

Look Hu's Coming To A State Dinner

Posted by Dan Ikenson

Chinese President Hu Jintao is in Washington this week for discussions with President Obama. On the agenda are various economic and security issues that are raising dander on both sides of the Pacific.

Frictions in the U.S.-China relationship are nothing new, but they have intensified in the past 18 months. One explanation for the rising tensions is that certain media pundits and policymakers now view the relationship through a prism that has been altered by the fact of a rapidly rising China. That China emerged from the financial meltdown and subsequent global recession wealthier and on a virtually unchanged high-growth trajectory, while the United States faces slow growth, high unemployment, and a large debt (much of it owned by the Chinese), is breeding anxiety and changing perceptions of the relationship in both countries.

Once-respected demarcations between geopolitical and economic aspects of the relationship have been blurred, and economic frictions are now more likely to be cast in the context of our geopolitical differences. Lots of ink has been spilled over the proposition that China has thrived at U.S. expense for too long, and that China's growing assertiveness signals an urgent need for aggressive U.S. policy changes.

Although it may be fashionable to think of China as the country to which the U.S. manufacturing sector was offshored in exchange for tainted products and a mountain of mortgage debt, the fact is that the bilateral relationship has produced enormous benefits for people in both countries. Despite those benefits, Americans are more likely to be familiar with the sources of friction. Although some U.S. complaints about Chinese trade and economic policies are legitimate and probably worth deploying the resources to resolve (including through dispute settlement in the World Trade Organization), other complaints are bogus because there is no violation of an agreement or because the United States is guilty of the same infractions.

Much of the tension reflects indignation among media and politicians over China's aversion to saying "How high?" when the U.S. government says "Jump!" That China is not a U.S. supplicant may rub some opinion leaders the wrong way, but that is not a persuasive argument for a more provocative posture. China is a sovereign nation. Its government, like the U.S. government, pursues policies that it believes to be in its own interests (although those policies—with respect to both governments—often fall short of their people's best interests). Realists understand that objectives of the U.S. and Chinese governments will not always be the same, thus U.S. and Chinese policies will not always be congruous. Accentuating and cultivating the areas of agreement, while resolving or minimizing the differences, is the essence of diplomacy and statecraft. These tactics must continue to underpin a U.S. policy of engagement with China.

Although some policy tweaks would be beneficial, a more aggressive U.S. policy tack is unnecessary and unwanted. Even in a shifting geopolitical environment, U.S. policy toward China should continue to reflect the fact that globalization means interdependence, and interdependence demands cooperation, not conflagration.

(For a full exposition of this perspective, please see this paper [http://www.cato.org/pub_display.php?pub_id=11729])