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**Title** American-Sino Relations: Review

**Description** In the third and final part of this series, Rosemary Foot reviews and critiques the

four factors outlined in the previous episode which could hinder good relations

between the two nations

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R. Foot: In this third and final segment I want to offer a critique of the four themes that I outlined earlier in an attempt to differentiate among those four elements. Which of these four factors that constrain cooperation are the most significant and which are the most difficult to transcend and why? How might we ensure movement away from a cold peace and towards a warm peace - both terms I'll explain later - between these two states. By focusing on these four negative factors I've inevitably magnified the consideration of rivalry and possibly deadly rivalry. But I want to ask whether we can actually be somewhat more sanguine about this relationship.

The first two factors, exceptionalism and decentralised political system are important constraints on developing a close partnership and they will always render negations and their outcomes difficult to sustain without constant attention. Exceptionalism can perhaps be ameliorated over the next few years because of the advent of a new US administration. President Obama may be less subject to exceptionalist sentiments than many of his predecessors. As he put it in April 2009 in response to a question on the topic his pride in the US nation didn't prevent him from recognising and I quote him here "Recognising that we are not always going to be right or that other people may have good ideas or for in order for us to work collectively all parties have to compromise and that includes us." These are unusual statements for a US President and in many ways have already influenced the way his administration has approached China, stressing elements of co-stewardship and partnership.

US treatment of China suggests at the moment a more realistic appraisal that its growing power requires the acknowledgement that it is more of an equal than a secondary state that requires tutelage. This US attitude could in turn help to satisfy China that it is worth and place have been recognised.

The power transition arguments can be criticised I think for a lack of clarity about what to measure and about the consistency. Some aspects of the argument also I think are overblown, power transition ideas tend to exaggerate the threat that China is said to pose to US interests and to global order as well as China's overall strength. For example China's defence spending has certainly been rising very sharply but spending in 2008 was still about one eighth of that of the US.

We have for several years now lived in world were the US defence budget outstrips those of the next 20 countries combined. A report in 2009 calculated US military spending has been at 41.5% of the world total.

Similarly China remains well behind both Russia and the US in numbers of nuclear weapons whereas the US and Russia have about four to five thousand warheads China is estimated to have less than 200. So it is perhaps reasonable to expect China to be cautious about entering into nuclear disarmament negotiations and reasonable to accept its argument that it will not ratify the comprehensive test ban treaty unless and until the US Senate does so.

America's proportion of global GDP at 23% although down over eight years earlier is not out of line with its position at many other times since 1945. The choice of year for the comparison matters a great deal. There are moreover real differences in whether the size of the Chinese economy is measured in terms of purchasing power parity or market exchange rates. Purchasing power parity figures exaggerate China's true economic size, are difficult to construct and are open to significant error.

The choice of per capita or gross figures is also important when considering a hugely populous state such as China. And maybe there are other power indicators that we ought to focus on. Economic competiveness, levels of productivity, numbers of internet host, demographic features, and these all put China in a slightly less favourable light. If we looked at China's rank on the human development index which makes references to issues of longevity, educational attainment, quality of life its rank is 94th out of a 179 countries. So China's rise might be rather more modest than some of the overblown rhetoric seems to suggest.

Beyond such doubts about the metrics used for determining power transition is the larger understanding of what power is and how it is used.

Robert Dahl's often cited definition is that power is the ability of X to make Y do what it would otherwise not do. Power matters in this formulation because if you are the powerful one the assumption is you can produce the outcomes you desire. Probably many of us would agree though that this definition is incomplete, we would accept that power is not located simply in the ability to convert material resources into desired outcomes and we would criticise the notion that there is on a reliable and regular basis a direct relationship between power as resources and its conversion into particular policy outcomes.

Power resides in many different locales in the global system in regional, in global institutions, by norms, rules and law and in actors other than states transnational, domestic advocacy groups, social movements, multinational firms, terrorist groups to name just a few. There are many examples where entities of these kinds have constrained the political choices even powerful state actors prompting them to move along paths they otherwise would probably not have taken.

Both the US and China reside within a dense network of global institutions that can impose some constraints and they raise expectations about appropriate behaviour and if behaviour does not seem appropriate it carries costs. This is especially so I would suggest for a state such as China partly because it is a newcomer in certain respects to the modern global system and thus and because of its resurgence is under intense global scrutiny.

The US government has in the past acknowledged that China is to some degree restrained or shaped by the rules of the system. The most famous statement of this kind is US Deputy Secretary of State Robert Zoellick's speech in 2005. This is the China as responsible stakeholder speech, let me just quote a little bit from it "The China of today" he said "is simply not the Soviet Union of the late 1940's it does not seek to spread radical anti-American ideologies. While not yet democratic it does not see itself in a twilight conflict against democracy around the globe. While at times mercantilist it does not see itself in a death struggle with capitalism and most importantly China does not believe that it's future depends on overturning the fundamental order of the international system. In fact quite the reverse Chinese leaders have decided that their success depends on being networked with the modern world".

Indeed you can find many Chinese statements that underline this belief that integration into international society has been beneficial to China. Including statements in Beijing's January 2009

defence white paper, not a place you would expect to see reference to these things. Zoellick's conclusions reflect the important social aspect of power, power then is also a social phenomenon that rests not simply on compulsion but is also on changing the collective beliefs of others about the way the world works.

While individual policy stances of China may suggest a desire to reform aspects of global order or to alter the range of issues that make it onto the international agenda Beijing is not presenting a well developed radical alternative vision to the current system. It is often a cautious and conservative force but it would be difficult to argue that it has been especially disruptive where US interest have been strongly engaged.

If there were to be a fundamental clash of ideas and convictions and neither side was willing to give way, then conflict would probably result but in its absence peaceful coexistence, perhaps peaceful forms of competition become possible. Nor does East Asian public opinion suggest that China is about to supplant the US as the preferred partner of choice even with shifts in relative power and a wide spread belief that China has the greatest economic influence in Asia.

Not only does this suggest that Beijing is soft power, its alluring qualities are not particularly influential in its own region there are also underlying fears that China might become a military threat in the future.

This latter sentiment means that America's military presence is desired by several regional states that continue to see Washington as an important pillar over the security order. In addition many of the smaller or weaker countries prefer to see a range of states involved in security deliberations in the Asia Pacific this helps to expand their room for diplomatic manoeuvre and it reduces the direct impact of any one states overwhelming, powerful presence.

I don't mean by this critique to imply that there aren't some significant changes in train and these changes do of course relate to China's growing power. China is present in many more global arenas influencing outcomes particularly in the economic and political fields. It is attempting to shift the orientation of its own economy to reduce its dependence on western consumer markets by promoting self trade and investments and its own domestic economy. It will try to diversify its international reserves and investments while shortening the maturity structure of its enormous holdings of US Treasuries. Indeed the primacy of the US dollar may come to an end although I would bet not for a very long while yet.

If you look at the Brazil, Russia, India, China summit communiqué in June 2009 this called for a more diversified international monetary system but this wasn't exactly a ringing call for an immediate or even a medium term shift away from the dollar.

China is more assertive certainly in bodies such as the UN Security Council, it is beginning to have a military impact within its own region and we noted its military presence far from its shores in 2009 when it sent ships to the coast of Somalia to engage in anti-piracy operations.

I would contend though that this isn't a power transition in which China has supplanted the United States as a global actor or has challenged the structures of meaning that Washington has had such a large role in shaping. The uncertainties of the Chinese economic and political system diminish the attractiveness of holding its non convertible currency as reserve assets or as establishing it as a fully fledged security partners. So perhaps we are in the middle of an adjustment period for the US and other previously central major states but we are not in the process of a clear power transition and I think that difference is important to recognise.

The future of global order requires areas of common interest be built on so that changes in material power come to be viewed not as threats but as sources of productive power to achieve goals associated with the global commons. This requires above all dealing with mutual, strategic distrust, my fourth factor.

International relations scholar Charles Kupchan has argued that to transform cold peace by which he means stability based on competition and a mutual deterrence into a warm peace as he defines it stability based on cooperation and mutual reassurance requires that certain demanding conditions have to be met. Strategic restraint, mutual accommodation has to be sustained. Above all parties must reach a consensus on key elements of international order a new hierarchy, basic rules concerning trade and the use of force, procedures for managing territorial change and mutual recognition he says as spheres of influence.

Some of the basic rules concerning trade do seem to have been agreed via participation in The World Trade Organisation even if we have to resort to the dispute resolution mechanism on a number of occasions. Participation in institution arrangements across a wide range of issues have already helped build some areas of constraint in the relationship and I've already referred to that. Aspects of hierarchy are also under negation as seen in the rise of the G20. Prospective alterations in voting rights in bodies such as the IMF any ways of dealing with each other bilaterally with more frequent and sustained institutionalised high level meetings.

If we turn to the use of force and procedures for managing territorial change in US/China relations these have tended to centre on the Taiwan question but this issue has stabilised. It remains an underlying sore of course but it stabilised.

While the idea of spheres of influence seems outmoded anti-democratic and inappropriate in a globalised world in my view the question remains still of how far China would like to go to reduce US influence in the Asia Pacific and how willing Washington is to tolerate China's presence in regions such as Latin America but previously it had not been particularly visible.

Above all there is the troubling military dimension in this relationship. The US Pentagon in particular is concerned about China's military modernisation and strategic intent. It finds China's military strategy to be opaque and Beijing resistant to becoming more transparent about its military plans and development.

China on the other hand views calls for transparency with great suspicion as designed to expose its weaknesses. Pentagon exaggeration of Chinese power in Beijing's view is designed to stoke fears of a China threat. The standoff between the Chinese and American Navies in the South China Sea in March 2009 when Chinese ships harassed a US Navy survey ship exemplifies an area were rules of the game urgently need to be established.

Neither side chose to make too much of this confrontation and it has already been the subject of discussion between the Chinese Foreign Minister and the US national Security Adviser. This was undoubtedly one of several such instances of confrontation which neither side has chosen to publicise; and that is to the good. But were American or Chinese blood to be shed as a result of clashes like these, it could derail any domestic or bilateral consensus that exists on the need for collaboration over critical global order issues.

The largest symbolic importance of these naval clashes is that this most critical of state to state relationships remains stuck for now and for the near future probably, somewhere between a cold and a warm peace or between cooperation and rivalry. On this issue another important issues policy choices are there to be made and rules have to be agreed in areas where they do not yet exist.

The Obama administration has made a useful beginning in its recognition that strategic reassurance is a key to stabilising ties although it is very important that this be recognised as a need for both parties. Were that recognition to be acted upon it would enable movement towards the warmer ends of the cold peace warm peace continuum that I've spoken of.

Exaggerating the extent of China's resurgence and the challenge it poses to global norms or neglecting areas of the relationship that might generate potentially dangerous competition will lead to less positive outcomes, outcomes that we want to avoid.

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