strategic landscape. Rather than curbing and disciplining China's ambitions, it would spur the tendencies that the U.S. and all of Beijing's neighbors hope to limit. The worrisome possibilities include arms buildups, intensified security competition, revived ancient feuds, rising nationalism that would encourage leaders to settle unresolved territorial claims by force, walls between economies, and other avenues for transnational cooperation including against climate change and terrorism. It would also provoke further regressive political movement within China that is already undermining the possibilities of a more tolerant, open system.

To advance goals that nearly all in Asia favor will require the patient rebuilding of a rules-based regional order, not a Hobbesian world in which the U.S. and China face off without rules and the other countries of the region fend as best they can. The latter prospect will also diminish even further the political space for those within China who continue to advocate for a more open system, both at home and in the country's international relationships.

America's building and maintenance of a global rules-based order has been the handiwork of 13 American presidents, beginning with Franklin D. Roosevelt. The framework of institutions and norms-in trade, finance, and investment (through bilateral and multilateral agreements and institutions), security (through the U.N. Security Council, defense alliances, and treaties outlawing or controlling weapons of mass destruction), law enforcement, shipping, Law of the Sea, aviation, health, environment, the uses of outer space, scientific advancement, and patent and copyright protection-covers a vast array of critical issues among states and peoples. The benefits to Americans and non-Americans, not least the Chinese, have been enormous.

A rules-based order absent U.S. power and influence is not sufficient to protect our interests, but with the requisite American strength, it is a huge force multiplier, one which the nations of the region also rely upon and value. The argument advanced today by critics, who deem China an unredeemable revisionist power seeking to destroy or undermine that system, is neither credible nor sustainable.<sup>8</sup> China has indeed carved out unacceptable exceptions on human rights and the South China Sea, justified by claims of regime survival, national sovereignty, and national security, and the U.S. has ample reason to oppose such unreasonable claims. And as noted earlier, China's adherence to WTO rules has been inconsistent and self-serving. The time is long overdue for China to fully acknowledge and accept its obligations and responsibilities as a member of the WTO, from which it has profited so handsomely.

Broadly speaking, however, China is not behaving as a power intent on radical revision of the global rules-based system, but rather on ensuring it has an important role in writing future rules. If the United States is unprepared to undertake the task of defending and modernizing that order, which has served the U.S., China, and the international community very well, it will be incumbent on America's allies and partners to show the way. Without such efforts, current trends could metastasize into a darker and decidedly unwelcome future that will harm all parties, including the United States.

Preserving and modernizing the international order is a necessary but not sufficient element in a sensible China strategy. We need to fix our own broken domestic politics, infrastructure, and fraying social harmony and find ways to ensure that those who suffer from economic change and the effects of global competition are not left behind. The U.S. and its way of life were until very recently an inspiring model for millions of Chinese. We have to reclaim that role, and it is in our capacity to do so. We need to rebuild the U.S.-China relationship by pursuing objectives that serve our interests:

- pushing aggressively on market access rather than focusing on bilateral trade deficits;
- insisting on reciprocity in scholarly and scientific exchanges with the goal of opening China further, not closing the U.S. to Chinese visitors;

- building an open digital world, and providing incentives for China to enjoy fuller benefits of participation and modernization if it opens its own digital market to foreigners and accepts rules and standards applied elsewhere in the world;
- keeping America's doors open to Chinese researchers and students, and facilitating exposure to American institutions, ideas, and practices that respect the rule of law and human rights;
- ensuring that America continues to benefit from the exceptional contributions of Chinese visitors and immigrants to American science, technology, medicine, and the arts; and
- defending our allies and partners in Asia without giving Beijing the impression that we are deploying military forces designed to threaten it.

These are goals with which most Americans agree. None will be achieved in a revived Cold-War environment in which we view China as an incurably hostile and malign foe.

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