The U.S. Debate over Its China Policy

Paper prepared for the 2017 ISA Hong Kong Conference,
June 15-18, 2017, University of Hong Kong
(Please do not cite without author’s permission)

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Abstract

Engaging China, one of the most important US policy since the early 1990s, has been currently called into question. China’s recent behavior, especially in disputes with several of its maritime neighbors, has triggered a rethinking of U.S. policy toward the rise of China. While Washington is immersed in its most intense China policy debate in decades, America’s traditional policy of supporting China’s ascent as a peaceful and prosperous country in order to establish a cooperative relations with Beijing seems to be contested vigorously. In this analysis I take two factors—the power gap between the United States and China and the perception of Beijing’s intention—to be the determinants of America’s policy choice toward China. These factors shape policy choice because they indicate what information scholars consider when they decide about U.S. policy toward China.
The U.S. Debate over Its China Policy

Engagement, the predominant US policy approach toward the People’s Republic of China (PRC) since the Nixon administration, is vigorously contested. By seeking a policy of broadly engaging China, Washington hopes to strengthen reform forces in Beijing and build a mutually beneficial relationship of peace and prosperity. However, China’s more assertive behavior after the global financial crisis in 2008, including Beijing’s harsh oppression of domestic dissent, its discriminatory economic policy against foreign companies, and its aggressive posture toward neighboring countries over maritime disputes, has led many American academics to reconsider the current approach and propose alternatives.1 The present U.S. debate over China is not new, and certainly will not be ultima ratio. Yet scholarly assessments of China’s power and its intentions are more diverse than before. The result is more evenly separated policy options among continuing engagement, accommodation, competition, and containment. This has divided American scholars over what the country’s most desirable policy toward China should look like.

This contemporary debate produces meaningful, albeit competing, interpretations of China’s rise and its implications to U.S. policy. Given that a departure in the U.S.’s China policy from the current course will have a significant impact on not only U.S.-China relations but also on global stability and peace, it is imperative to present an analytic framework for explaining the logic of U.S. policy choices within the debate. This article identifies a pair of dimensions that determine U.S. policy options: the nature

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of China’s intention (status quo or revisionist) and the power gap between the United States and China (huge or narrow). Where China falls in these dichotomies basically dictates what policy choices the United States should make. This framework provides not only a more comprehensive and coherent estimate of each policy alternative within the current debate, but also a baseline for the new government in Washington to formulate an optimal policy toward China.

U.S. China Policy Debate

The American debate over its China policy has often carried on contending policy implications for China’s rise. The debate generally has two components. The first focuses on China’s power relative to that of the United States and implicitly assumes that Beijing’s intentions are uncertain, if not irrelevant. Furthermore, it can be assumed that a shift in the balance of power between the two countries is expected to cause a change in U.S. policy toward China. The second component emphasizes discerning China’s intentions toward the existing world order set up by the United States—whether China chooses to follow a revisionist approach or is keen to maintain the status quo serves as a determinant of any U.S. policy response. The two components have driven much of the debate about the U.S.’s China policy since the end of the Cold War. For example, the containment school vows to avoid an increase in China’s relative power vis-à-vis the United States; the engagement school believes that continuing contact would conceive Beijing’s intention in maintaining the international rules and norms.2

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Differentiating between the two sides has played a significant role in the U.S. policy selection between competitive and cooperative policies toward China.

Such a power/intention distinction does not mean that the two are mutually exclusive, however. A combination of engagement and containment policy, dubbed “congagement,” was first devised during the Clinton administration and sought to promote cooperation with Beijing while hedging against the possibility of aggression by China. Indeed, the two schools could be complementary in practice. By expanding contacts with China, Washington could encourage Beijing to become a “responsible stakeholder” in the international system and demonstrate the power advantage it has enjoyed to dissuade China from challenging U.S. interests. As a result, previous debates were less about whether Washington should engage or contain Beijing, but more about how deep any level of engagement should be. Engagement has become the primary basis for U.S. policy that not only helps facilitate China’s rise but also hope to eschew the dangers of self-fulfilling prophecy.

The current China debate, however, is marked by sharp disagreements over the prospects of China’s rise as well as its long-term intentions. Measuring China’s relative power vis-à-vis the United States has been a puzzle to many observers. Some argue that the balance of power will be tilting toward China. Others are skeptical about the sustainability of China’s rise. Even though most recognize that China’s strength has certainly been enhanced coming out of the financial crisis, evaluations of Beijing’s intentions are far less clear-cut. Despite this, much attention has been paid to an array

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3 Zalmay Khalilzad, Abram N. Shulsky, and Daniel L. Byman, United States and a Rising China: Strategic and Military Implications (Santa Monica, CA.: RAND, 1999).

of motivations behind China’s recent aggressiveness, with the debate on whether Beijing is harboring a defensive or expansive approach remaining a contentious issue. Such competing and conflicting views not only indicate inherent difficulties in analyzing a rising power, but also illustrate great uncertainty generated by China’s ascent.

It is thus useful to distinguish the current debate along the two dimensions: whether China intends to follow a revisionist approach, or is keen to maintain the status quo, and whether or not China will close the power gap with the United States. The intention dimension distinguishes between revisionist and status quo objectives. The power dimension on the other hand posits contrary views of the power balance between the United States and China. In terms of these dimensions, Figure 1 categorizes U.S. policy options derived from this debate: they are continuing engagement, accommodation, competition, and containment. In the intention dimension, continuing engagement and accommodation assume that China’s long-term ambitions are certain to be limited; competition and containment assume that they are necessarily expansive. In the power dimension, continuing engagement and competition are premised on the continuity of U.S. power superiority over China; accommodation and containment believe that time is on the side of the PRC. The distinctions drawn between these alternatives allow for a more focused and coherent discussion of U.S. policy response to meet the challenge posed by China.

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Continuing Engagement

Ever since President Nixon’s opening up to China in 1971, supporters of engagement, including policymakers, former presidents, and prominent academics, have held significant sway over U.S. policy toward the PRC. At its core, the goals of engaging China are threefold: first, to empower economic internationalists in China and elicit more cooperation from Beijing; second, to raise China’s stakes in the liberal world order and broaden its domestic support for political reforms; and third, to reserve the possibility of the use of force should engagement fail and help China become a more threatening adversary. In this respect, Washington hopes that constraining and even transformative effects may arise from continued contacts with Beijing, even during times when relations between the two capitals have become highly strained.

Adherents of engagement start from the premise that Beijing’s intentions are defensive and U.S. military power will remain superior to that of the PRC. They assume that China’s ambitions are unlikely to go beyond current claims of specific territories.

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not under its control, primarily Taiwan.\textsuperscript{8} They see no reasons why China would overthrow the existing international order, one that it has benefited from for a considerable amount of time.\textsuperscript{9} Although they do not rule out the possibility of China’s attempts to offset U.S. military power in East Asia and elsewhere, they think that Beijing “currently seems to lack the capability and intention to do so.”\textsuperscript{10} For example, according to Michael Swaine, “neither China’s existing grand strategy nor public PRC policy documents, statements, and formal policy actions provide conclusive evidence of such fundamental strategic hostility or any accompanying commitment to undermine or replace U.S. power.”\textsuperscript{11} Even if Beijing’s intentions were to change in the future, the U.S.’s military dominance will be able to meet any challenge posed by the People’s Liberation Army (PLA).\textsuperscript{12} Given the vast power gap between the two countries, China’s rapid rise would not demand a dramatic shift in U.S. engagement policy anytime soon.

For defenders of continuing engagement with China, however, policy adjustment is needed in response to Beijing’s increasing assertiveness at home and abroad. As an intensifying security dilemma is developing due to China’s rapid military buildup, more engagement is warranted. China’s increasing military assertiveness is blamed on the U.S. failure to deepen engagement with the PLA.\textsuperscript{13} In order to achieve mutual

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\item \textsuperscript{8} Donald Gross, \textit{The China Fallacy: How the U.S. Can Benefit from China’s Rise and Avoid Another Cold War} (New York: Bloomsbury, 2012), 32.
\item \textsuperscript{10} Thomas J. Christensen, \textit{The China Challenge: Shaping the Choices of a Rising Power} (New York: W. W. Norton, 2015), 65.
\item \textsuperscript{12} Swaine, \textit{America’s Challenge}, 182.
\item \textsuperscript{13} Swaine, \textit{America’s Challenge}, 339.
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restraints and reassurance, Washington should address Beijing’s concerns on U.S. arms sales to Taiwan, surveillance patrols in Chinese waters, and U.S. military postures in the Western Pacific. The goal is to persuade Beijing to avoid the mistakes of Wilhelmine Germany in the period running up to World War I. As a result, the preferred alternative to the current policy of engagement is not its replacement, but rather its reinforcement.

It should be noted that some in the engagement camp propose a two-pronged approach. While engaging Beijing, Washington should also deepen its engagement with U.S. allies and other partners in the region. Others suggest that the United States should require more explicit quid pro quo on the part of the PRC. David Lampton, for example, advises Washington to ask Beijing to get tough on Pyongyang, open appropriate access for American journalists, and respect U.S. interests in freedom of navigation. In this respect, an updated U.S. engagement policy will become more conditional and demand more reciprocity in its deepened interdependence with China. Nevertheless, others come to see the effect of U.S. engagement with China, no matter how it would adjust, as likely to wane. As China has grown stronger, they speculate, Washington has no choice but to accommodate Beijing’s interests.

**Accommodation**

Proponents of accommodation, like their engagement counterparts, hold that Beijing’s long-term ambitions are limited, but they believe that the shifting distribution of power is ultimately tilting toward the PRC. They often characterize China as an insecure, non-revisionist state which is motivated by the need to offset U.S. military superiority to defend its national security or territorial integrity. As Charles Glaser notes, “China will become more determined to fully achieve its current sovereignty claims, but not adopt non-security goals that would drive more ambitious territorial expansion.” 18 Lyle Goldstein shares the same perspective because China “has no military bases abroad; nor has it resorted to a large-scale use of force for more than three decades.” 19 Therefore, the main factor differentiating the options of accommodation and engagement is their different prospects of US preponderance.

Unlike the engagement camp and its premise on the durability of the U.S. predominance, the accommodation camp is concerned not whether, but how soon China’s strength will surpass that of the United States. Economically, China is rapidly approaching the U.S.’s economic size by conventional measures. What’s more, strategically, China is pursuing military modernization across air, sea, space, and cyber domains. Moreover, China’s military spending has increased steadily since 1999, increasing relative to that of the United States which since 2009 has been reducing its defense spending to help address its fiscal deficits. Given its relative decline, the United States should focus its constraining resources on domestic issues and economic welfare.

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The accommodation option aims to avoid a potential conflict during the Sino-U.S. power transition. This alternative suggests that Washington should accommodate the rising power while it can, thus demonstrating its benign intentions and contributing to cooperation and peaceful coexistence between the two powers. In particular, Washington should tone down its existing security and alliance commitments in East Asia, especially regarding Taiwan.\textsuperscript{20} Lyle Goldstein further argues that the United States should concede a sphere of influence to China by retreating from its military presence in the Western Pacific. By satisfying China’s “legitimate” demands, Washington could make Beijing more willing to uphold the existing international order and respect the interests of the United States and other countries.

With regards to China’s growing assertiveness, the accommodation camp would advise Washington to share its power and leadership with Beijing. For example, Hugh Whites provides a notion of the “Concert of Asia” which include the U.S., China, India, and Japan to jointly maintain regional peace and stability.\textsuperscript{21} In this respect, proponents of accommodation assume that the Chinese leadership would react to U.S. concessions positively and cooperatively, rather than misinterpret Washington’s moves as a sign of weakness. However, if Beijing’s intentions are instead hostile, then efforts at accommodation would only drive China’s appetite for power, making an eventual clash with the United States even more likely. Under such a condition, the United States needs not to compromise its capacity but to check China’s capabilities, as suggested by the competition camp.

\textsuperscript{20} Glaser, “A U.S.-China Grand Bargain?”

Competition

Proponents of competition, like those in the engagement camp, are confident in the U.S.’s continuing leadership in economics, military capacity, and technological development. However, they view China’s authoritarian regime, diplomatic outreach, and power projection capabilities with deep skepticism. For example, Michael Pillsbury, former Assistant Under Secretary of Defense during the Reagan administration, argues that China’s efforts to reach out to both U.S. allies and enemies “contradict any peaceful or productive intentions of Beijing.”22 Aaron Friedberg sees Chinese leaders’ desire to seek regional hegemony at the expense of the United States as largely “a by-product of the type of political systems over which they preside.” Nevertheless, “the enormous advantages that the United States now enjoys…will continue…in a long-term strategic rivalry with China.” 23 While recognizing China as a strategic competitor, the competition camp maintains that U.S. military supremacy will remain sufficient to counterbalance potential Chinese coercion and aggression.

The competition camp generally disputes the prospect of China catching up with the United States. They believe that China’s rise will inevitably be thwarted by a number of internal obstacles—rampant corruption, an aging population, and unsustainable economic growth, just to name a few.24 In their view, China’s absolute advance, as well as the U.S.’s relative decline is exaggerated by the accommodation camp. The day for China’s century may come, but it is not here yet. It would be

premature to adjust U.S. policy now to account for an illusion of a Pax Sinica. On the other hand, the competition camp questions the continuing merits of engaging China. They see few tangible results in bilateral cooperation because “the ideological gap between the two nations is simply too great.” Instead, they favor “better balancing” or “strategic pushback” in response to China’s growing aggressiveness.

What underlines the competition option is the traditional realist conception of the balance of power. This alternative is not a full-out confrontation with China. Rather, it aims to preserve a favorable balance of power until “the eventual liberalization of China’s domestic political institutions.” Supporters of competition emphasize the need for a long-term strategy for economic, military, and technological competition with China in order to sustain U.S. preeminence. Accordingly, Washington should revitalize its own economy, bolster its political and military presence in the Western Pacific, and support the rise of other Asian powers, such as Japan, India, and Australia. Moreover, the United States should mobilize local security alliances, encourage U.S. allies to share more defense burdens, and impose restrictions on technology exports that will enhance China’s military capabilities. Alongside competitive policies within the strategic realm, however, they also advise diplomatic engagement with China as a means to promote democracy, regional cooperation, and international norms. In Ashley Tellis’ words, it is “balancing without containment”—to balance against China’s rise

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while continually encouraging Beijing to stay on the course of peaceful development.\textsuperscript{29}

The competition option does not assume a conflict with China is inevitable. However, nor does it assume that maximizing US engagement with China will reduce the likelihood of conflict. In this regard, the U.S.’s China policy must be calibrated toward the nature of competition, not mistaking a competitor for a friend, a partner, or an enemy—David Shambaugh labels this approach as “competitive coexistence.”\textsuperscript{30} Nevertheless, if American intellectuals become convinced that the balance of power has shifted to China’s favor, then more confrontational and hostile policies might be followed in order to curb Chinese power, and war between the two countries becomes a very real possibility, as the containment camp has envisioned.

**Containment**

Containment, the final U.S. policy option toward China, is motivated by a belief that China’s continuing rise is narrowing the power gap across the Pacific. The Chinese economy, already the second largest in the world, is poised to overtake the U.S.’s imminently. More importantly, China’s military modernization is tipping the military balance away from the United States and undermining U.S. commitments and security guarantees to its regional allies. Meanwhile, advocates of containment claim that Beijing’s ambitions will be bound to expand as its power grows. They often cite a new Chinese assertiveness, demonstrated in economic, diplomatic, and military leverages over its neighbors. With each improvement in its relative power to the United States,


Beijing will become more ambitious and try to dominate East Asia by pushing Washington out.31

The containment camp asserts that the United States must prepare for an inevitable conflict with China.32 Unless China’s rise comes to an abrupt end, the United States would oppose the emergence of a specific hegemon in Eurasia, as it has done in the past. They propose policies that would slow down China’s economic growth and limit China’s influence within its present borders. For example, Edward Luttwak suggests a “geo-economic” strategy that would contain China’s economic growth, military potential, and global influence in order to “preserve a tolerable balance of power.”33 According to the containment camp, like the anti-Soviet containment of the Cold War era, the United States should restrict China’s access to resources and foreign markets, construct a balancing coalition against Beijing, and pursue ideological warfare against the Chinese regime. Given that a gain in Chinese power portends a loss in U.S. power and influence, Washington must prevent Beijing from strengthening to such an extent that it could foreseeably challenge the United States for leadership in the Western Pacific.

Like competition, the containment option advises the United States to balance against a rising China, but its approach is fundamentally different—containment focuses on countering Chinese power per se, while competition centers on ensuring


power equilibrium in the region. Containment would allow Washington to preclude cooperation with Beijing and significantly restrict China’s interactions with the outside world. It also makes no illusions on democratization of China or the effect of economic interdependence. Compared to competition, containment favors a strategy of coercion to deterrence, a network of collective defense to bilateral alliances, and mercantilist economic policies to liberal ones. In short, the aim of containment is to create geopolitical counterweights around China’s peripheries in order to prevent further expansion of China’s power and influence.

However, the most challenging problem for containing China is that the United States simply cannot contain the might of a rising China by itself. It requires strong support from U.S. allies and partners in the region, as well as China’s “self-defeating diplomacy abroad.” As a result, the success of a China-oriented containment policy hinges on robust economic, diplomatic, and military leadership of the United States in the Asia-Pacific region.

Summary

The policy alternatives outlined above, based on different assessments of China’s power growth and its long-term ambitions, are more divided than the previous debate that merely differentiated engagement and containment. For example, given engagement’s optimistic prospect of U.S. primacy, continuing this policy would not entail conceding a sphere of influence to China, despite its sharing accommodation’s assumptions of Beijing’s limited ambitions. Likewise, divergence on China’s intention

has led continuing engagement and competition to mandate different approaches toward China through a common position of U.S. supremacy. Still, similar concerns over China’s growing power among advocates of accommodation and containment do not prevent their policy prescriptions from arriving at the opposite direction, due to their contrary views of Beijing’s ambitions. There are serious, even fundamental, disagreements about policy priorities and features, as the assumptions on which they are based are specified.

Notwithstanding these disagreements, all policy options, however, do agree on one crucial point—revitalizing the U.S. economy is essential in its dealing with China’s rise. This serves both the means and the end of the reorientation of the U.S. ’s China policy. From maintaining an American presence in the Western Pacific to withdrawing from the region for the sake of financial sustainability; from protectionist economic policies to deepening interdependence with China; none of the preceding policy prescriptions can do without restoring some vitality to the U.S. economy. The United States must engage in long-term domestic economic renewal by increasing investment in infrastructure and education, and allocating more resources in research and development. It is the most apparent, and perhaps the only, consensus within this China debate.

Conclusion
U.S. engagement with China has for decades reflected a principle of cooperation, a prudence on containment, and a purpose of embedding China into the liberal global order that leads both countries toward greater prosperity and security. This policy, however, has relied on the belief in Washington on Beijing’s commitment to the path of a “peaceful rise,” which is a supposition that has come under severe scrutiny in the contemporary U.S. China policy debate. As the epistemological divide over China’s
power and intentions has widened, so too has a working consensus cemented since the Clinton administration around a policy of engagement. Today, the challenge to American policymakers and pundits in building a new consensus is that policy alternatives differ very significantly in substance.

This analysis accounts for two dimensions of dichotomy—the nature of Beijing’s intentions and the power gap between the U.S. and China—as the determinants of U.S. policy choice toward China among continuing engagement, accommodation, competition, and containment. This framework allows for more focused and coherent discussion of these policy alternatives within the current debate which appears to be more competitive and conflicted than before. The power/intention distinction has been to be able to acknowledge such inherent constraints and dilemmas, and from there making the central analytic issue whether the China debate has moved us at least closer to working out the answers to the questions about US. Policy options.

As U.S. President Donald Trump cements his position in the Oval Office, the future of U.S.-China relations, as well as the health of the Asia-Pacific region, remains uncertain. Unlike a grudging consensus that existed in previous administrations in support of engagement as the primary basis for U.S. policy, the new administration’s China policy appears to be more confusing and even more contradictory in manner. In particular, President Trump seems to believe that the greatest threat to US prosperity and security is China’s growing economic and military clout. His sporadic, and often provocative rhetoric toward Beijing is paradoxically puzzling to outside observers and is undermining U.S. credibility, creating instability in the Asia Pacific where Washington had previously been a stabilizing force.

*Prima facie,* the administration’s discourse seems to fall into the containment camp, which tends to view China as a strategic adversary threatening U.S. interests and economic welfare. Even those voices in the government that express a more positive
outlook toward China and desire a relationship of mutual cooperation, are currently undermined by Beijing’s hostile and troubling acts, such as seizing a U.S. underwater drone in the South China Sea and deploying its aircraft carrier to the Taiwan Strait. In reality, however, the PRC remains vital to U.S. national interests across a range of issues, from economic growth and climate change, to North Korea’s nuclear program. A U.S.-China relationship is not necessarily conflictual. Washington does need, and should seek a constructive relationship with Beijing. Otherwise, even if Washington is to adopt a hard-handed policy toward China, the urgent need for the new administration is to address widespread concerns about “the dependability and reliability of U.S. economic and security commitments in the Asia-Pacific region.”

The stakes of the U.S.-China debate, therefore, are quite high. This article provides not only an estimate for U.S. policymakers to properly interpret China’s rise, but also a baseline for them to formulate an optimal approach toward dealing with the PRC. Given that a hodgepodge of alternatives is a recipe for erratic, incoherent, and unsustainable U.S. policy toward China, it is imperative for the new administration to prioritize its foreign policy goals and enforce them consistently enough for Beijing, as well as U.S. allies and partners, to understand them. The real issue is not only how Washington wants to act but how it can effectively do so, and not just about the United States but also about regional allies and partners, as well as a more objective and rigorous assessment of China’s power and intentions. These aspects are all essential for this China debate to get ahead of the curve.