

What the U.S. Should Do About the “China Challenge”
Ellsworth Memorial Lecture
UC San Diego 21st Century China Center, 2023 March 16
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A question that is increasingly being asked is, how can we manage the transition to a post-Cold War order with China, and is it too late for a good outcome? This may sound overly dramatic, but a recent Gallup poll showed that 50 percent of Americans consider China “the greatest enemy of the United States.” That is nothing short of dramatic. New York Senator Chuck Schumer [said](#) at a recent conference in Germany largely dedicated to the formidable challenge of stopping Russia’s war in Ukraine, that “the Transatlantic alliance must work together to confront the Chinese Communist Party, the most powerful autocratic force on earth” and accused China of “continuously escalating its aggression against the West.” Kristen Gillibrand, the other Democratic senator from New York, recently [told](#) a radio audience that Chinese leader Xi Jinping is an autocrat “bent on world war.” Senator Marco Rubio [warns](#) that China is “as great a threat as the Soviet Union ever was, if not an even greater one.” Former Governor and Ambassador to the UN Nikki Haley, in announcing her bid for the presidency in 2024 said, “China's dictators want to cover the world in communist tyranny. And we're the only ones who can stop them!” That is all very dramatic.

If someone came to earth tomorrow from a distant planet and looked at this situation, I believe they would be puzzled. Maybe you are puzzled. I have been puzzling for the last five years, as U.S.-China ties turned from stable and constructive to mutual enmity seemingly overnight. It is easy to understand how, during this time, Russia became a target of U.S. and Western hostility. After all, Vladimir Putin audaciously invaded a neighbor, bombed maternity hospitals, and threatened nuclear war. And his unthinkable terror is ongoing.

But why are Americans now increasingly agreed in seeing China as America’s greatest enemy? Is it because of the Chinese “spy balloon?” Is it the repression of Chinese minorities, as in Tibet, or the camps imprisoning Uighur Muslims in Xinjiang? The National Security Law in Hong Kong or a possible Chinese invasion of Taiwan? Militarization of tiny outposts in the South China Sea? Maybe it is that some see China having unleashed COVID-19 on the U.S., although even those U.S. intelligence agencies who support the lab-leak theory do not believe such a leak was purposeful. Some blame China for not better controlling precursor chemicals that it ships to Mexico where drug cartels synthesize fentanyl that killed tens of thousands of Americans last year. Many

blame China for the hollowing out of America's industrial manufacturing towns, although that really began in the 1970s when we blamed Japan. Of course, specific businesses and industries HAVE been hurt by unfair Chinese competition and outright theft.

This is a long list of grievances, and we seem to learn of a new China-related issue each week. And many of these are legitimate concerns and need to be addressed. Unfortunately, they are currently not being addressed. Relations are so bad between the two countries that we have more communication with Russia right now than we do with China. In the worst of times during the previous administration, Chairman of the Joint Chiefs of Staff Mark Milley could still hold a call about each sides' military intentions that effectively allayed dangerous Chinese suspicions. Today, that is not happening. Secretary of Defense Lloyd Austin has not been able to speak with Chinese Defense Minister Li Shangfu and President Biden has had a difficult time getting President Xi to pick up the phone.

But it seems that what is really at work in U.S.-China relations is an unspoken anxiety in the U.S. of being eclipsed. So it is important that we recognize certain realities concerning China that are not likely to change. First, China is an important country. It is not as important as the United States, but it is the most populous country, the 2nd largest economy (\$17 trillion in 2021 vs. \$23 trillion for U.S.), the 2nd largest military, and has land borders with more other countries than any other single nation at 14. It is the largest producer/consumer/importer of food, the largest consumer of electricity, the largest importer of fossil fuels, the largest emitter of CO2 gases, and is the largest exporter and largest trading partner to more than 120 countries. Declining demographics will not change any of this in the near term. China is a permanent member with a veto on the UN Security Council and is the second largest holder of U.S. Treasury bonds. Because of all this and more, China affects the lives of Americans and of every human being on the planet every day. It cannot be ignored, isolated or wished away.

U.S.-China relations have seen quite a bit of turbulence over their short history. The 19th century saw incipient trade and then the Opium Wars, the Boxer Rebellion and the U.S. Open Door Policy. Burgeoning Chinese immigration to U.S. was followed by the Chinese Exclusion Act, which restricted Chinese immigration to the United States for 60 years and was only repealed in 1943 after the U.S. allied with China in World War II. That alliance was an uneasy one and was followed by the Kuomintang's loss in the Chinese Civil War, despite U.S. support against the Communists. The U.S. fought Chinese soldiers in the Korean

War, grappled with Chinese support for North Vietnam and both sides undertook myriad efforts to undermine the other during the period of estrangement that ended with Nixon's 1972 visit to China. The diplomatic normalization of 1979, when it finally came, was nevertheless an uneasy and unequal "setting aside" of differences for a greater strategic objective. After normalization came the Tiananmen massacre, the Taiwan Strait crisis, the bombing of the Chinese embassy in Belgrade, and the EP-3 surveillance plane collision off Hainan island. Over this time, Chinese have frequently charged that we are trying to undermine their government and internal stability through our support for dissidents in China – a so-called "peaceful evolution." And the U.S. has come to believe that China has abused our openness, not just for development, but to build its military to challenge us and to displace U.S. economic dynamism and leadership. Both these narratives are exaggerated for political purposes, but of course each has a kernel of truth. Now U.S. politicians openly talk of seeing the Chinese Communist Party onto the ash heap of history and Chinese officials talk openly of U.S. "decline." We need to be mindful that history provides fertile ground for grievance on both sides.

We have to keep in mind that China has its share of challenges. We hear about many of them: declining birth rate, pollution and environmental degradation, slowing growth, and inequality. China has a centralized, authoritarian political system; as a result, legitimacy and internal security are paramount for the ruling Party. Ideology, performance, and nationalism are the key sources of legitimacy for the Party and are constant concerns. CCP ideology, although hyped, is not compelling. In recent decades, entrenched interests have succeeded in frustrating needed reforms and dragging down performance. Corruption became a major drag on effective governance. Nationalism is running high, but also threatens Party control. In short, as with the United States, China's challenges come from within. There is no need for us to panic over China's perceived strengths.

Robert Ellsworth's obituary in the New York Times, after outlining many of his accomplishments and his various jobs in government, including as a loyal staff member of the Nixon Administration, noted that he broke with prevailing Republican views over both the Vietnam War (at the time of his government service) and the 2003 invasion of Iraq because "he believed a realistic assessment of American interests trumped Republican ideology, however well-intentioned." I believe a realistic assessment of American interests should dictate a change to the current approach to China by the U.S. government. I am not pro-China, I am pro-America, and based on cool-headed assessment of realities on ground and workability of our current strategy, I conclude that American interests are going to be ill-served. Clearly this is up for debate. Democrats in Washington will

certainly assert that their strategy is working and Republicans will complain that it is not, that it is too weak. The question that is maybe not asked enough is what benchmark are we using to measure success? In the most benign characterizations of current U.S.-China relations, Washington policymakers insist that the U.S. and China are engaged in a global military, diplomatic, economic and influence competition. But even this more reasonable-sounding characterization begets obvious unanswered questions: a global competition for what end? A larger tally of countries “on our side?” Reshored U.S. manufacturing jobs? Slower Chinese growth? Collapse of the Chinese political system? What does success look like and who will benefit? One columnist said glibly that the point of competition with China is to “win.” This is obviously not a sufficient answer to a serious question. What collateral damage will such a competition produce? How will the real existential challenges of today’s humanity be met amid such competition? Like COVID-19 was met? Surely, we must do better.

But being sensitive to the difficulties of the “man in the arena,” as Teddy Roosevelt mused, we must not dwell on criticisms and should focus instead on what should be done and try to articulate a vision that can durably animate a sensible American approach to China going forward. Some will say that the U.S. and China are on an inevitable collision course, that we are, in Graham Allison’s words “Destined for War.” This neglects agency of the actors, however, and does not take enough account of how the world has changed and is changing.

In my view, the real problem we are grappling with has only tangentially to do with China. As Charles Kupchan has written in his book “No One’s World,” we are moving into a new era of multipolarity and the U.S. is clinging unsurprisingly to the post-Cold War unipolar order. Many policymakers have seen this transition coming since the 1990’s and consequently made efforts to remake as much of the “rising rest” in the image of the U.S. and its allies as quickly as possible so that the international system might essentially continue but under a perhaps more pluralistic, less-Western leadership. This was a good and foresighted approach, and it seemed to work for a time as democracy and market capitalism flourished in the ‘90s at the “end of history.” One question, incidentally, that historians will have to wrestle with is whether it would have worked better if the U.S. had not gotten pulled into 20 years of misadventure in South Asia and the Middle East.

But now the clock has run out on that effort, the tide is already changing and the binding of the “rising rest” into the system that the U.S. led since World War II is incomplete. Russia’s actions, especially in Ukraine, and China’s more

aggressive foreign policy are the two most obvious manifestations of this gap, but there are others.

And so we have two big problems. One is actually grappling with this set of realities and coming up with a strategy to handle it in the best way possible. The other is the narrative problem. How do you tell Americans that, while we've been a unipolar superpower for 30 years, operating with few constraints and able to do work our will on the world, now there are others who are also powerful and with whom we have to compromise and employ mutual restraint? This is not a winning political narrative.

These are difficult challenges, and the domestic narrative quandary is even more difficult than the strategy for transition in the global order. How can we create a positive unified national vision for American purpose in a multipolar world in the current divided political climate? A realistic narrative that serves America's long-term interests will be difficult to forge. China could perhaps have done more to help with this problem of transition away from unipolarity; it could have been more consistent in stating and showing that it would not challenge U.S. leadership of the international system, as it did before Xi Jinping's ascension. Unfortunately, although Chinese leaders now claim that they will not challenge Washington's leadership, no one in Washington believes it and China is clearly challenging elements of the system.

But the answer to the first question, what should we do with China in the place we find ourselves, is more obvious and less dire than people would have us think. What does China want? China wants to be seen as a responsible international player, it wants to be respected. It does not want the responsibility of managing the international system. China wants to be connected to the rest of the world and wants to modernize. Yes, China is suspicious of foreigners, and is paranoid about security and outside influences, but it will not be able to go back to isolation. Yes, China wants to be powerful, to have a world class military, to have its interests respected. It certainly wants Taiwan to be brought under de facto control of the government in Beijing. And yes, China cares about sovereignty and wants to rule China as it sees fit without external interference. But in reality, China understands that a globalized world demands a malleable conception of sovereignty in practice, as we see in many examples. Chinese sensitivity about sovereignty ebbs and flows depending on perceived threats, domestic politics and other factors. This is not an insurmountable or unfamiliar obstacle and certainly should not be a casus belli for China in the absence of a major change in the status quo.

We have worked to bring China into the international system led by the U.S. and we made great strides in this. While some say China hasn't gone far enough, it has probably gone much farther than Deng Xiaoping ever dreamed. Many scholars, including in particular Iain Johnston at Harvard, have extensively documented China's accession to the international system. Looking back on these efforts, historians are likely to conclude that this engagement strategy succeeded expectations. China accepts the U.S.-designed, UN-led system, accepts the legitimacy of most international rules, and adapted its economic system to mirror the world market-based economy set up by the U.S. China's acceptance and adherence are not perfect, but have been stunning in their import. And although the tide is already turning to multipolarity, China will continue to change. We will continue to influence China just as it influences us on a daily basis.

Of course, we're disappointed about areas where China is still outside the international system, and China is now becoming strong enough to resist adherence to the last areas it finds most objectionable. My argument would be that stopping the international system from fracturing should be our primary strategic goal for long-term U.S. interests. We can maintain U.S. leadership of such a system, but only if we accommodate to some extent the "rising rest," especially China as the most important and powerful by far actor in this category.

What accommodations or changes would China seek? It would seek to impose constraints on areas of unconstrained U.S. power in the unipolar era. Some of these are outside the current international system that we now call the rules-based order but are U.S. preferences backed by "U.S. hegemony," using China's language. Others are areas of persistent or emerging disagreement within the multilateral system. I'll touch on two of the most important and most controversial issues here:

Territorial Integrity: this really means Taiwan. Recently Foreign Minister Qin Gang called Taiwan "the core of the core of Chinese interests." This should be understood as Chinese signaling, and is an attempt to make Chinese red lines crystal clear. This is an extremely difficult issue for the U.S., but is one that will have to be addressed. The U.S. does not need to "give up" Taiwan or see Taiwan forcibly incorporated into the PRC in order to accommodate China in a new multipolar international system, but China will insist that its interests be respected. Taiwan is a constant finger poking in its chest. But this can be changed, and if it was changed, the Taiwan issue would be much less urgent for Beijing. This is not an issue of international rules or principles. Simply put, it is an issue of face,

national psychology and identity politics. The U.S. should start understanding it as such or there will be a conflict. There were similar issues at work in Putin's mind no doubt before his invasion of Ukraine, so we should learn to take them seriously, even if we think they have no merit. Military deterrence alone will not work in this situation, but it is the only focus in Washington.

Sovereignty: Here the most neuralgic issue is the levying of U.S. unilateral punitive sanctions not agreed in the UN Security Council, especially sanctions on individual Chinese leaders and financial sanctions, especially secondary sanctions. This ever-expanding trend is unsustainable and it, more than anything, is liable to break the international system we have so painstakingly built, if it continues. China has a lot of support in its disdain for this trend in the developing world and, of course, from others like Russia, Turkey, Saudi Arabia, etc. But the U.S. political system appears addicted to sanctions as a tool, in place of more mundane diplomatic tools. Why do more Americans not ask the question – who benefits from these sanctions and are they effective or counterproductive? When was the last time we lifted a sanction, and if sanctions cannot be lifted, what do we suppose is their efficacy?

Being a former diplomat, I understand that it is easier to work in small formats with like-minded countries. It is difficult to forge consensus with people with whom we have differences. But I believe these two areas can be discussed, negotiated, and that if we took this pragmatic approach we could keep the current international system largely intact and we could maintain U.S. leadership of a system that is to our obvious benefit. The Chinese do not seek to replace the U.S. as the global leader and the U.S. should be more secure in its own considerable power and attractive influence. In the face of current global uncertainties, this should be an easy CEO strategic decision. It maximizes prospects for a positive outcome, preserves optionality and is in keeping with the best of U.S. values and serves America's interests. I hope we can adopt a pragmatic path forward that maximizes our interests, before it is too late.