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US-China Rivalry: Managing a Deep and Wide Gulf

By Han Fook Kwang

SYNOPSIS

US-China relations are looking better than they were a year ago, but the gulf remains deep, wide and probably long-lasting on most of the important issues between the two great powers. Both sides know this and do not expect much progress. In this new reality, the rest of the world needs to adjust its expectations about what can be achieved.

COMMENTARY

United States President Joe Biden met his Chinese counterpart Xi Jinping in San Francisco in November, the first American trip by the Chinese leader since 2017. Treasury Secretary Janet Yellen was in Guangzhou and Beijing in April, her second China trip in nine months. <u>Secretary of State Antony Blinken</u> on Friday (26 April) wrapped up a visit to the Chinese capital after meeting business leaders in Shanghai.

<u>Ties between the two countries</u> are so fraught these days that observers look for the <u>slightest signs of detente</u> that might indicate a cooling of tensions between the two great powers.

Such is the low bar of expectation; the fact that they have been talking is a reason to cheer.

But has there been an improvement, a meeting of minds? Are the two sides closer now to resolving their differences? Has the likelihood of potential armed conflict receded, even if only slightly?

Thorny Issues

The <u>Biden and Xi meeting</u> produced several agreements on military-to-military communications and on ways to curb the supply of the narcotic drug fentanyl. However, on the big issues that have troubled relations between the two, there were no movements, not even a hint of that.

China complained about <u>US export controls</u> on advanced technology such as semiconductors, and Biden made no headway in getting Xi's support over the conflict in the Middle East.

Other issues have recently cropped up, the latest being the complaints by the European Union and the US suggesting that China is dumping its green energy products, such as <u>electric cars</u> and solar panels in their markets, undercutting local businesses.

The Chinese might be forgiven for wondering what the fuss was about when the world is facing a climate crisis and trying to wean itself off fossil fuels.

Reports said the two talked past each other over these thorny issues.

I had a taste of this as an observer in an annual meeting between scholars and analysts from the two countries held here last week, with Singapore as an interlocutor.

The 5th Trilateral Exchange organised by the S. Rajaratnam School of International Studies (RSIS) was a useful two-day forum on how far apart they are, and in which areas they might be able to work together.

Participants came from academia and think tanks, including the American Enterprise Institute, the Eurasia Group, the Atlantic Council, the China Institutes of Contemporary International Relations (CICIR), the People's Liberation Army Academy of Military Sciences, and Tsinghua University.

How wide is the gulf?

Americans at the meeting had plenty to say on this.

Several said the differences were structural over a wide range of issues, including trade, technology, and their differing positions on international issues such as the Ukraine war, the Middle East conflict, and the <u>South China Sea disputes</u>.

One American participant noted that the two sides were at loggerheads in so many areas that it could only be described as a cold war, but with a small "c" and "w", suggesting that they are some distance away from the level of tension seen during the Cold War of the last century when differences between the West and the Soviet Union were irreconcilable and there was always a danger of the rivalry erupting into a nuclear conflict.

He said it was useful to acknowledge this so there could be a better understanding of the nature of the rivalry and how to manage it. It is an important message. One US speaker sharpened the point, for me at least, when answering a question about how to improve relations between the two said: Achieving better ties was not a goal the US was currently seeking. Rather, its focus was on maintaining its position amid the changing geopolitical landscape.

It was a sobering reality check about expecting any improvement in the relationship.

The Chinese side was not so emphatic on this point. Rather, their underlying message was that China could not be pushed around, that the era of complete American domination was over, and a new balance had to be struck to take into account China's place in the world.

One interesting point from a Chinese speaker: A strong China is necessary for global stability.

He did not say it, but the inevitable conclusion must be that the country will relentlessly pursue its development in all the areas that will strengthen its global power, including advanced technology, defence, and its international relations.

It is no longer only about improving the livelihood of the Chinese people, which, of course, remains centre stage, but it is also about making the world more secure.

That is how China is framing its position.

As with the American side, there was also a hint of fatalism about this new order when a Chinese participant made the somewhat startling but, perhaps, entirely realistic declaration that trust was not a critical factor as both sides tried to manage their relations.

He observed that during the Cold War, there was deep mistrust between the US and the Soviet Union, but they were able to agree on issues such as nuclear controls and, most importantly, avoided direct conflict.

It was another sobering reality check.

The Divide will Remain

Many third parties, including Singapore, made the point that without trust on both sides, there can be little progress.

While this is true, a more realistic way of thinking about the problem might necessitate going beyond strengthening trust since it is so difficult to achieve.

Accept that the mistrust will be around for a long time and see what can be achieved in the meantime.

It also calls for managing expectations of the future, especially for third parties, and how they can better protect their interests amid the continuing tension.

So, expect that the US will place more sanctions, especially <u>if Donald Trump returns</u> to the White House, and that tariffs on a whole range of Chinese goods will go up.

Expect that the Chinese will continue to make further progress in advanced technology and increase their production capabilities and that its vision of the world will be different from America's.

For me, the main message of the trilateral meeting was: Both sides knew how wide the gulf was and were not expecting any resolutions of their many issues or any improvement in their overall relationship.

The focus was more on managing the deep and wide gulf.

In such an environment, perhaps the lowest bar of all becomes the most important: How not to start a war between the two sides.

This is not to say there can be no progress in areas that are mutually beneficial.

One Chinese speaker highlighted artificial intelligence and outer space as two areas where both can work together. They are relatively new issues which neither has an entrenched position on.

A question that was not raised but is worthy of future discussions: If this is the new reality, that the divide will remain and that trust will be elusive for some time to come, what sort of world will it be in, say, 10 years' time?

Can there still be peace and prosperity for all in such a divided and distrusting world? Is it possible to have a working relationship between the two sides in this new order?

How will such a modus vivendi work?

One final note on the role of an interlocutor: A Chinese speaker complimented Singapore for holding the talks and raised the suggestion that it could play the role which Vienna did during the Cold War when it was used as a meeting place for the two protagonists.

Singapore will hope that if, indeed, it becomes one, it will be dealing with only a small c and w.

Han Fook Kwang was a veteran newspaper editor and is a senior fellow at the S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University (NTU), Singapore. This commentary is a slightly edited version of an article published in Channel News Asia on 29 April 2024. It is republished here with permission.