Lack of a coherent China policy is backing US into a corner

Terry SU
For SCMP
May 15 2024

https://www.scmp.com/opinion/china-opinion/article/3262374/lack-coherent-china-policy-backing-us-corner

Fresh from his whistle-stop tour of Europe, Chinese President Xi Jinping is hosting Russian President Vladimir Putin this week, the latter's first trip abroad since his re-election in March. Considering that US Secretary of State Antony Blinken went to Beijing last month to warn of the potentially serious consequences of China's continued closeness with Russia amid the war in Ukraine, the Xi-Putin meeting illustrates Washington's dilemma that makes the need for a coherent China strategy increasingly pressing.

The US' concern over Ukraine has been deepening of late, so much so that Congressional Republicans and Democrats managed to put aside their disagreements long enough to pass a US$95 billion aid package last month, US$60 billion of which was earmarked for Ukraine.

However, Washington is well aware that the chances of Ukraine's resistance succeeding remain small as long as China's trade with Russia continues at current levels. Chinese firms are filling the void left by Western companies which vacated Russia, flooding the country's households and factories with goods made in China. Among them are chips and machine tools that can be used for military purposes.

The US therefore has good reason to see China as a pivotal force behind Russia's resilience. "We see China sharing machine tools, semiconductors, [and] other dual-use items that have helped Russia rebuild its defence industrial base that sanctions and export controls had done so much to degrade," Blinken said ahead of his trip to China, adding that "China cannot have it both ways".

In early April, Deputy Secretary of State Kurt Campbell, the National Security Council's former Asia chief, observed that Russia has been able to "almost completely" re-tool and that China has helped it do so. He said his team had "told China directly if this continues, it will have an impact on the US-China relationship" and that "we will not sit by and say everything is fine".

Unfortunately for Washington, any substantive change in China's position with regard to Russia is out of the question. Beijing believes that if or when Russia is forced to back down, it will be China's turn next.

As a result, Blinken left Beijing empty-handed while his Chinese hosts attempted to portray their country as the underdog and took a defensive tone. Regardless of any moves the US will make to tighten its array of sanctions against China, continuing down the same path will further back Washington into a corner as the utility of its economic policies diminish.

Alternatively, the US could escalate and embrace "grey zone" tactics, or coercive state actions which are just short of war. That is effectively what Matt Pottinger, who served as a deputy national security adviser during the Trump administration, advocates in a Foreign Affairs article titled "No Substitute for Victory" that he co-authored with Mike Gallagher, a former Republican congressman who had also chaired the House Select Committee on the Chinese Communist Party.

"The United States needs to accept that achieving [victory over China] will require greater friction in US-Chinese relations," they wrote, adding: "Washington will need to adopt rhetoric and policies that may feel uncomfortably confrontational but in fact are necessary to re-establish boundaries that Beijing and its acolytes are violating."

The problem with the US pursuing this approach is that China might not hesitate to shed its underdog image and move to make Washington's "uncomfortably confrontational" policies feel significantly more so. Campbell has said in the past that the US is capable of being engaged in two theatres simultaneously. China could further align with Russia and Iran (and perhaps North Korea) and test whether the US is able to cope with simultaneous wars in Europe, the Middle East and East Asia.

The US might well be able to see off China in such a showdown, much as it did with the former Soviet Union. But what if it cannot? It is time for Washington policymakers to start thinking outside the box and get down to more realistic bargaining with China for a new version of the G2, which I called for in this column some 2½ years ago.

A key development since then is the Ukraine war, an issue over which China may think it deserves better terms. Perhaps Washington making an offer related to Taiwan might persuade Beijing to agree to continue providing cheap goods to the US and phase out its support of Russia.

Or the US could try to strike a deal with Russia to keep Europe in and China out. This is akin to the deal former secretary of state Henry Kissinger reportedly pushed Donald Trump to pursue, but to no avail. This remains an imaginative scenario, notwithstanding the size of Russia's appetite since the war in Ukraine began and the intensity of Europe's fury.

Admittedly, touting these two choices is not meant to be much more than an eye-opener, given that path dependency can be a formidable force of inertia in today's US politics. Moreover, it doesn't help that Washington has already expended much energy in roping its global allies into efforts to antagonise both China and Russia. That, it seems, leaves the US with the third option: muddling through with the status quo.

Now, waiting for Putin in Beijing is a Chinese president who whetted German Chancellor Olaf Scholz's business appetite during his visit to China last month, and who enjoyed a reception from French President Emmanuel Macron that was brimming with bonhomie last week.

I would not be surprised if Russia decided to strike decisively in Ukraine after Putin's visit to Beijing. Russia designating Ukrainian President Volodymyr Zelensky a "wanted" criminal, plus Moscow's new offensives targeting Kharkiv, Ukraine's second-largest city, seem to presage this. The US could find itself facing a geopolitical avalanche.

Terry Su is president of Lulu Derivation Data Ltd, a Hong Kong-based online publishing house and think tank specialising in geopolitics