

## China as Regional Peacemaker: Eliminating Fears of Conflicts to Come

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September 6, 2019

East Asia is formally at peace, but its governments are edgy, nervous, and confrontational. It isn't Europe 1914, with general war just one assassination away, but it also isn't Europe 2019, where conflict between countries outside of Russia is inconceivable.

The People's Republic of China is at the center of multiple controversies, though it is not solely responsible for them. However, its growing authoritarianism and aggressiveness are contributing greatly to regional tensions. Thus, Beijing could do a lot to address controversies currently unsettling East Asia.

The greatest current challenge may be the trade war between the U.S. and the PRC. Although Washington is the aggressor, it had grounds to take action. President Donald Trump's campaign has been erratic, disjointed, and unfocused. However, Beijing shares the responsibility of bringing the economic conflict to a close. The PRC can't be expected to give up its independent economic policy—after all, the U.S. also routinely intervenes in and manipulates markets—but it should address serious questions involving industrial espionage, IP theft, equitable market access, and legal abuse.

It is in China's interest to reach a settlement. Exports, especially to America, remain an important source of Chinese economic growth. Trade retaliation hurts Chinese consumers and further impedes growth, which also has negative political impacts. Protectionism is like pulling the pin while holding a hand grenade—it kills both you and your target. The longer such measures stay in place, the stronger domestic interests that lobby to make the restrictions permanent will grow.

Moreover, in the case of U.S.-China trade, the economic is political. That is, there have long been tensions in the bilateral relationship, but commerce provided a reliable foundation. Business could be counted on to emphasize the benefits of engagement. No longer, however. Frustration with Beijing's policies has led even corporate America to reduce its support. Some companies have openly applauded President Trump's confrontational approach. Without trade as a countervailing benefit, other criticisms—involving security and human rights issues—have been amplified.

Taiwan and Hong Kong are potential international flashpoints. Beijing views them as purely internal questions, but they are not. Both are widely recognized as having unique international status, and violent Chinese action in either case would spark a widespread and significant foreign reaction. It is especially important that Beijing recognize, even if it does not admit publicly, that

it has lost the loyalty battle for hearts and minds in both Taiwan and Hong Kong. The vast majority of people in both places do not view themselves as Chinese.

Beijing should return Taiwan reunification to its status as a long-term objective, while seeking compromises to defuse current tensions. For instance, Beijing could commit to only a peaceful approach for the island's return and move missiles targeting Taiwan while the U.S. and Taiwan pledge to drop any military relationship and avoid U.S. military deployments on or around Taiwan. On Hong Kong, China could amend the Basic Law to reaffirm the separate and independent character of the territory's civil liberties, judicial process, and rule of law even while maintaining ultimate political control.

In both cases, it is pivotal that Beijing respects the separate identities of Taiwan and Hong Kong in practice as well as theory. The PRC does not need direct control over them to continue its development and risks much in a confrontation over either.

Territorial disputes bedevil China's relations with its neighbors, on and off shore. Washington is involved because of its alliance relationships with Australia, Japan, and the Philippines. No one wants war, but aerial and naval confrontations are inherently risky. The 2001 EP-3 spy plane incident was difficult to resolve, even with a relatively stable U.S.-PRC relationship. Today, the underlying tensions are far greater.

Beijing should pursue what it views as legitimate claims but emphasize its commitment to peaceful resolution of such controversies. The PRC should back that position with concrete proposals. Some possibilities could be multilateral guarantees for navigational freedom, economic development and resource sharing while setting aside ownership issues, a freeze on military activities on contested territories, and codes of conduct for activities for claimants and others. China also could propose bilateral dialogs to minimize the potential for hostilities even as countries assert their claims. Dampening these tensions would reduce pressure for American military involvement in Washington as well as capitals of U.S. allies.

Finally, the Xi government's widespread crackdown on liberal thought, individual activities, and independent organizations has created significant concern internationally. Particularly alarming is the extraordinary repression of Muslim Uighurs. Although superficially an internal matter, these actions are seen by other states as a signal of potential external aggressiveness. Restrictions on academic exchanges and religious faiths also directly impact those outside China's borders.

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