

America needs a China strategy

Tom Manning IHT

Thursday, July 22, 2004

Rising Asian powerhouse

HONG KONG China is rapidly developing into a global economic force. Yet U.S. policy toward China remains confusing and contradictory as a result. The U.S. choice is a simple one: We can either strive to protect our superpower status by trying to impede the rise of China, or we can exhibit more enlightened leadership by helping China mature into a full partner on the global level.

For any American living in Asia in recent years, it has been obvious that the United States and China need to find a way to better understand each other. Time and again, in issues big and small, there has been a tendency to misunderstand and even to exaggerate differences.

A decade ago, this might have been unimportant. But in the decade ahead, this poses untenable risks on the economic, political and military levels. Given that Asia is home to a large number of flashpoints - North Korea, Indonesia, Kashmir and the Spratly Islands are some that come to mind - the potential for flare-up is substantial.

Even on relatively simple issues such as visa rules and trade, each side is still inclined to reach for rhetoric over rationale.

China is an issue screaming for leadership. The Bush administration's depiction of China as a "strategic competitor" three years ago did little except irritate an already uneasy relationship. Since then, the relationship has muddled through many ups and downs.

China's WTO accession and its winning bid for the Olympics were victories for all, as were recent cooperation in antiterrorism and negotiations with North Korea. Yet the list of disputes and misunderstandings is far longer: the cooperative agreement between China and former Soviet nations; the persistent and growing trade imbalance between the United States and China; China's courtship by some European countries; allegations of Chinese protection of various industries; calls for revaluation of the yuan, and recent wrangles over visa-application procedures.

In all these matters, the U.S. tendency has been to flip-flop between treating China as friend and foe. Our actions defy coherent categorization. Do we treat China as a full partner? Rarely. Do we treat China as a competitor? Sometimes. Are we confident about how to act? Almost never. Not much of a policy. The U.S. has been lucky that more crises, economic or political, have not materialized while it has been occupied with Iraq.

Recently, Washington demonstrated resolve by avoiding pressures to erect trade barriers against China. But the lack of a long-term strategy virtually guarantees that some future decision will fall the other way.

The United States needs to figure out how its relationship with China can develop greater stability, trust and partnership. No future administration will succeed without a well-conceived game plan.

It's time to transcend the paranoia of the past and establish a forward-looking view of how China can contribute to the global economy and political landscape.

China's rise in global stature will occur with or without a supportive America. So it behooves the United States to be involved in whatever manner possible.

The next administration should take three steps to fill this policy void: The United States should develop a bold, long-term vision for the U.S.-China relationship. It should articulate goals of cooperation and partnership and move decisively away from the stale policies of isolation, containment

and mere engagement. The United States should revise its foreign policy in Asia to incorporate China's leadership role. Already feeling that influence, Asian nations are reshaping their economic and foreign policies to address the reality of a regional superpower. The United States must do the same. China's assistance in addressing the North Korea issue provides validation for this policy update. Future regional economic difficulties or terror attacks could raise the need even more. The United States should clarify recent policy with regard to pre-emptive action, which undermines the development of collaboration with other nations and lowers respect for America.

This policy revision does not mean abdicating the U.S. right to protection, defense or security. By regaining respect as a nation that places the common good above its own interests, however, we can earn much-needed trust from the Chinese, render our intentions less suspect and make our impact more meaningful. The United States and China can have a far better impact on the world by working together rather than apart.

Tom Manning is a senior partner with Bain, a global consulting firm, and a long-time resident of Hong Kong.

IHT

Copyright © 2004 The International Herald Tribune | <http://www.iht.com/>