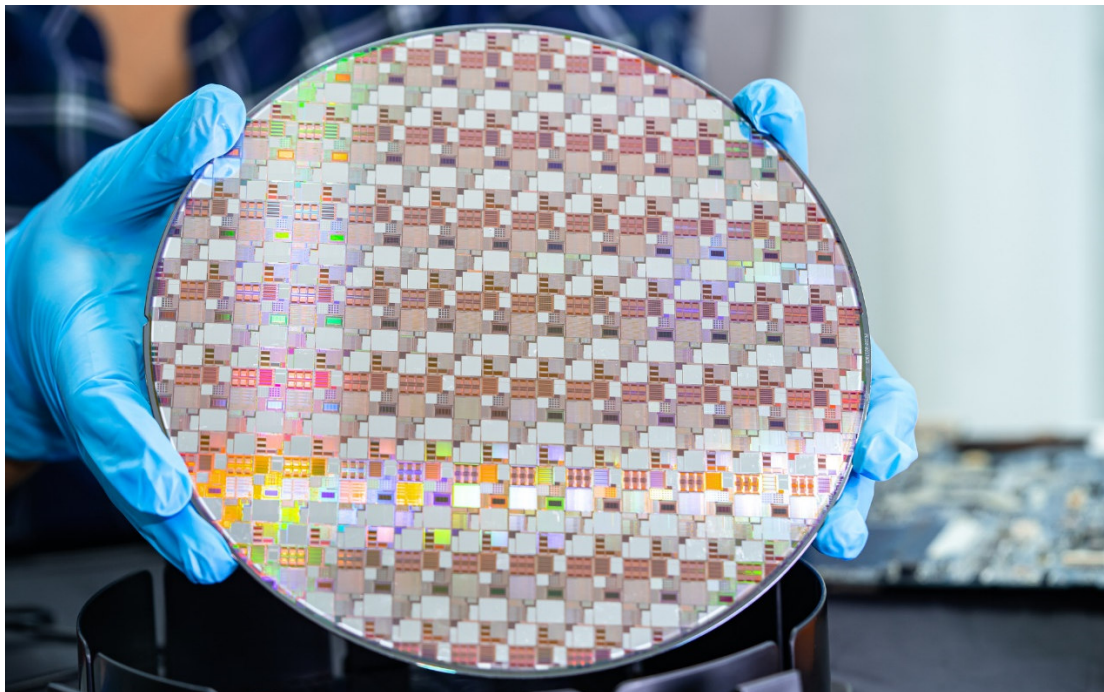


# U.S. Sense of Distance from China: Competitive structure may remain unchanged despite repeated dialogues



“The Biden administration is wary of China’s growing political and military influence and has a vision for reducing the United States’ economic dependence on China and building a system that favors the United States’ interests and international position over the long term.”

Photo: chormail / PIXTA

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In June 2023, Antony Blinken became the first U.S. secretary of state to visit China in about five years. Even after a Chinese reconnaissance balloon incident derailed his plan to visit China earlier this year, the Biden administration remained motivated to implement the visit. While insisting on great power competition with China, it has consistently sought to explore dialogue with China. Why does the Biden administration continue to explore diplomacy with China’s Xi Jinping regime?

One background factor is that the Biden administration has a unique sense of balance. While fully understanding that China’s growth and behavior run counter to U.S. interests and values, it seems to attempt to manage the deterioration of bilateral relations. President Joe Biden calls for “guardrails” between the United States and China, being willing to institutionalize bilateral dialogue.

On the other hand, the Biden administration has a vision of China and the world that is even more severe than that of the Trump administration. Biden’s National Security Adviser Jake Sullivan in April 2023 called for a “minilateralism” initiative to build a new international consensus that incorporates security into economic policy. At the same time, he emphasized industrial policy and mentioned the protection of American workers, leaving a protectionist impression.

After World War II, the United States in principle tried to lead the development of an open international economic system based on free trade. Regretting that such openness provided China and Russia with unnecessary opportunities to grow and that the Democratic Party failed to fully secure the labor vote in the 2016 presidential election, however, the Biden administration has taken a negative view of the economic aspect of the postwar international order, as well as its political aspect.

The Biden administration is wary of China's growing political and military influence and has a vision for reducing the United States' economic dependence on China and building a system that favors the United States' interests and international position over the long term.

The vision is evidenced by U.S.-imposed restrictions that still weigh heavily on economic relations with China. The Biden administration may deny that it has adopted a policy of economic decoupling from China, but such a denial would not be supported by the facts.



The Biden administration's approach can be described as one that is based on strategic thinking. The Trump administration overhauled U.S. policy on China to address the negative aspects of China's growth even at the risk of plunging the two countries into a confrontational relationship. On the other hand, the policy was somewhat confusing with a mixture of the ideological approach that criticized China's political system, the approach that emphasized the superiority of U.S. power, and President Donald Trump's dealmaking approach.

In contrast, the Biden administration has clearly set its objective of securing a U.S. power advantage over China and widening the gap with China. In theory, this represents a hegemonic strategy. As a means to achieve the objective, the Biden administration envisages the promotion of science and technology, the use of economic restrictions on China, and the reconstruction of the international order based on minilateralism with allies and partners. Blinken's China policy speech in 2022, government policy documents such as the National Security Strategy, and speeches by senior administration officials indicate that various policies based on considerably theoretical concepts.

The Biden administration continues to explore top-level dialogue with China because it believes that a clash or crisis could lead to a loss of its support base at home and abroad, which is sensitive to military engagement and economic costs. In addition to crisis management, the administration may even want to discuss China's growing nuclear arsenal. It is also advancing the idea of promoting cooperation with China on global issues such as climate change in order to attract attention from the support base of the Democratic Party. However, the current trend of dialogue with China is not comparable to the détente seen during the U.S.-Soviet Cold War. It does not seem that the administration or its peripheral entities have the idea of undertaking a major deal with China which would finally stabilize bilateral relations and resolve the U.S.-China rivalry.

The independent actions of the Biden administration indicate the complexity of its China policy. Instead of visiting Taiwan, Republican House Speaker Kevin McCarthy met with Taiwanese President Tsai Ingwen in the United States. It is likely that the Biden administration agreed with Taiwan to meet there to prevent a crisis like that seen on the occasion of then House Speaker Nancy Pelosi's visit to Taiwan last year. On the other hand, the administration understands Taiwan's economic and geopolitical importance and is generally in agreement with Congress on deepening U.S.-Taiwan relations.

The Biden administration has unexpectedly refrained from putting human rights issues at the

forefront of its China policy. It has emphasized universal values, such as human rights, democracy, and the rule of law, in the broad context of its vision for the international order, while not using such universal values as a reason to avoid diplomacy with China. In choosing partners, the Biden administration emphasizes countries such as India and Vietnam, where restrictions on civil liberties are increasing.

Regarding economic security, it seems that the Biden administration is looking not only to reduce dependence on China, but also to undermine the foundation of China’s economic growth. At the Group of Seven (G7) summit, Biden declared that his administration would not impede China’s growth. However, the declaration was only the result of the Biden administration’s coordination with Europe and Japan. The administration cited not only semiconductors but also clean energy and biotechnology as priority areas for competition with China.

In parallel with the call for dialogue with China, the Biden administration will continue to implement economic restrictions on China. Biden may also sign limited executive orders on new restrictions on investment in China.



Will such strategic approach to China pay off? In the short term, the heart of the matter is whether stability can be achieved through dialogue. It seems possible that Chinese President Xi Jinping will visit the United States and hold a bilateral summit meeting on the sidelines of the Asia-Pacific Economic Cooperation (APEC) summit to be held in San Francisco in November 2023 (see the table below).

Outlook for U.S.-China Relations

However, dialogue may be of little benefit to China. The two countries seem to gain little from bilateral dialogue. Taiwanese and U.S. presidential elections in 2024 are likely to shake U.S.-China relations. Meanwhile, economic security initiatives as agreed at the G7 summit may be difficult to implement due to differences in economic interests and stances toward China among the G7 countries. The Indo-Pacific Economic Framework (IPEF) initiative may be affected by the United States’ hardened negotiating stance, producing only limited achievements such as more resilient supply chains.

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| <b>The two countries agree to maintain dialogue over the short term if there are no surprises</b>  |
| <ul style="list-style-type: none"><li>■ Reciprocal visits by ministers, Xi Jinping’s visit to the United States and his summit with Biden on the sidelines of the APEC summit in autumn 2023 are likely</li></ul> <p>.....</p> <p>While the two countries retain a certain degree of self-restraint on their respective policies, China may remain unable to end its confrontational stance in view of hardline views at the U.S. Congress and new U.S. government economic restrictions</p> |
| <b>Over the medium term, the overall framework of U.S.-China confrontation will remain unchanged</b>   |
| <ul style="list-style-type: none"><li>■ Taiwanese and U.S. presidential elections in 2024 will make the situation more uncertain</li><li>■ As differences between G7 and Global South policies on China are difficult to resolve, China’s political influence on the Global South will increase</li><li>■ The United States will pursue unilateralism mainly with U.S. allies, including economic security</li></ul>   |
| <b>U.S. leadership over the long term is questionable</b>  |
| <ul style="list-style-type: none"><li>■ U.S. will incline to West-centric value-diplomacy and economic nationalism</li><li>■ A slowdown in China’s growth could become an incentive for China to take provocative actions</li><li>■ Japan needs to demonstrate its shared-leadership role with the concept of a multi-layered order</li></ul>  |

Even in the long run, it is uncertain how the number of countries supporting the U.S. vision of international order will increase. Dissatisfaction is spreading with the United States, which cannot break away from the West-centered international order. Combined with the growth of the Global South, this

could lead to both the multipolarization of the world and the unceasing weakening of the international order.

U.S.-China rivalry itself will not be easily alleviated. Both countries have developed strategies that produce a vision of an international order that is favorable to them, realigning military, economic, science and technology, and other domestic policies under the strategies. Even if the Chinese economy were to enter a phase of low growth, some argue that it could lead to increasingly provocative actions by China. If the U.S. president's stance on the Taiwan issue becomes more chaotic, the situation may deteriorate further.

Japan should welcome the U.S. and Chinese policies of maintaining bilateral dialogue over the short term and build a foundation for stability through the Japan-U.S. alliance and multilateral cooperation. Over the long term, Japan has a responsibility to make efforts to establish U.S. engagement in the Indo-Pacific region and to defend free trade, in addition to rebuilding international institutions, and setting out a vision of a multilayered international order that can support the rule of law and economic globalization.

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\*RIETI: <http://www.rieti.go.jp/en/index.html>

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