

Why a U.S.-China 'Grand Bargain' in Asia would fail

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Prominent Australian security thinker Hugh White has sounded the alarm over Asia's strategic future with his provocative new book *The China Choice*.

Despite, or because of, its contentious recommendations, this work ought to inspire debate on the most critical question to the future of Indo-Pacific Asia and indeed all of global security. That is: how can the regional order incorporate a rising China and its interests without allow Beijing to become destabilizingly dominant?

In often stark terms, Professor White outlines why the United States should share power with China to avoid rivalry, a new Cold War and potentially catastrophic conflict.

This experienced former senior defense official presents a taut warning about the dangers ahead if the United States does not radically reconsider its Asia policy in light of China's rise.

Much of his diagnosis is hard to fault. Especially sharp is his dissection of America's concept for taking on China in a so-called AirSea Battle which, weirdly, seems to wish away any risks of nuclear escalation.

And it is all to the good that White robustly questions the notion that diplomatic business as usual will be sufficient to accommodate China's expanding interests and expectations.

Yet for all that, there remain troubling gaps in White's recommendation – echoed this week by former Australian Prime Minister Paul Keating – that U.S. allies and other third countries should urge America to set new limits on how and where it pushes back against China.

It is one thing to counsel Washington towards a supposedly new way of thinking in which it accepts clear limits to its interests and influence in Asia to help ensure peace. It is entirely another to nominate where the line should be drawn. This is the harder task, yet *The China Choice* is frustratingly guarded on this score.

At the heart of the book is an argument that the United States should partner with China in maintaining Asia's stability through an exclusive 'concert of powers', and that this would include conceding to China a sphere of influence.

The dangerous alternative, says White, is that Washington will refuse to give up its quest to sustain military and strategic dominance in Asia, resulting in confrontation and quite possibly war. He fully agrees that U.S. pre-eminence long kept the peace, but says in effect that these days are over as China grows more confident in staring down American deterrence.

He works through many of the states in Asia – from South Korea to Japan to Southeast Asia and India – suggesting reasons why America would not wish to risk war by fully backing them up in a crisis, and why they themselves would be unlikely to join America in somebody else's fight with China. If solidarity is really so thin, then China can cease fretting about perceived American strategies of encirclement.

This line of analysis also seems somewhat at odds with another of the book's judgments: that even if the United States withdrew from Asia, Chinese dominance would be impossible because the rest of Asia collectively could balance against Beijing. If most Asian nations genuinely see the risks outweighing the benefits in helping America balance against China now, what would change their minds in the even more fragile setting of American retrenchment?

The real problem, though, with *The China Choice* is also one of its virtues: the sheer neatness of its argument.

It calls for a new order in which China's authority and influence grow enough to satisfy the Chinese, while America's role remains large enough to ensure China's power is not misused.

This elegant formula downplays the realities faced by the many other nations across Indo-Pacific Asia that place as much premium as China does on their own security and national dignity.

To be fair, White does not deny that it will be exceptionally hard for America and China to negotiate mutually acceptable limits that would make their power-sharing arrangement possible or stable.

Conscious that his idea is vulnerable to being caricatured as something like appeasement, he underscores that Washington would need to be absolutely firm and clear to China about these boundaries. Otherwise, there would be real risks – as he acknowledges – of initial American concessions giving China the false expectation of more, and leading potentially to war through miscalculation.

So far, so good. But what might those limits be? It may be unreasonable to expect one author to have all the answers on what Chinese and American spheres of influence would look like in a changed Asia. After all, this is not purely about drawing lines on a map but also about fine judgment regarding permissible Chinese and American policies towards third parties and their domestic affairs.

Still, it is disappointing that, having identified some sort of Chinese sphere of influence as necessary for great-power peace, the book devotes just a few paragraphs to the “complex and delicate question” — some would say the crucial question — of what this space would look like.

A workable sphere of influence, we are told, cannot directly affect the vital interests of other great powers. Most Asian countries are not named as candidates for being within the sphere. The potential status of the Koreas and Burma, for instance, is not made clear. Japan is explicitly excluded, since trying to include one great power in another's sphere of influence would void the whole concert idea and lead to dangerous instability.

Only Indochina is held out as a demonstration of what might need to be on the table. The political autonomy of Laos, or part thereof, is given as an example of what might reasonably be conceded in the interests of avoiding U.S.-China rivalry. This is hardly shocking news, being not far off a description of that country's present status.

Next the question of Vietnam is raised and left unanswered. One suspects the Vietnamese would have their own answers and on this issue, at least, they get a vote.

Moving to the South China Sea, “to concede that would be to concede more than is compatible with the vital interests of other great powers”. Agreed – but there is no sign of China's abandoning or even being willing to negotiate its sweeping claims in those waters, reinforced of late by the establishment of an island city and garrison.

And if preventing coercion of other claimants in the South China Sea is in fact at the non-negotiable limit of American accommodation of China, then the grand bargain is already looking like a non-starter.

On China's part, would it really settle for a sphere of influence amounting to not much more than a bit of Indochina? And if it would, then why all the fuss?

Of course a comprehensive attempt at defining workable boundaries for hypothetical U.S. and Chinese spheres of influence would require another whole book. And the impression from the present volume is that drawing these lines would be a job for American and Chinese statecraft.

But this means that for the time being we have to make do with an assumption, rather than proof, that some kind of stable demarcation of U.S. and Chinese spheres of influence in 21st century Asia will be possible. And if such an outcome proves elusive, then we are back to finding ways of managing the risks of the here and now.

One area where White's conclusions are most challenging to the status quo is that most literal of China choices, the future of Taiwan. He points to the diminution of America's credibility in being able militarily to defend Taiwan, thanks to China's new maritime anti-access capabilities and the possibility of nuclear escalation. "The U.S. can no longer prevent China from seizing Taiwan by force," he writes.

But what U.S. policy might replace it? The given answer is that the U.S. ought to encourage "eventual, peaceful, consensual reunification". That may well where present trends of cross-strait economic and social links are headed. But relying solely on this prospect is as much a hope as a policy.

Turning to Japan, Professor White's analysis and prescriptions hold a special and controversial place for North Asia's second great power. Not only would Tokyo be outside a notional Chinese sphere of influence. Along with India, Japan would join China and America among the big four, a so-called concert of powers to set the rules of stability for everyone in the new Asian order.

To do so with confidence, though, Japan's security posture would need drastic surgery. For the U.S. to durably share power with China without constantly having to manage Japanese anxieties, there would need to be a termination of the U.S.-Japan alliance, at least as we know it. Japan would then almost certainly need its own nuclear weapons to deter any possible future Chinese (or presumably North Korean) nuclear blackmail, though whether the Japanese polity could ever make such a radical shift is unclear.

Of course, how China, South Korea or the global non-proliferation regime might respond to that game-changer would be a whole new cascade of conundrum. The end of the Washington-Tokyo alliance could also have large and unsettling consequences for other U.S. alliances in Asia and globally.

But returning to the concert of powers: White crafts a smart case for adapting this 19th century European invention to 21st century Asia. This is not the first time the concert idea has been examined in the Asian security debate. White, however, has gone further than others in refining and boldly endorsing it as the least bad solution to Asia's strategic ills.

What remains uncertain is how his concert of four might come into being. From the original post-Napoleonic concert of powers in Europe to the 1945 victors' club of the United Nations Security Council, such arrangements have coalesced only after cataclysmic war.

The standard criticism of a concert of powers is that it is a club of the powerful setting the rules for all in the name of stability, often at the expense of the rest. In short, it is not fair. White makes a strong case that this injustice is a reasonable price to avoid the kind of great-power war that in an interconnected world would bring grief to all. Since his and my own middle-power country Australia is one that would miss out on a seat at the concert table, his analytical detachment here is commendable.

But most nations would hardly embrace the idea with equanimity. How might so many countries in Asia and beyond be persuaded to consent to the writ of just four? Would a non-interference pact among Washington, Beijing, New Delhi and Tokyo extend across their increasingly global interests? If so, what would be the downside for others, not least Europe and Russia? If not, how might the United States and China avoid clashes of interests in, say, the Middle East or Africa?

So many questions. It is to Hugh White's credit that his book raises them. If it stirs its readers from silence, complacency or smugness about the policies of the moment, it will have done its work.

He is right of course that a changing Asia faces troubled times ahead. Regardless of whether peace will require grand and parsimonious diplomatic blueprints, it will certainly need much else that is in uneven supply, including smart statesmanship, dogged crisis-management and the kind of operational confidence-building measures that kept the Cold War cold.

Peace will also be advanced by habits of mutual respect, open-mindedness about compromise and a focus on shared interests – features, incidentally, of President Obama's early efforts to engage China, where White neglects to give due credit.

White is harsh on Obama, especially for moments of confrontational rhetoric which could be taken as denigrating the legitimacy of the Chinese system and its historic achievement in improving the welfare of so many people (“prosperity without freedom is another form of poverty”).

But then *The China Choice* is all about fronting America with the kind of frank and unsolicited advice that only a friend can give and a democracy can take.

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