

America's China dilemma

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Observers can be forgiven for being a little confused. Is America's policy towards China one of containment, or not?

On the one hand, American leaders insist that they are not trying to contain China, and obviously America's friends and neighbours in the region hope that's true.

Australia's recent Asian Century White Paper, for example, was very plain. About US-China relations, it said: "This is not a world in which anything like a containment policy can work or be in our national interests." Most South-east Asians will agree.

And yet US policy today looks a lot like containment. That is certainly the way it is seen in Beijing.

So what is America's policy towards China today? If it's not containment, what is it? And if it is containment, will it work?

Part of the problem is the word "containment" itself. It carries a lot of baggage from the Cold War. It was the label applied to America's policies against the Soviets, which ultimately helped push the Soviet Union, and its communist rulers, over the cliff.

That policy was therefore a great success. But to talk of containing China would imply that America plans to deal with China the same way it treated the Soviets, and aims to push the Chinese over a cliff too. That hardly seems to match today's massive economic interdependence between the United States and China.

Strategically, however, US President Barack Obama's military pivot to Asia is clearly intended to bolster America's capacity to counter China's growing military forces. Diplomatically, the US is broadening and deepening its relationships with many countries around China, reassuring them of its willingness to offer support against China's growing power.

And even economically, America's ambitious Trans-Pacific Partnership certainly looks like a bid to refashion Asia's trade architecture in a way that marginalises China and puts the US back at the centre. All this is intended to preserve the long-established US-led strategic order in Asia, by countering - or, yes, "containing" - China's challenge to American primacy. How can anyone seriously argue that this is not containment of China?

Policies versus reality

I think the answer lies in American policymakers' views of what China is really up to in Asia.

When they try to explain why Mr Obama's policy is not containment, they imply that there is no need for it because China is not yet actually challenging US primacy. They acknowledge the risk that China might challenge in future, but assert that this has not happened yet, and that China might yet be persuaded not to take this step.

They say that the US policies, like the pivot, are therefore all about "shaping" and "hedging", rather than containment. By "shaping" they mean dissuading Beijing from deciding to challenge Washington in Asia, and by "hedging" they mean preparing for the possibility that China might in future choose to challenge, by putting America in a better position to contain it if that happens.

They also presuppose that if and when China does challenge America's leadership in Asia, America is determined to contain it using all the elements of American power. So whether Washington already has a containment policy or not depends entirely on whether China has already decided to challenge.

And this is where reality intrudes into the policy debate. For a long time, China has carefully avoided any overt challenge to America in Asia, following Deng Xiaoping's famous injunction to bide its time and hide its power. But all this has changed over the past few years, especially since 2009. Now China's determination to use its power to reshape the Asian order, reducing America's influence and expanding its own, has become abundantly clear.

This determination drives China's assertiveness over maritime issues in the South China and East China seas, and its harsher tone towards the US and its allies.

Some may regret this, but cannot be surprised. How can China be expected to accept American primacy indefinitely as their power grows?

In fact, China's challenge has been spurred along by precisely those US policies that Washington hopes will have the opposite effect. The Obama Pivot, rather than shaping China's choices away from rivalry, has only sharpened China's resolve. The more Washington builds a military and diplomatic posture designed to deter and contain a Chinese challenge, the more convinced Beijing becomes that China's future well-being depends on reducing US power in Asia.

Much of the American policy community is in denial about all this. They are in denial about the fundamental reality of China's challenge to America's leadership in Asia, and this leads to them being in denial about the fact that they are already committed to a policy of containment.

Why is this? Why don't American policymakers simply acknowledge that China is contesting US primacy in Asia and America is determined to contain that challenge, just as it contained and defeated the Soviet challenge? The answer, of course, is that China is not the Soviet Union, in at least three critical ways.

Why China is not the Soviet Union

First, the imperatives for containing China are not nearly as strong, because China is not as threatening to America as the Soviets were - strategically, militarily, territorially or ideologically.

Second, China is ultimately much stronger relative to the US than the Soviets were. Soviet GDP was never more than half of America's: China's today is close to overtaking America's GDP.

Third, deep economic interdependence means that good relations with China are immeasurably more important to the US - and to US allies - than the Soviet Union ever was.

All these reasons raise big questions about whether America's current policy towards China is needed, and whether it can work. These are the questions that US policymakers and analysts evade by denying that China's challenge is already happening, and that they have already embarked on containment in response.

There are no easy answers to these questions. Americans want their country to remain the primary power in Asia, but they do not want to pay the costs and run the risks of containing a power as strong, and as economically vital, as China. This creates a deep dilemma. If America wants to remain the primary power in Asia, it will have to contain China. If it won't accept the costs and risks of containment, it will have to step back from primacy and share some of its power with China instead.

That is the choice America faces today. And the rest of us - America's friends and allies in Asia - have a huge stake in how they choose, because we all know that containment can't work.

The writer is professor of strategic studies at Australian National University and a visiting fellow at the Lowy Institute. His book *The China Choice: Why America Should Share Power* was published in August by Black Inc Books.