

Common Good Diplomacy: A Framework for Stable U.S.-China Relations

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Jake Werner

Research Fellow Quincy Institute for Responsible Statecraft

Executive Summary

One curious feature of the emerging U.S.–China conflict is that each side claims to be defending the existing international order against the threat the other poses to it. Hidden beneath this seemingly irreconcilable dispute is a crucial truth: both the United States and China are status quo powers, sharing a deep interest in a stable global security environment and an open global economy. At the same time, both countries are pursuing urgently needed reforms to a global system increasingly defined by zero–sum pressures. Yet both are prone to exclusionary impulses that threaten to ruin the possibility of a shared reform agenda and instead throw the world into conflict.

Working with China to revitalize the international order would not only prevent such a conflict, it would also establish the conditions for healthy forms of both competition and cooperation in the U.S.–China relationship. But how can U.S. leaders pursue such a project without simply giving a pass to China's sometimes undesirable behavior?

The focus should be diplomacy to frame an inclusive global system, focusing on actions that would reduce zero-sum constraints. In the three key realms of global authority and security, the global economy, and climate change, China is currently engaged in counterproductive moves that exacerbate existing tensions but is also pursuing promising reforms that could expand the scope for positive-sum outcomes.

Rather than seeking to counter every Chinese initiative, U.S. leaders should carefully distinguish between beneficial and damaging outcomes, affirming and building on China's constructive proposals and managing differences through negotiation rather than polemics and confrontation. Some potentially fruitful areas for cooperation include joint action to limit climate change, development in the Global South, revising the global guidelines for economic statecraft, and reforming international institutions to create a more open and inclusive world order.

Pursuing cooperative efforts in such areas would both create direct benefits and improve U.S. credibility as a responsible leader of the world order rather than simply a rival of China. It would also open space to pursue competition within a rules-based order rather than risk a slide into destructive zero-sum conflict.

Introduction

A certain absurdity characterizes the exchange of accusations and counter-accusations accompanying the rapid deterioration of U.S.-China relations over the last five years. With great solemnity and sincerity, each side insists it is defending the established international order against the other side's schemes to tear it down.

The Biden administration, explaining why it has organized its foreign policy around countering China, labels China (with Russia) one of the "powers that layer authoritarian governance with a revisionist foreign policy."¹ Secretary of State Antony Blinken, in presenting the administration's approach to China, maintained that, "rather than using its power to reinforce and revitalize the laws, the agreements, the principles, the institutions [of the international order] that enabled its success so that other countries can benefit from them, too, Beijing is undermining them."²

The Chinese government argues that, in reality, the United States is the one undermining the international order by violating other countries' sovereignty, foisting its own economic and political system on others, and doubling down on military, financial, and technological domination "to impose rules that serve its own interests in the name of upholding a 'rules-based international order."³ The United States, "resorting to

https://asia.nikkei.com/Politics/International-relations/US-China-tensions/How-it-happened-Transcript-of-the-US-Chin a-opening-remarks-in-Alaska; Xinhua, "US Hegemony and Its Perils," February 20, 2023, https://english.news.cn/20230220/d3a4291d44f2499ea20710ae272ece72/c.html.

¹ Joe Biden, "National Security Strategy of the United States of America," The White House, October 12, 2022, <u>https://www.whitehouse.gov/wp-content/uploads/2022/10/Biden-Harris-Administrations-National-Security-Strategy-10.2022.pdf.</u> A "revisionist" foreign policy is one that aims to discredit and fundamentally change or overthrow the existing international system.

² Antony J. Blinken, "The Administration's Approach to the People's Republic of China," speech at George Washington University, May 26, 2022, <u>https://www.state.gov/the-administrations-approach-to-the-peoples-republic-of-china</u>. ³ Yang Jiechi, opening comments at the U.S.–China Summit, Anchorage, Alaska, March 18, 2021,

unilateralism, protectionism and bullying hegemonism", is flouting the rules of the system and the expectations of the international community.⁴

Even as it seemingly divides the two countries, it is precisely the quarrel over which country is truly committed to the existing order that demonstrates the potential for a new architecture of stable Sino-American relations. A shared attachment to the status quo indicates that the two powers share far more common ground than Washington and Beijing currently imagine. Yet the fact that each country constructs their case against the other on grounds of their own fidelity to the system constitutes a major barrier not only to recognizing that common ground but also to launching discussions on how to reform the status quo.

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This is a particularly dangerous situation because, as I argued in this brief's companion piece,⁵ status quo dysfunction is precisely the force pressing the United States and China into zero-sum competition over core security and economic interests. Though the United States and China both recognize key problems and desire reform, each side is defining their own preferred changes as aligned with the system and casting those of the other side as the source of the system's dysfunction. The United States and China are each pursuing their own initiatives to reshape the international order in ways advantageous to themselves while seeking to exclude the other.

⁴ PRC Ministry of Commerce, "2023 Report on WTO Compliance of the United States" (August 2023), 4 <u>http://images.mofcom.gov.cn/sms/202308/20230811165019325.pdf</u>.

⁵ Jake Werner, "Competition versus Exclusion in U.S.–China Relations: A Choice between Coexistence and Conflict," Quincy Institute for Responsible Statecraft, Quincy Brief No. 45, September 11, 2023,

https://quincyinst.org/report/competition-versus-exclusion-in-u-s-china-relations-a-choice-between-stability-and-confl ict/.

The tragedy of the current impasse is that, in failing to recognize in each other a kindred desire to renew the existing system through ambitious reform, the two powers are intensifying instability while ensuring that rejuvenating reforms will fail. A different approach would not only take us off a trajectory toward violent great power conflict, it could also revive the global system to serve the interests of the United States, China, and the rest of the world.

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This brief seeks to clarify China's stake in the international status quo and the nature of the reforms it is advocating. While Chinese insecurities are leading to certain behaviors that exacerbate zero-sum constraints and impede needed reforms, China also sees the existing order as essential to its security and prosperity and supports reforms that would overcome zero-sum dynamics by making the international order more inclusive and resilient.

Because the United States remains the most powerful country in the world and because it is currently seeking to exclude and diminish Chinese influence in crucial strategic sectors, Washington's orientation toward China will prove decisive. Will China's counterproductive impulses, fueled by U.S. hostility, become ever stronger until the international order is irredeemably fragmented and zero-sum conflict becomes a permanent feature of international relations? Or will the United States distinguish clearly between Chinese actions that aggravate zero-sum pressures and those that mitigate them, drawing China and other rising powers into a new international framework for the common good?

Debilitating suspicions

Raising the idea of Sino–American cooperation in Washington today inevitably calls forth an objection: even if the United States wanted to pursue shared goals, it would be unlikely to find a willing partner on the other side of the table.

For some, skepticism may be a convenient excuse to stay clear of a politically challenging position. Yet there are clear reasons for pessimism. After all, the U.S.–China relationship has been in free fall for the last five years. Despite appeals from Beijing to restart talks, Biden decided early in his tenure to hold China at a distance diplomatically while maintaining Trump's anti–China measures and reviving U.S. alliances to make those restrictions more effective.⁶ Following Nancy Pelosi's official visit to Taiwan in August 2022, it was Beijing's turn to cut off negotiations. In recent months, even though the two sides have belatedly reopened high–level diplomatic exchanges, both have stated quite openly that they expect no real breakthroughs from the process.

Of course, political leaders rarely assume that present realities must extend indefinitely into the future, so what stands behind the certainty that China would not reciprocate? Ultimately it is the widespread belief that China's goals are intrinsically antagonistic to U.S. interests and values.⁷

If we suspend our disbelief about Chinese leaders' aims, what positive reasons are there to think that they would be willing to work with the United States? First, China has repeatedly sought cooperation on a range of issues. In November 2021, on a video call between the two presidents, Xi told Biden that China's global projects are open to the United States and he hoped that U.S. development programs would be open to China. He then enumerated areas of common interest on which U.S.–China complementarity could be put to good use: the economy, energy, military–to–military interactions, law

⁶ Nahal Toosi and Gavin Bade, "Biden's in no rush to engage China. Guess who's trying to take advantage," *Politico*, February 10, 2021, <u>https://www.politico.com/news/2021/02/10/biden-china-relations-beijing-468168</u>; Lara Jakes, Steven Lee Myers, and Austin Ramzy, "U.S. Punishes 24 Chinese Officials on Eve of First Talks Under Biden," *The New York Times*, March 17, 2021, <u>https://www.nytimes.com/2021/03/17/world/asia/us-china-biden.html</u>.

⁷ I review how this belief became so deeply rooted in Washington in Werner, "Competition versus exclusion in US–China relations."

enforcement, education, science and technology, cyber communications, environmental protection, and sub–national interactions. He concluded with a call for "strengthening coordination and cooperation on major international and regional hotspot issues to provide more public goods to the world."⁸

A year later, in Xi and Biden's long, in-person meeting at the Bali G20 summit – despite highly provocative U.S. moves like Pelosi's Taiwan visit and harsh export restrictions on advanced semiconductors – Xi stated:

It is in our mutual and fundamental interest to prevent conflict and confrontation and achieve peaceful coexistence. The two economies are deeply integrated, and both face new tasks in development. It is in our mutual interest to benefit from each other's development. It is also in our mutual interest to promote post–COVID global recovery, tackle climate change and resolve regional issues through China–U.S. coordination and cooperation.⁹

Talk is cheap. Yet a history of mutually beneficial cooperation stands behind these appeals. Less than ten years ago — after Xi Jinping took over as president — Sino–American alignment was crucial to concluding the Paris Climate Accords. The United States and China collaborated closely in bringing the 2014 Ebola epidemic in West Africa under control.¹⁰ A host of additional, lower–profile advances were made on economic, security, and climate issues through the bilateral Strategic and Economic Dialogue.¹¹

⁸ "President Xi Jinping Had a Virtual Meeting with US President Joe Biden," Ministry of Foreign Affairs of the People's Republic of China, November 16, 2021,

https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/202111/t20211116_10448843.html

Chinese text: "习近平同美国总统拜登举行视频会晤," https://www.gov.cn/xinwen/2021-11/16/content_5651232.htm. ⁹ "President Xi Jinping Meets with U.S. President Joe Biden in Bali," Ministry of Foreign Affairs of the People's Republic of China, November 14, 2022,

<u>https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/202211/t20221114_10974686.html</u>. Chinese text: "习近平同美国 总统拜登在巴厘岛举行会晤," <u>https://www.fmprc.gov.cn/zyxw/202211/t20221114_10974651.html</u>

¹⁰ Callie Aboaf, "U.S.-China Collaboration in Combating the 2014 Ebola Outbreak in West Africa," The Carter Center, Africa-U.S.-China Trilateral Cooperation Research series no. 3 (2019),

https://www.cartercenter.org/resources/pdfs/peace/china/trs-03-combating-ebola-breakout.pdf.

¹¹ Tiffany Barron, Rorry Daniels, M. Patrick Hulme, Daniel Jasper, Craig Kafura, and Kacie Miura, Engagement Revisited: Progress Made and Lessons Learned from the US-China Strategic and Economic Dialogue (New York: National Committee on American Foreign Policy, 2021),

https://www.ncafp.org/new-report-us-china-strategic-economic-dialogues.

The Trump administration shut down most U.S.–China cooperation at the national level, but sub–national cooperation has continued. California, for example, recently renewed one agreement with China's Ministry of Ecology and Environment on climate-related information sharing and people-to-people exchanges and signed a new one with Hainan province.¹²

One U.S.–China agreement that survived the Trump era was the Science and Technology Cooperation Agreement — the first treaty signed after the two countries established diplomatic relations in 1979. It proved highly successful in linking together the two most dynamic countries for research and development and was up for renewal in August.¹³ China encouraged its continuation, with the ambassador to the United States tweeting: "Over the years, our [science and technology] cooperation has saved lives, reduced birth defects, fed billions, protected forests, controlled pollution, etc. in both countries and the world. The mobility of science is what makes it strong."¹⁴ Despite calls from some members of Congress to cut ties between scientific communities, the Biden administration quietly extended the treaty for six months, pending renegotiation.

Yet the relationship is now so fraught that even those U.S. leaders who recognize that China is open to cooperation still suspect its goal is merely to reduce U.S. pressure and exploit cooperation for its own narrow interests.

¹² Blanca Begert, "Washington can't get a climate pact. Gavin Newsom just cut another one," *Politico*, August 14, 2023, <u>https://www.politico.com/news/2023/08/14/newsom-climate-diplomacy-00110622</u>.

¹³ Karen Hao and Sha Hua, "The U.S. Is Turning Away From Its Biggest Scientific Partner at a Precarious Time," *The Wall Street Journal*, August 16, 2023,

https://www.wsj.com/world/china/the-u-s-is-turning-away-from-its-biggest-scientific-partner-at-a-precarious-time-9fb 9adaa

¹⁴ Ambassador Xie Feng @AmbXieFeng 谢锋, Twitter, August 11, 2023, https://twitter.com/AmbXieFeng/status/1689994711992274944.

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For China's leaders to pursue aims they define as in their national interest is no scandal — in this they are doing the same thing as the leaders of all countries. The real question is whether or not those aims fit into a larger common good that would secure the interests of other nations' leaders.

An agenda for common good diplomacy

The answer, unsurprisingly, is both. Sometimes China's goals contribute to the global common good — i.e., a revitalized international order in which the interests of the United States, China, and the rest of the world can be pursued through healthy forms of competition and cooperation. Other times, they work at cross purposes.

For U.S. leaders, the first step to managing this complexity is to abandon the simplistic image of China as a monolith opposed to every American value and interest. U.S. leaders should not, of course, merely accept Chinese propaganda's equally simplistic official image of China as entirely blameless, cooperative, and responsible. Instead, U.S. discussion needs to disaggregate images of China, distinguishing clearly between two realms of Sino–American relations: the realm of diplomacy needed to frame an inclusive global system, and the realm of action within that system, including everyday business, military, political, and cultural activities.

In the first realm, China should be conceptualized as a difficult–but–essential partner facing similar challenges and pursuing shared goals, yet prone to unhelpful exclusionary impulses. In recent years, a knee-jerk desire to "counter China" in all its activities has come to dominate Washington. This highly destructive impulse must be abandoned.

Instead, the criterion to decide between encouraging or resisting Chinese priorities in the first realm is whether they contribute to or undermine the common good. The central focus for common good diplomacy is actions that would reduce zero-sum pressures, institutionalize restrained multipolarity on all sides, and open up possibilities for mutual gain.

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In the second realm — everyday interactions within the system — China will sometimes be a sharp competitor to the United States, sometimes a counterpart in beneficial exchange, sometimes an enriching interlocutor, sometimes a frustrating contrarian. With a stable U.S.–China framework in place, U.S. leaders should have no compunction about engaging in vigorous efforts to compete with China, nor should they fear deepening connections that could lead to interdependence and mutual influence.

Strengthening the international order

While Washington defines China as the biggest threat to the international order because of its significant military and economic power,¹⁵ China in fact derives that power from the existing world order. China achieved its extraordinary rise over the last four decades through an open and peaceful world system; its current prospects depend fundamentally on the dense interconnections of trade and finance it has built with most of the world's countries.¹⁶

¹⁵ "Russian President Vladimir Putin poses a clear and present threat ... [but] we will remain focused on the most serious long-term challenge to the international order—and that's posed by the People's Republic of China. China is the only country with both the intent to reshape the international order and, increasingly, the economic, diplomatic, military, and technological power to do it." Blinken, "The Administration's Approach to the People's Republic of China." ¹⁶ Jake Werner, "China and Russia Are Not Mirror Images", *The Nation*, October 31, 2022, 20–26, <u>https://www.thenation.com/article/world/china-russia-jinping-putin.</u>

Like the United States, China is a status quo power with an interest in pursuing discrete reforms to an increasingly dysfunctional global system. Misrepresenting China's interest in reform as a desire to overturn the international order — on the basis of a disingenuous portrayal of the existing order as "democracy" against China's preferred "autocracy"— only undermines American credibility while convincing the Chinese leadership that the United States will not tolerate a successful Communist Party–led China.¹⁷

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American diplomats should begin by recognizing and affirming the strong status quo elements in China's foreign policy. The country's foundational doctrine for international order is the Five Principles of Peaceful Coexistence: mutual respect of territory and sovereignty, mutual non–aggression, non–interference in other countries' internal affairs, equality and mutual benefit, and peaceful coexistence. Up to this point, China has largely abided by these principles in the military realm – most significantly, it has not fought a war since 1979.¹⁸ As Michael O'Hanlon recently commented, "by the

¹⁷ The "democracy versus autocracy" framing weakens U.S. credibility because it exposes deep vulnerabilities on both sides of the ledger. The United States provides robust military and diplomatic support to many autocrats and illiberal elected leaders (far more than China does) and is notably less responsive to the needs of democracies in the Global South than to rich democracies. On the former point, see note 35, below; on the latter point, see Jake Werner, "Does America Really Support Democracy—or Just Other Rich Democracies?" *Foreign Affairs*, July 9, 2021, <u>https://www.foreignaffairs.com/articles/united-states/2021-07-09/does-america-really-support-democracy-or-just-ot</u> her-rich

¹⁸ Although U.S. leaders are often frustrated by Chinese refusal to support Washington's pressure campaigns and wars against third countries, they have more recently rediscovered the value of the U.N. Charter's principle of sovereign equality.

standards of the history of rising powers, China's military buildup and its recent record on the use of force are both relatively restrained."¹⁹

Of course, like other great powers, China at times creatively reinterprets international actions that would otherwise seem to violate its bedrock principles, most recently in its failure to condemn Russia's violation of all five principles in its invasion of Ukraine. The best response to hypocrisy, however, is not to endorse cynicism — thereby diminishing the pressure for good behavior — but to raise the pressure by demanding that we all live up to our proclaimed values.

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In addition to classic nonaggression principles, China also embraces an open global economy. As Premier Li Qiang recently said: "We should oppose the politicization of economic issues and work together to keep global industrial and supply chains stable and smooth, and deliver the fruits of globalization to different countries and groups of people in a more equitable way."²⁰

Once again, China is not always consistent in applying these principles. In the most serious cases of economic coercion, Chinese leaders use their leverage from trade and investment to pressure foreign countries that they think are threatening their key domestic interests. Further discussed below, the United States must continue to push back against these practices.

However, some of the most common complaints among U.S. policymakers, such as "forced" technology transfer, are best understood not as Chinese perfidy but as a

¹⁹ Michael E. O'Hanlon, "Getting China right: Resoluteness without overreaction," Brookings Institution (June 2023), <u>https://www.brookings.edu/research/getting-china-right-resoluteness-without-overreaction.</u>

²⁰ Li Qiang, "Address at the opening plenary of the Annual Meeting of the New Champions 2023 (Summer Davos)," Tianjin, China, June 27, 2023,

https://english.www.gov.cn/news/202306/28/content_WS649b7281c6d0868f4e8dd495.html.

rational response of developing countries to zero-sum structural constraints in the global economy creating obstacles to growth. Utilized in the right way, China's experience of these tensions could provide leverage for a reform agenda that would preserve an open and depoliticized global economy, while making it consistent with the imperative of sustainable development for all countries.

Revitalizing the international order

In addition to these core status quo impulses, China also supports reforms and new initiatives that — if not poisoned by great power conflict — could contribute to restoring the badly damaged legitimacy and growth potential of the global system. The crucial question for both the U.S. and Chinese leaders is what steps will lift the zero-sum military and economic constraints currently driving the two countries into conflict.

The three principle points of tension are:

- 1. *Global authority and security* the transition from U.S. hegemony to a multipolar system of military and political power;
- The global economy the slow rate and inequitable distribution of growth in the global economy, inducing an artificial scarcity of opportunity and making it difficult to imagine that both the United States and China could thrive;
- 3. *The climate crisis* the potential for climate change to massively exacerbate all the zero-sum points of conflict.

Some Chinese actions and initiatives are exacerbating these zero-sum pressures, but others aim for solutions that could significantly reduce those pressures. U.S. leaders should abandon their current attempts – destabilizing and likely futile – to exclude China.²¹ Rather than encouraging recalcitrance by aggravating Chinese insecurity, they should embrace constructive Chinese offers and seek progress on disagreements through negotiation.

²¹ Werner, "Competition versus exclusion in US–China relations."

China is exacerbating zero-sum pressures

• Global authority and security

China is exacerbating the fears of neighboring countries and the United States with aggressive rhetoric and intrusive and militarized behavior around Taiwan, in the South China Sea, and on the border with India. Though China is not providing lethal aid in support of Russia's invasion of Ukraine, its propaganda excuses for the invasion have intensified doubts about China's own principles and intentions. These unwelcome behaviors have, in turn, strengthened unreconstructed primacists in the United States who resist accommodation of rising powers by trying to force everyone into an anti–China bloc.

Xi Jinping's repudiation of the previous decade's more tolerant orientation toward cultural difference and political criticism in favor of a repressive and securitized approach to domestic social issues also aggravates global tensions. The mass campaign of forced assimilation against Uyghurs and other ethnic minorities in Xinjiang seemed to confirm the incompatibility of the Chinese system with democracy (even as the rich democracies themselves arranged the mass internment of refugees). The suppression of the democracy movement in Hong Kong not only sundered the "one country, two systems" principle of the 1984 handover agreement with the U.K., it also made relations with Taiwan even more intractable by further alienating Taiwanese from mainland politics. Increasingly intrusive surveillance and heavy–handed tactics pushing business (including foreign investors) onto the national security agenda undermined a key constituency that once helped stabilize the U.S.–China relationship.

Global economy

China is dismissing legitimate concerns that an overconcentration of important lines of production in China makes other countries vulnerable to local disruptions and gives China leverage to foist its political priorities on others. The former fear was borne out during the Covid–19 pandemic and the latter has been realized in China's use of economic coercion against South Korea, Australia, Lithuania, and others. Rather than seeking multilateral solutions to these problems, China is doubling down on its goal of dominating advanced manufacturing.²²

China is also contributing to global economic imbalances through high levels of domestic wealth inequality and weak provision of public goods, limiting consumer demand and increasing the pressure to gain export share. However, this is a universal problem that would require global agreement on basic labor standards and universal public goods to resolve. Such agreements are aligned with some policy goals of the Chinese leadership, but China has not taken the initiative to propose a global framework.

Finally, disputes between China and the Paris Club of rich creditor countries have stymied an orderly and timely process of debt restructuring for debt-distressed countries in the Global South. In recent months, China has made some concessions and hopes for further progress are high. But as long as U.S.-China geopolitical tensions persist, a new consensus on development-related debt problems is likely to prove elusive.

Climate crisis

China is by far the largest emitter of greenhouse gasses (though similar to European countries on a per capita basis; US emissions are twice as high per capita). Even as the rest of the world has rapidly moved away from building new coal-fired power plants, China continues to expand this dirtiest source of energy at an alarming rate. Until recently, China's overseas development financing was often used to expand coal power in other countries around the world as well.

²² Mia Nulimaimaiti, "How's China's manufacturing push doing, and what still needs to be done?," *South China Morning Post*, May 12, 2023, <u>https://www.scmp.com/economy/china-economy/article/3220221/hows-chinas-manufacturing-push-doing-and-wha</u> t-still-needs-be-done.

China is advancing positive-sum solutions

Even as its search for security exacerbates some zero-sum constraints in the global system, China also champions reforms and new initiatives with considerable potential to promote greater inclusion and growth for all.

• Global authority and security

China has joined the other major developing countries in advocating a broader distribution of authority in global governance, calling for greater influence for states representing the global majority in the United Nations, the International Monetary Fund, the World Bank, the World Trade Organization, and other major multilateral institutions. China has been an active and committed participant in the G20 and has been responsive to other members' priorities in that forum. It has been pivotal in establishing new institutions, like the Shanghai Cooperation Organization and the BRICS, outside the control of the rich countries but not directed against them. In the past, China played a constructive role in U.S.-dominated multilateral negotiations around North Korea's and Iran's nuclear programs; more recently it helped broker normalization in relations between Saudi Arabia and Iran, and has made some cautious moves to mediate the Russia–Ukraine war.

China's initiatives certainly serve Chinese interests — as the second–largest country in the world, long marginalized in the institutions of global governance, it stands to gain significantly from a more balanced distribution of authority. The essential question, however, is whether China's proposals sacrifice the interests of other major powers and put China in a position to dominate other countries, or if instead they build toward a more inclusive global system dominated by no single power.

Since the multipolarity that China envisions would empower not just China but a range of other developing countries whose interests sometimes align with and

sometimes oppose those of China, there is no prima facie reason to think it would lead to Chinese domination. China's diplomatic track record also gives reason for cautious optimism.²³ Although China's experience in international mediation remains nascent, it has thus far avoided the pitfall of brokering accords that are aimed against its own rivals. In conflicts to which it is a party, such as territorial disputes in the South China Sea, China sometimes employs coercive tactics that exacerbate tensions. Yet it also conducts responsible diplomacy around the issue and, through robust, multifaceted engagement, bolsters the regional security framework based on ASEAN centrality. Overall, China remains more restrained than regional powers in other areas, like the U.A.E. or Rwanda, with which the United States maintains friendly relations.²⁴

A U.S. strategy of institutionalizing multipolarity would draw China further into multilateral political and security structures, affirming Chinese reform ideas while simultaneously counterbalancing increased Chinese influence with a stronger role for other developing countries. Such an approach is likely to increase the stability and legitimacy of the global system around the world while giving China a stake in its success and good reason to avoid destabilizing actions.

A U.S. strategy of institutionalizing multipolarity would draw China further into multilateral political and security structures.

The larger question facing such an approach is whether the rich countries, above all the United States, would be willing to accommodate the greater influence of

²³ Xi Jinping's recently launched troika of global programs—the Global Security Initiative, Global Development Initiative, and Global Civilization Initiative—do not yet have an established track record. They bear close observation for further indications of China's intentions and effectiveness in the realm of global authority.

²⁴ Matthew Petti and Trita Parsi, "No Clean Hands: The Interventions of Middle Eastern Powers, 2010–2020," Quincy Institute for Responsible Statecraft, Quincy Paper no. 8, July 19, 2021,

<u>https://quincyinst.org/report/no-clean-hands-the-interventions-of-middle-eastern-powers</u>; Md. Himel Rahman, "Rwanda's Growing Interventionism: The Rise of a New Regional Power in Sub-Saharan Africa," *The Geopolitics*, July 29, 2023,

https://thegeopolitics.com/rwandas-growing-interventionism-the-rise-of-a-new-regional-power-in-sub-saharan-africa.

countries long subordinate to their power. The acute dangers to peace and prosperity of spurning such an accommodation — the destabilizing consequences of an excluded China, of increasingly resentful major developing countries, and of deteriorating financial and climate conditions in the poorest countries — might actually reinforce exclusionary politics in the rich countries rather than inspiring an enlightened redistribution of international political power.

That's why the attractions of multipolarity, not just the disasters it would prevent, need to be at the forefront of our thinking. Most important among these are the opportunities within a global economy whose dynamism could be revived through greater inclusivity.

Global economy

Though China remains relatively reluctant to assert itself on military issues, its contribution in the economic realm is far more consequential. China's role is also quite unique because of the country's unmatched success in translating foreign investment and international economic exchange into national development while still maintaining autonomy within the international order. An unusual path of tight integration into market–led globalization combined with a gradualist and top–down course of market reform has given China both the interest in and the power to pursue changes in global economic governance that could help address the debilitating economic problems of recent years, particularly those facing the Global South.²⁵ By accelerating global growth and expanding its benefits geographically and socially, such a course offers a solution to today's zero–sum competition over the starkly limited opportunities in a low–growth world.

China's potential economic contributions can be divided into three groups. First, direct actions to support development: China is the largest provider of bilateral

²⁵ Jake Werner, "The Sources of China's Vision for Global Economic Governance," Boston University Global Development Policy Center, Global China Initiative Working Paper 19 (September 2021), <u>https://www.bu.edu/gdp/2021/09/28/how-the-liberal-international-order-shaped-chinas-challenge-to-global-economi</u> <u>c-governance</u>.

development financing in the world. Through the Belt and Road Initiative, it has prioritized essential development projects — particularly infrastructure — that Western donors and investors turned their backs on for decades. China has also expanded the number of multilateral institutions supporting development, establishing the Asian Infrastructure Investment Bank and co-founding the New Development Bank of the BRICS grouping.

Second, China in principle supports an expanded array of global public goods. China's commitment on global public goods remains vague – more a feature of rhetoric than of policy and more a tactic in bilateral relations with other states than a commitment to truly universal provision. But its centrality in China's international development cooperation principles is a promising starting point.²⁶

This is important because substantial progress could be made on core problems in the global economy — such as inadequate consumer demand, obstacles to investment like poor infrastructure and energy poverty, the dangers posed by weak public health systems, and the growing costs of the climate crisis through a major multilateral push to increase the provision of essential collective goods, based on the principle of common but differentiated responsibilities. Such an initiative would require the United States and other rich countries to commit resources and political will that have historically been lacking. But doing so would put them in a position not to snipe at China's public goods initiatives (as they did around Covid "vaccine diplomacy") but to call upon China to channel its efforts in a more productive direction. Universalizing global public goods would depoliticize such disputes, removing a direct impetus to conflict; it would also contribute significantly to global development.

²⁶ PRC State Council Information Office, "China's International Development Cooperation in the New Era" (January 2021), <u>https://english.www.gov.cn/archive/whitepaper/202101/10/content_WS5ffa6bbbc6d0f72576943922.html</u>.

Universalizing global public goods would remove a direct impetus to conflict and contribute significantly to global development.

Finally, the success of Chinese industrial policy has broken apart a stultifying consensus that previously prevented the use of public power to shape and channel market forces. Although the mercantilist character of China's industrial policy encourages zero–sum dynamics (as does the emerging U.S. industrial policy that mirrors Chinese practice), directing these tools of statecraft toward global development and global public goods would accelerate growth and make it more equitable, overcoming today's zero–sum limits. That could mean not just gains for developing countries but considerable new opportunities for American investors, significant new markets for American exporters, and a major reduction in unfair competition targeting American workers.

• Climate crisis

Alongside its outsize contribution to the climate crisis, China is also making the most rapid transition toward climate sustainability in the world. In 2023, it is on track to install more solar power capacity in one year than the entire existing U.S. capacity.²⁷ China accounts for more than half of all electric vehicle sales globally – in 2022, 29 percent of new car sales in China were EVs, compared with 21 percent in Europe and eight percent in the United States.²⁸ Because of these strengths in manufacturing, Chinese companies are also at the forefront of reducing costs in clean energy supply chains, helping make an affordable global climate transition possible around the world. Beijing has committed to greening

²⁷ "China's Solar Boom Is Already Accelerating Past Last Year's Record Surge," Bloomberg, May 22, 2023, <u>https://www.bloomberg.com/news/articles/2023-05-22/china-s-solar-power-boom-is-accelerating-past-last-year-s-record-surge</u>.

²⁸ Anson Zhang, Mohammed Haddad, and Alia Chughtai, "Visualising the growth of the electric car industry," Al Jazeera, June 5, 2023, <u>https://www.aljazeera.com/news/2023/6/5/visualising-the-growth-of-the-electric-car-industry</u>.

its global development activities as well, promising to end financing for new coal-fired power plants and ramp up investment in climate-friendly projects.

Diplomatic principles for a new global common good

The problem with U.S. diplomacy is not that it applies pressure against Chinese behavior that reinforces zero-sum dynamics — that is necessary. Rather, the problem is that U.S. leaders apply just as much pressure against Chinese initiatives that are broadly welcomed around the world, the success of which would alleviate zero-sum constraints.

Unsurprisingly, other countries find positive-sum possibilities from China more attractive than venomous rhetoric and confrontational behavior. For this very reason, U.S. leaders – assuming that any success for China is a threat to America – have often tried hardest to discredit China's constructive reform proposals.²⁹ The reform ideas proposed by U.S. diplomats are formulated to counter China's, rather than to build on them or to integrate them into multilateral efforts.

As a result, doubts about U.S. intentions are spreading widely. Third parties have begun to suspect that the United States is more committed to weaponizing its own influence to remain atop a disintegrating system than to revitalizing the international order. Zambian president Hakainde Hichilema, standing alongside Vice President Kamala Harris at a recent press conference, rebuked exclusionary currents, saying: "When I'm in Washington, I'm not against Beijing. Equally, when I'm in Beijing, I'm not against Washington. We have a globe we share. ... What we expect of America and China as the two leading economies ... is to help us keep our world safe for everybody. Keep peace,

²⁹ The Belt and Road Initiative in particular has been vilified by the Biden administration and members of Congress, who often reference (repeatedly debunked) allegations of "debt traps" or question Beijing's motivations. For an overview of the "debt trap" literature, see Deborah Brautigam and Meg Rithmire, "The Chinese 'Debt Trap' Is a Myth," *The Atlantic*, February 2, 2021,

https://www.theatlantic.com/international/archive/2021/02/china-debt-trap-diplomacy/617953.

stability, which would allow us to focus – for example, like us, on our economic reconstruction agenda."³⁰

Rather than pitching exclusion as "competition,"³¹ the United States needs to clearly distinguish the realm of competition from the realm of diplomacy needed to build a shared stake in a larger common good. That points to a different set of principles.

1.) Inclusion for all

Most importantly, U.S. aims should start from a presumption of inclusion for all, not just "allies and partners." The goal is to create a global framework in which every country can thrive by meeting the needs of others in the system, whether through competition, cooperation, or other forms of connection.

Trying to cut China out is the most likely path to instability and conflict because it is the second most powerful country. But an inclusive path to a new global common good will need to invite, at a minimum, all the countries of the G20 plus the African Union into the process. This is important so that the full range of interests can shape the outcomes and to ensure the broad legitimacy of the reform agenda.

2.) Affirm and engage China's constructive ideas

The United States should both privately and publicly praise China's status quo principles and its reform ideas that contribute to overcoming zero-sum dynamics. Rather than trying to counter China at every step, U.S. leaders should coordinate their own efforts

https://chinaglobalsouth.com/podcasts/african-leaders-push-back-against-western-media-narratives-on-china.³¹ Werner, "Competition versus Exclusion in U.S.–China Relations."

³⁰ Remarks by Vice President Harris and President Hichilema of Zambia in Joint Press Conference, Lusaka, Zambia, March 23, 2023,

<u>https://www.whitehouse.gov/briefing-room/speeches-remarks/2023/03/31/remarks-by-vice-president-harris-and-pre</u> <u>sident-hichilema-of-zambia-in-joint-press-conference</u>. Hichilema was echoing dozens of world leaders who have been pleading with the United States and China to work together on shared challenges rather than making those problems immeasurably worse by drawing the world into great power conflict. A compilation of some of those voices can be found in Eric Olander, Cobus van Staden, and Geraud Neema, "African Leaders Push Back Against Western Media Narratives on China," China in Africa Podcast, April 7, 2023,

with China's to encourage greater Chinese contributions while simultaneously improving their quality.

3.) Avoid polemics

Where China is not living up to its proclaimed ideals, the United States should express its disappointment. But it should focus exclusively on undesirable outcomes of Chinese policy rather than calling into question Chinese leaders' motives, and it should refrain from seeking to discredit Chinese initiatives. Chinese leaders' bitter complaints about U.S. attempts to blacken their name is one of the most consistent objections featured in official proclamations on the relationship. If the U.S. goal is to improve outcomes rather than rally others to exclude and contain China, treating China as an interlocutor rather than an enemy will prove far more effective.³²

In line with this principle, U.S. leaders should themselves start abiding by the principles they demand China respect. Chinese economic coercion is repellant but much less systematic and damaging than U.S. economic coercion.³³ Chinese support for autocracies is deplorable but much more limited than US support for autocracies.³⁴

4.) Negotiation, not confrontation

Once China and the United States recognize their shared interest in revitalizing the existing global system through selective reforms, the range of Chinese behaviors that

³² The Biden administration's current position on Chinese mediation of the Russia–Ukraine war is exemplary in this regard. When China first sought a role in peace negotiations, the Biden administration attempted to discredit the initiative by impugning the motivations behind it. More recently, however, the administration has reversed itself and welcomed a role for China. In both diplomatic form and political substance, this approach shows the possibility of positive-sum diplomacy. See Anatol Lieven and Jake Werner, "Yes, the US can work with China for peace in Ukraine," *Responsible Statecraft*, May 12, 2023,

https://responsiblestatecraft.org/2023/05/12/how-the-us-can-work-with-china-for-peace-in-ukraine. ³³ Francisco Rodríguez, "The Human Consequences of Economic Sanctions," Center for Economic and Policy

Research (May 2023), https://cepr.net/report/the-human-consequences-of-economic-sanctions.

³⁴ RAND research estimates that Chinese military aid to all countries (including both democracies and autocracies) in the 2013–2018 period was \$560 million. By comparison, the United States every year provides twice as much military aid to a single autocracy, Egypt. Michael J. Mazarr et al, *Security Cooperation in a Strategic Competition* (Santa Monica, CA: RAND Corporation, 2022), <u>https://www.rand.org/pubs/research_reports/RRA650-1.html</u>. Likewise, in 2020 U.S. weapons sales to a single autocracy, Saudi Arabia, were about three times higher than China's weapons sales to all countries. ChinaPower, "How Dominant is China in the Global Arms Trade?" Center for Strategic and International Studies, May 27, 2021, <u>https://chinapower.csis.org/china-global-arms-trade</u>.

the United States is obligated to counter will be significantly reduced. Even so, China will still be acting in some ways that exacerbate zero-sum pressures in the global system. The United States certainly should apply pressure on these points, but it should do so by inviting China into negotiations that offer the prospect of positive-sum cooperation. Such an approach is essential to reversing the current trajectory into conflict and is also the only realistic strategy for improving Chinese behavior.

An agenda for common good diplomacy

The best way to put these principles into practice is around measures that reduce the zero-sum pressures at the root of the conflict. The opportunities are abundant.

Most critical is cooperation on the genuinely existential threat of climate change. Above all, the two countries need to reduce their own greenhouse gas emissions — on which both governments have made major strides but are also still falling short. Building on the strong foundations of the Science and Technology Agreement and successful efforts like the U.S.–China Clean Energy Research Center (shut down by Trump), dramatically expanding research exchanges could help both sides to meet their commitments faster.³⁵ Even bigger returns could come from U.S.–China partnership to support a just climate transition in the Global South. Rather than trying to force struggling countries into choosing one or the other, the United States and China could take advantage of their complementary strengths to provide real leadership in the midst of the climate crisis.³⁶

³⁵ Joanna I. Lewis, Cooperating for the Climate: Learning from International Partnerships in China's Clean Energy Sector (Cambridge, MA: MIT Press, 2023).

³⁶ Joanna Lewis and Cecilia Springer, "Opportunities for US-China Engagement on Development Finance for Overseas Renewable Energy," Boston University Global Development Policy Center, Global China Initiative Working Paper 29 (April 2023),

https://www.bu.edu/gdp/2023/04/19/opportunities-for-us-china-engagement-on-development-finance-for-overseas-r enewable-energy.

Rather than trying to force struggling countries into choosing one or the other, the United States and China could take advantage of their complementary strengths to provide real leadership in the midst of the climate crisis.

Closely connected is the potential for the United States and China to join forces in support of global development. One particularly promising focal point would be to significantly increase the co-financing of projects between Chinese development institutions and their multilateral or national counterparts. Chinese lenders have welcomed such possibilities in the past and the higher standards that prevail in such projects lead to better outcomes for all sides.³⁷

Reforming the rules of the global economy is another important possibility for simultaneously rebuilding the bilateral relationship while working to reduce zero-sum global constraints. Now that the United States has moved significantly toward Chinese patterns of industrial policy, an opportunity has opened to try and pull China more toward the U.S. position by offering to jointly articulate a new set of global guidelines for economic statecraft. That could simultaneously lower tensions, more safely integrate China into the system, and give the system urgently needed flexibility to accommodate industrial policy in all countries, not just those strong enough to defy the rules.

Finally, the United States should open talks with China and a wider group of countries on a reform agenda to make the international system more inclusive, resilient, responsive, and legitimate. To the extent that the United States has brought other countries into its ideas for change, it has done so through the G7 and the OECD – fora dominated by the

³⁷ Yangsiyu Lu, Cecilia Springer, and Bjarne Steffen, "Cofinancing and Infrastructure Project Outcomes in Chinese Lending and Overseas Development Finance," Boston University Global Development Policy Center, Global China Initiative Working Paper 27 (April 2023),

https://www.bu.edu/gdp/2023/04/04/cofinancing-and-infrastructure-project-outcomes-in-chinese-lending-and-overse as-development-finance.

United States and the other rich countries. Those exclusionary negotiations have been as much about the United States pressuring its partners for stronger measures targeting China as they have been about positive reforms to the global system.

Such talks should instead move to a larger venue, such as the G20, with stronger representation of both China and the Global South. Not only would that ensure a more inclusive outcome that works for a much larger share of the world, it would help push both the United States and China away from their unhealthy fixation on each other. The range of interests that need to be included if reforms are to succeed far exceeds the narrow, securitized considerations of the two most powerful countries. Yet it is very much in the interests of both the United States and China for such reforms to succeed. Multilateral negotiation around shared interests, with reforms calling forth the necessary new forms of organization and policy, is also the most promising route to achieving the institutional transition from a unipolar to a multipolar world.

Multilateral negotiation around shared interests is the most promising route to achieving the institutional transition from a unipolar to a multipolar world.

A foreign policy agenda focused on overcoming the zero-sum constraints pushing the United States and China toward destructive lose-lose competition would not only avoid great power war and put us on the road to a peaceful, prosperous, and revitalized global system. It would also allow the United States to pursue healthy forms of both competition and cooperation with China that are currently being rendered toxic by the project of excluding and subordinating China.

About the Author

Jake Werner is a Research Fellow at the Quincy Institute. His research examines the emergence of great power conflict between the US and China and develops policies to rebuild constructive economic relations. Prior to joining Quincy, Jake was a Postdoctoral Global China Research Fellow at the Boston University Global Development Policy Center, a Harper-Schmidt Fellow at the University of Chicago, a Fulbright Scholar at National Chiao Tung University in Taiwan, and a Fulbright-Hays Fellow at East China Normal University in Shanghai. He received his PhD in history from the University of Chicago. Jake is also a cofounder of Justice Is Global, a grassroots organizing project that advocates for reforms to the global economy and a cofounder of Critical China Scholars, a network of academics engaged in public education on Chinese politics and society.

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CONTACT: Jessica Rosenblum Director of Communications Email: rosenblum@quincyinst.org Tel: 202 800 4662