

US-China ties on the precipice

BY BUNN NAGARA



Negative vibes: To China, Trump is just a headstrong, mercurial, impulsive and whimsical individual. — AFP

Even as the US and China need to work more closely to resolve transnational problems, the space they have given themselves to do so is rapidly closing.

NEVER before have relations between the United States and China been so fraught, at such great risk to so many, over so little or nothing at all. And so much of it is so unnecessary.

More specifically, the problems in the making are between the China of today and the incoming Trump administration. They will bedevil trans-Pacific relations for more than eight years, assuming his re-election and a policy momentum after his second term.

The US and China are not only the biggest economies in the world but also operate the biggest military budgets. In these and other ways, they as the G2 represent the most important bilateral relationship that will impact on all of their other bilateral and multilateral relations.

Today's world is also one in which the US and Chinese economies are inexorably linked, and increasingly so, in what some have called "Chinamerica." Yet the omens for the next decade or so do not look good.

On the face of it, the loud and brash Trump administration will be marching into office within a fortnight with some set views on China. Trump has accused China of being a "currency manipulator," an "unfair trader" and other allegations to such effect.

But these are old charges predating Trump's candidacy that no longer hold. China has been raising the value of the Renminbi in stages for nearly a full decade, as former US Treasury Secretary Hank Paulsen acknowledged years ago.

China has also moved from a "manufacturer for the world" to services industries and enhanced internal consumption. Thus it is no longer just a cheaper workplace to export jobs to, whether or not US companies like Trump's continue to do so.

As some of these current facts sink in for the new administration, Trump will have little or nothing to blame China for. At a time when the US Establishment is getting all hot and excited over China's antics in the South China Sea, Trump has said next to nothing about it.

Even after meeting Trump three times, former Secretary of State and pioneer of detente with China Henry Kissinger, still known as a fan of China, confessed he still could not fathom Trump's actual views on China.

That is a plus, because it means Trump's position on China have not been set. But is China up to the task of cajoling Trump into building better relations with Beijing?

The signs so far are not encouraging, but in fact quite the reverse. China is missing out on a great opportunity here, while risking making an enemy of Trump's America.

Throughout his campaign, Trump railed against a Washington Establishment that was pro-war instead of pro-cooperation and peace. He has taken his share of brickbats for that, and still does, as opponents try to link him with Russian President Vladimir Putin and suggest something unseemly about it.

Given its leeway, a Trump presidency can be a refreshing change in not actively seeking to confront or contain another major power – or be patronising to the Third World. Russia appreciates this, but China still does not.

Forget about the alleged links between Trump and Putin – they have not met and hardly know each other personally.

But they are able to size each other up from a distance, understand each other's strengths, and acknowledge their common motivations. They are both tough, no-nonsense men bent on placing the stamp of their personalities on the governments they lead.

To China, Trump is just a headstrong, mercurial, impulsive and whimsical individual –an aggregate that is mostly negative. That comes from most of China's intelligentsia having accepted and internalised the "CNN view of the world."

It is this US mainstream Establishment narrative that is China's natural adversary, not Trump's. But having bought into this narrative themselves, China's elite academic and policymaking circles tend to see him as the adversary instead.

Trump may be all of those things but also more, as he is also reactive. Treat him respectfully and he will reciprocate, as Putin has found; treat him shabbily and he will also respond in kind.

As Trump's presidential campaign proceeded, the Hillary Clinton camp continued to hit him on being supposedly soft on Russia. His response was, why can't the US work with another major power like Russia instead of confronting it all the time?

Trump's position was a threat to Cold Warriors and assorted warmongers, since defence budgets and military procurements in the biggest industry in the world could be jeopardised. Then his advisers came up with a plan for a plump defence budget to pacify the warmongers.

Still, Trump would avoid allegations of being soft on both Russia and China at the same time. So as he defended welcoming healthy relations with Russia, he did not mind letting loose on China if the occasion demanded.

That occasion came with China's overreaction to Taiwanese President Tsai Ing-Wen's congratulatory call to Trump. The Communist Party mouthpiece *Global Times* even said China should respond by planning to take back Taiwan by military force.

Initially, Chinese Foreign Minister Wang Yi played down the significance of the phone call but raised the ante as emotions ran high.

Trump defended his decision to take the call and questioned the basis of the fuss – Beijing’s “one China policy” which the US had adopted for decades. This was immediately interpreted as Trump seeking to end the policy.

Tsai is now on a tour of four Central American countries and plans to meet Trump in the US just before his inauguration. That is certain to raise emotions and negative rhetoric several notches more.

After all is said and done, Trump is still a political novice especially in foreign policy. Tsai seems to be leveraging on this and on certain members of the Trump transition team known to be pro-Taiwan.

As a political outsider, Trump is a rebel to established routine, standard procedure, official protocol and political correctness. But all that is in the US context.

Give him a chance to rebel against a foreign or international context and he will also do so. Alternatively, offer him a plan for mutual advantage and benefit and he will gladly run with it.

Until about 10 years ago, China used to be renowned for a smart and wise foreign policy: patient, pragmatic, playing the long game where results and outcome matter more than procedure and method.

Today, that smart and wise foreign policy is more evident in Putin’s Russia. Even after the US had expelled dozens of Russian diplomats for alleged spying, Putin said Russia would not react in kind.

Putin knows that the expulsions are meant at least as much to create bad blood between Moscow and Trump’s administration. To respond with tit-for-tat actions could give cause for a Trump presidency to be anti-Russia.

Meanwhile, intelligence chiefs are still trying to convince Trump that Russian hackers had targeted Hillary’s campaign, even when the available evidence points to internal leaks.

The Chinese city of Taiyuan recently set up a 7m rooster with Trumpian characteristics to welcome the new year. Although the work by its American designer was well received, it will take more than that to pull US-China relations from the precipice.

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