

Sino-US strategic competition and Asia-Pacific security

Wu Xinbo

Throughout 2019, the single most important development impacting on Asia-Pacific regional security has been the intensifying strategic competition between China and the United States. As enunciated in its reports on National Security Strategy and National Defense Strategy released respectively in December 2017 and early 2018, the Trump administration defined China as a major competitor/rival and jumpstarted strategic competition with Beijing. The year of 2019 witnessed the full play of Trump's new strategy towards China: the protracted and expanding trade war, the rising standoff in the South China Sea and in the Taiwan Straits, the unfolding of the US Indo-Pacific strategy and the prospect of the US deploying intermediate-range missiles in the Western Pacific.

The trade war with China launched by the Trump administration in July 2018 quickly escalated to an unprecedented level and extended into 2019. Characterised by escalation, intermittent negotiation and stalemate, the trade war spilled over into the fields of investment,

technology and even cultural and educational exchanges, seriously straining the overall bilateral relationship. While the Trump administration utilises the trade war as an important leverage in pursuing strategic rivalry with China, Beijing senses a determination on the part of Washington to reorient its entire China policy towards a more competitive and confrontational stance. In fact, the trade war and the approach the Trump administration has adopted have brought China's trust towards the US to a historical low. On the security front, Washington has been trying to exert more pressure on Beijing in the South China Sea by conducting more active and provocative Freedom of Navigation Operations (FONOS), strengthening its military presence, encouraging the involvement of its allies and partners, and promoting security cooperation with surrounding countries such as Vietnam, Malaysia, Indonesia, etc. Determined to employ the cost-imposing strategy towards China and to be more risk-taking in the South China Sea, the US military has not only increased tensions but

also raised the prospect of conflict, intended or not, with the People's Liberation Army (PLA) in this region.

On the Taiwan issue, the Trump administration is also pushing the envelope more boldly. For the pro-Taiwan influence within the administration, Taiwan stands as a uniquely important source of leverage in the US strategic competition with China. For those who want to pressure China on trade and other issues, Taiwan serves as a useful and convenient card. Moreover, as Taiwan enters the next campaign season, Washington favours the incumbent leader Tsia Ing-wen and is willing to take necessary measures to promote her chances. In August, Washington announced the sale of 66 F-16V fighters to Taiwan worth a total of \$8 billion, the single largest arms deal in the history of US arms sale to the island. Washington also keeps strengthening US-Taiwan ties by increasing all kinds of cooperation and exchanges with Taipei. The most provocative action taken by the Trump administration is that US Department of Defense's Indo-Pacific Strategy Report treats



China unveiled its new H-6N long-range strategic bomber with aerial refuelling capability at the National Day military parade held in Beijing on October 1, 2019. Credit DEFPOST.

Taiwan as a ‘country’, which signals a deliberate attempt to shift the US policy from ‘One China’ to ‘One China, One Taiwan’. Indeed, Taiwan’s internal political development and the evolving US Taiwan policy are coalescing to foment a serious crisis in the Taiwan Strait.

In June 2019, the Pentagon released the US Indo-Pacific Strategy Report which outlined the goals and approaches of the doctrine. The document defines China as a revisionist power and asserts that ‘[t]he Indo-Pacific increasingly is confronted with a more confident and assertive China that is willing to accept friction in the pursuit of a more expansive set of political, economic, and security interests.’ Indeed, the US Indo-Pacific strategy sets China as the primary target, with its strategic design and means of implementation having a matching focus. The quadruple cooperation among the US, Japan, Australia and India (QUAD) serves as the backbone of the strategy, aimed at dealing with China’s naval activities from the Western Pacific to the Indian Ocean on the one hand, and competing with China’s Belt and Road Initiative on the other. In addition to QUAD, the US also stepped up efforts to engage South Asian countries such as Sri Lanka, the Maldives and Bangladesh as well as the Pacific Islands, in an unvarnished endeavour to check China’s expanding ties with those countries.

Compared with Obama’s Rebalance to Asia strategy, the Indo-Pacific strategy launches geo-political and geo-economic competition with China in a much broader geographical context, while pinning down China as the major target also pushes many countries in the region to choose sides between Washington and Beijing. As the US formally withdrew from the Treaty on Intermediate-Range Nuclear Forces (INF), Washington

has been actively seeking to deploy in the Asia-Pacific region intermediate range missiles (conventional but also likely nuclear) so as to augment its deterrence capability vis-a-vis China. Should this occur, it will seriously undermine the strategic stability in the region and stir up a new round of arms competition. To be sure, China is unlikely to join the US and Russia in negotiating a new version of INF treaty. Beijing may instead respond by further building up its missile arsenal and even reconsider the ‘no-first-use’ position in its nuclear doctrine.

Confronted with the ever-growing strategic competition launched by the Trump administration, including the forging ahead of its Indo-Pacific strategy, Beijing has responded by taking a series of measures to dilute and offset the impact of US actions. First and foremost is the deepening of security cooperation with Russia. In addition to conventional forms of arms transfer and joint military exercises, China and Russia seek to promote mutual military action and coordination. For instance, in July 2019, Chinese and Russian air forces held their first joint aerial patrol in Northeast Asia, involving two bombers from each side. It is reported that Russia is also helping China create its missile early warning system. Meanwhile, China has been actively pushing forward the negotiation with ASEAN member states of the Code of Conduct (COC) in the South China Sea, in an earnest effort to stabilise the situation in the region and improve relations with ASEAN countries. Beijing expressed the hope that negotiation of the COC be concluded by 2021. In July 2019, all parties concerned finished the first reading of the Single Draft Negotiating Text of the COC, marking a major step forward in the COC consultations, in spite of Washington’s repeated warning that the COC negotiation between

China and ASEAN countries should not compromise ‘the third party’s interests’ in South China Sea. Moreover, China continues to make efforts to improve ties with its two major neighbours, India and Japan. In October 2019, Chinese President Xi Jinping went to India for the second informal summit meeting with Indian Prime Minister Modi, following their first informal summit meeting in China in 2018. The two leaders agreed to expand bilateral cooperation while managing their differences more cautiously. President Xi also plans to visit Japan in the spring of 2020, as Sino-Japanese relations remain on a positive trajectory.

To be sure, for many regional countries, US allies and partners alike, it is not desirable to choose sides between US and China. While some of them have to maintain close security ties with Washington, they also need to keep robust economic ties with Beijing. In fact, as China becomes more influential in regional affairs, forging comprehensive relations with China is a must. Just as Singaporean Prime Minister Lee Hsien Loong noted at the 2019 Shangri-La Dialogue, ‘In a new Cold War, there can be no clear division between friend and foe.’ In response to the US-led Indo-Pacific strategy, ASEAN released a paper outlining its own vision of the Indo-Pacific concept, stressing the ongoing need for ASEAN centrality and inclusiveness, and underlining its reservation toward the intention behind Washington’s strategic initiative. The ASEAN Outlook on the Indo-Pacific also proposed to seek cooperation with other regional members in four areas, i.e., maritime cooperation, connectivity, UN Sustainable Development Goals 2030, and economic development, suggesting that ASEAN and China can continue to cooperate in many fields, as they have already done over the years. Growing Sino-US discord has also

cast a shadow over their coordination and cooperation in dealing with the Democratic People's Republic of Korea (DPRK) nuclear issue. Since the first Trump-Kim meeting held in Singapore in June 2018, Washington has turned to diplomatic engagement with Pyongyang to advance the goal of the DPRK's denuclearisation, yet with little progress so far. On the other hand, ties between Beijing and Pyongyang have warmed up quickly following Kim Jong-Un's first visit to China in March 2018. To some extent, the improved atmosphere and growing exchanges between the two countries renders Beijing more influence over Pyongyang, encouraging the latter to continue to freeze nuclear and long-range missile tests, and to seek progress in negotiations with Washington in improving DPRK-US ties as well as pursuing denuclearisation on the Korean peninsula. Nonetheless, compared with the first year of the Trump administration when Beijing and Washington pursued robust and effective coordination and cooperation on the North Korean issue, since 2018, the quality of Sino-US interactions has plummeted as serious frictions arose in their bilateral ties. Given the fact that a long and bumpy road lies ahead for the DPRK's complete



September 25, 2019. Haiyang Shiyou 982. Beijing has deployed a new oil rig in the disputed waters of the South China Sea. Credit Weibo / SCMP.

denuclearisation and the building of a permanent peace mechanism on the peninsula, the lack of well-tuned coordination between the two most important external players only bodes ill for the future.

The Asia-Pacific has entered a period of profound changes set off by shifts in the power balance as well by adjustments of strategy and policy settings by regional players. Managing major power competition and dealing with hot spot issues top the regional security agenda, while Sino-US interactions hold the key. To be sure, competition between Beijing and Washington will continue to unfold and likely intensify, and the challenge for both countries as well as the entire region is how to manage such rivalry. Here are some suggestions. First and foremost, it is imperative for China and the US to delineate the boundary of their competition. For one thing, robust economic ties benefitting both countries should not be decoupled or seriously downgraded, as some hawkish people in the Trump team have advocated. It is very likely that China will emerge as the world's largest economy over the coming decade, so restricting economic relations with China under the logic of relative gains will only cause the US to lose tremendous business opportunities. Moreover, although economic interdependence does not necessarily prevent contention from occurring between countries (actually close economic ties tend to be a major source of frictions), it does raise the cost of conflict and therefore can act as a useful buffer. For Sino-US relations, vigorous economic exchanges have been an important strategic pillar and should be preserved for the long-term interests of both countries and many others, even though they are undergoing a tough period of rebalancing. Second, China and the US should exercise strategic self-restraint

in both bilateral and regional contexts. Bilaterally, the two parties should keep the growing strategic competition healthy and benign, as a malign rivalry will inevitably lead to antagonism and overt conflict. Regionally, they should avoid drawing lines and encouraging members of the region to split into rival camps, otherwise the economically most dynamic region will gradually lose its momentum for growth and integration. Third, the most urgent issue for China-US security relations is crisis avoidance and management. As noted above, the risk of a serious crisis and conflict over either the South China Sea or Taiwan is growing against the backdrop of an overall relationship that is strained and characterised by historically low levels of trust. It is important that the US conducts FONOS in South China Sea with more caution rather than more provocation, and refrains from crossing the red line of 'One China' policy while enhancing ties with Taiwan. For any crisis avoidance and management effort to succeed, good communication at the strategic level and effective management at the tactical level are indispensable. Yet, as overall relations between Beijing and Washington fell from cooler to freezing, there has been a notable shortage of communication and exchanges between both the two national security teams and senior defence personnel, while crisis management mechanisms are not well coordinated. Needless to say, such a precarious situation needs to be redressed as soon as possible.

Wu Xinbo

Professor & Director, Center for American Studies Dean, Institute of International Studies Fudan University