

The New Strategic Triangle and U.S. Relations with China

By

David Shambaugh*

This chapter addresses one dimension of the “new strategic triangle” among the United States, China and Europe: the Sino-American leg.¹ It does so by offering some observations on the current state of the Sino-American relationship and how Americans react to China’s rise. At the end, I conclude with some suggestions for trilateral cooperation among the U.S., China and European Union.

The Current State of Sino-American Relations

While some commentators and observers in the United States are eternally pessimistic about the U.S.-China relationship, I believe that, overall, there is real cause for optimism about the present state and future of the relationship. While there are some issues of concern, there *always* are some, but if one looks comprehensively and takes a macro view of the relationship, one has to be impressed with the degree of *interaction*, *cooperation*, and *maturity* of relations today. This has not come about by accident—but is the result of (a) hard work by both governments, (b) a long-term vision for the relationship held by leaders and officials in both governments, (c) overlapping interests, and (d) the deep interdependence that now exists at so many levels of each society. If the Sino-European relationship is growing out of its “honeymoon phase” into a full marriage,

* The author is Professor of Political Science & International Affairs, and Director of the China Policy Program at the George Washington University. He is also a nonresident Senior Fellow in the Foreign Policy Studies Program at the Brookings Institution in Washington, D.C.

¹ For an earlier discussion of this topic see David Shambaugh, “The New Strategic Triangle: U.S. and European Reactions to China’s Rise,” *The Washington Quarterly*, Vol. 28, No. 3 (Summer 2005), pp. 7-26

the Sino-American relationship has now reached a fully mature marriage. More than three decades and eight American administrations of intense interaction have brought a strong degree of respect and maturity to the relationship—a relationship that now embodies extreme complexity and deep interactions. Throughout this time, in the United States, there has been a strong degree of consensus and bipartisanship concerning China policy within the U.S. government, although there is always a wide range of viewpoints expressed in Congress and society. Let us examine some of the indicators of interaction.

Inter-Societal Interaction

The two societies of China and the United States are intertwined as never before. China now holds more than half of the U.S. national debt in treasury bonds and other financial instruments. Chinese corporations are increasingly buying real estate in the United States. More than 60,000 Chinese students populate American college campuses. American stores are flooded with goods made in China. The bilateral trade volume now exceeds \$200 billion per year. American businessmen now operate across China, and have a substantial presence and market share. U.S. investment banks, equity funds, and venture capital are also increasingly penetrating the Chinese market. American brands and popular culture continue to be apparent across China. Dozens of full flights criss-cross the Pacific every day, ferrying Chinese and Americans back and forth. Emails and other forms of communications link individuals in the two societies together. In short, the two societies are now intricately interwoven together as never before.

Despite this density of interaction, there remains a strong ambivalence, or opposition, in each society's perceptions of the other. For many Americans today, the "rise of China" is uncertain at best and frightening at worst. For many Americans, the

predominant image of China is that of: a Communist One-Party State that represses dissent and human rights + an increasingly strong economic giant that steals American jobs + a rapidly modernizing military that threatens Taiwan and potentially U.S. allies in Asia = Trouble. It is that simple for many Americans. A recent survey conducted by the Chicago Council on Global Affairs gave China a tepid 40 degree (on a Fahrenheit scale) temperature on a “thermometer of feelings” about foreign countries (just above the freezing point). Only Saudi Arabia (34 degrees), Iraq (27 degrees), North Korea (23 degrees), and Iran (21 degrees) ranked lower among American’s perceptions.² Such a lukewarm temperature reflects the angst and uncertainty that one senses in the American public about China. Americans generally have a difficult time grasping the complexities and nuances of China (or other societies). The preference of many Americans for simplified images and good guy/bad guy stereotypes, means that they have intellectual difficulty absorbing contradictory and complex aspects of China today. Congressional (both representatives and staff) views of China are even more negative than among the general public.

Having said this, it is important to recognize that there is *much* greater awareness of the complex realities in China, and support for strong engagement with China, among the “policy class” in the United States. This awareness is at substantial variance with public perceptions, but it has informed and supported the broad continuity in American policy toward China over the past eight consecutive administrations. There has been substantial bipartisanship over a long period of time. Today that bipartisan consensus revolves around a common strategy of “engage and hedge.”

² Chicago Council on Global Affairs, *The United States and the Rise of China and India: Results of a 2006 Multination Survey of Public Opinion* (Chicago, IL: Chicago Council on Global Affairs, 2006), p. 19.

Government to Government Communication

The channels of communication have never been more extensive or intensive. The two presidents meet together 2-3 times per year and speak by telephone almost once a month, on average. Ministerial and cabinet-level officials constantly shuttle between Beijing and Washington, often at a rate of 3-4 per month (no fewer than 12 will visit at the same time in December 2006 for the new Strategic Economic Dialogue or SED). Secretary of State Rice and Foreign Minister Li Zhaoxing have a very good working relationship, and Secretary of the Treasury Hank Paulson is assuming an important role in formulating and executing the Bush administration's China policy. Paulson has initiated the aforementioned SED, which supplements the existing mechanism of the Joint Economic Commission and Joint Commission on Commerce and Trade, but will go much further and deeper in charting a roadmap for this important part of the relationship. Military-to-military relations are now in the process of being renormalized after a several-year hiatus, including unprecedented exchanges between the U.S. Strategic Command (STRATCOM) and the People's Liberation Army's Second Artillery command. Law enforcement and intelligence cooperation takes place quietly but effectively. A "Global Issues Forum" was initiated in August 2006, led by Assistant Secretary of State Paula Dobriansky on the U.S. side. The Forum covered a wide range of key topics, including clean energy, public health, humanitarian assistance, international aid and development, trafficking in persons, environmental protection, sustainable development, and other global issues. The two governments are working very well together in the United Nations Security Council and a number of other multilateral international institutions. And so on.

Virtually every department and agency in the U.S. and Chinese governments now plays a role in the relationship, and this bureaucratic interaction indicates how thoroughly and deeply institutionalized it has become. Not only is the governmental interaction extensive and intensive, but the interaction is serious, professional, candid, and mature. To be sure, there are disagreements and differing perspectives—but they are addressed and dealt with in a respectful, professional, and mature manner. This is a sign of a “mature marriage.”

Areas of Cooperation on International Issues

The United States and China have been cooperating very effectively on a range of important international issues over the past few years. These include:

- North Korea’s nuclear program. The two sides have worked together through the Six Party Talks, drafting UN Security Council Resolution 1718, and bilaterally to try and roll back Pyongyang’s program.
- Iran’s nuclear program, and UN Security Council Resolution 1696 requiring Tehran to suspend its uranium-enrichment and reprocessing activities by August 31, 2006 (which it failed to do). But it also must be said that, from Washington’s perspective, China and Russia have not been as committed as they could be in halting Iran’s nuclear program. Going forward, this will be a key “test” (in Washington’s eyes) of whether China is a “responsible international stakeholder.”
- UN Peacekeeping Operations. China has increased its PKO efforts worldwide, including its recent commitment of 1000 PKO forces to Lebanon, and this is greatly appreciated and valued by the United States and international community.
- Afghanistan. The U.S. appreciates China’s initial contribution of \$310 million in reconstruction aid, as well as its dispatch of some armed police forces to Kabul to assist in training Afghan police. Beijing has also bilaterally engaged the Karzai government on a range of normal diplomatic issues and exchanges.
- Counter-terrorism. Since 9/11, both governments have worked very effectively, if quietly, together to combat terrorism and the various logistical manifestations of it.
- Global issues. As noted above, a bilateral Global Issues Forum has been initiated.

- Asian issues. The two governments interact via APEC, the ARF, and in other multilateral forums to advance peace, prosperity, and security in the Asia-Pacific region.
- Taiwan. Finally, the two governments have, since 2003, coordinated and collaborated their approaches towards the Che Shui-bian government on the island, and have thus worked together to stabilize the Taiwan Strait.

Needed: An Expanded Global Dialogue

Despite this tangible and important cooperation between the Chinese and American governments, the bilateral relationship has become increasingly globalized as China has become an increasingly global actor (although not a global power) in very recent years. As such, China is increasingly bumping up against the United States in various parts of the world, as never before. As a result, there is (in my view) a pressing need to develop a bilateral dialogue at both the Track I (governmental) and Track II (nongovernmental) levels.³ At the governmental level, it would be very useful to institutionalize dialogues at the assistant secretary level on Africa, Latin America, Middle East, Central Asia, and South Asia, as well as on energy security. To a limited extent, the “Senior Dialogue,” carried out at the vice-ministerial level by Vice Foreign Minister Dai Bingguo and Under Secretary of State Nicholas Burns (previously Deputy Secretary Robert Zoellick) touches on these parts of the world, but a much more in-depth and institutionalized mechanism of counterpart interactions on these various parts of the world is needed.

Problem Areas in Sino-American Relations (from the American Perspective)

³ To my knowledge, the only such exchange is that between the China Institute of International Studies (CIIS) and the China Policy Program of the Elliott School of International Affairs at George Washington University. By March 2007 this partnership will have convened three rounds of the “Dialogue on U.S.-China Relations in a Global Context.”

Despite the positive tenor and substantive cooperation between the United States and China, inevitably there are frictions. From the U.S. perspective, I would group these into five categories:

1. Economic issues: the trade imbalance; intellectual property rights; and the valuation of the RMB. Security Issues: PLA transparency; China's military modernization; PLA missile deployments opposite Taiwan; and Sino-Japanese tensions (although recently easing).
2. States of Concern: China's dealings with Myanmar, Zimbabwe, Sudan, Venezuela, North Korea, and Iran.
3. Human rights in China: (relative lack of) freedom of religion; repression of political dissent; imprisonment and harassment of journalists and labor activists (even lawyers); the practice of "administrative detention" and lack of *habeas corpus*; prison conditions and (alleged) torture.
4. Non-proliferation concerns. Despite much improvement in China's previous proliferation practices, and its now-strong commitment to the international non-proliferation regimes, the U.S. is still troubled by the continued transfers of missile technology, nuclear technologies, raw materials and parts that can be used in weapons of mass destruction. This is particularly of concern with respect to Iran.

Outlook

Thus, from the U.S. Government's perspective, there are continuing issues of concern—and they are serious issues. To be sure, China too has its issues of concern with the United States. Both sides need to address and narrow their differences in these problem areas, to realize that it is quite natural to have such differences given the complexity of the relationship, but to work to maintain a good partnership and cooperation across the complex menu of bilateral and global issues. Overall, I believe that the breadth and depth of cooperation more than offsets the existing problem areas. Finally, I would observe that the United States needs to do much more to engage with

Europe on China-related issues. Improved transatlantic dialogue about China is imperative, while trilateral dialogue among China, Europe, and the U.S. is also valuable.

Suggestions for Trilateral Cooperation

First, it is important to note that the interrelationships among China, Europe, and the United States are not really “triangular.” Rather it is better to conceive of them as “trilateral.” The reason is that triangles in international relations are usually zero-sum in nature—at least along two sides of such triangles. Such was definitely the case during the Cold War with the Sino-Soviet-American triangle, which lasted essentially from 1971-1987. The relationship among China, Europe, and the United States is certainly not zero-sum, as all three parties have productive working relations with each other. All three societies are deeply intertwined with each other. No two sides are strategically aligned against the third—indeed national security concerns do not dominate the relationships among the three, as during the Cold War. These interrelationships are very fluid and quite cooperative. On several issues of global governance, all three have similar interests and (should) work very well together.⁴

There are also several practical steps that could be taken to improve trilateral cooperation.

1. Trilateralize inter-governmental dialogue at the vice-ministerial level concerning:
 - Latin America, Africa, Middle East, Central Asia, East Asia.
 - Major global governance issues such as non-proliferation, human security, counter-terrorism, international crime.
 - Reform of the United Nations.

⁴ See Bates Gill, “The United States and the China-Europe Relationship”; Volker Stanzel, “The EU and China in the Global System”; and Ruan Zongze, “China-EU-U.S. Relations: Shaping a Constructive Future,” all in David Shambaugh, Eberhard Sandschneider, and Zhou Hong (eds.), *China-Europe Relations: Perceptions, Policies, and Prospects* (London: Routledge, 2007).

2. Create a single dedicated Track II trilateral mechanism (perhaps among the co-sponsors of this conference project). This does not mean that other conferences and mechanisms cannot occur, but there is a need to designate one as the principal one, and it should report its recommendations to their respective governments. They should convene once per year—but should also consider establishing a “working group” approach on specific issues of common concern, which can work year-round and report to the plenary meeting.
3. Such trilateral mechanisms should not obviate or replace the continuing need for private dialogue along each leg of the “triangle.” It is very normal and natural for Chinese and Europeans to discuss the United States, for American and Chinese to discuss Europe, and it is particularly important that Europeans and Americans continue, even intensify, their dialogue about China.
4. It would be useful, both symbolically and substantively, if the three presidents (in the EU case the nation holding the rotating presidency) met together annually on the sidelines of the G-8 +1 (China) Summit.
5. It would be useful to establish a survey research project on mutual perceptions among the three parties, with *bona fide* scientific surveys carried out in each society.

These are some relatively easy-to-achieve and practical steps that could be undertaken to improve dialogue and cooperation among China, Europe, and the United States. The issues of common concern among the three parties of too great importance to be left to *ad hoc* interactions.