



The Trans-Pacific Partnership: Washington's unwise exclusion of China

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The Obama administration is understandably proud of finalizing the 12-nation Trans-Pacific Partnership agreement. By greatly reducing trade barriers, the new measure is certain to broaden the economic prospects of the member states. Indeed, experts speculate that the TPP could be a bonanza especially for Vietnam and some other countries.

Notably missing from the membership of the TPP, however, is China, the world's second largest economy and the single most important economy in East Asia. The United States, in its role as the leader of the TPP negotiations, quite deliberately excluded Beijing from the diplomatic project, although Obama administration officials insist that the door remains open to Chinese membership at a later date. For their part, Chinese officials have long viewed the TPP with suspicion and were especially annoyed that their country was not invited to be a part of the proceedings.

The exclusion of China from the TPP is consistent with the overall US approach to relations with that country. The two nations maintain a vigorous bilateral trade relationship, but that aspect cannot conceal Washington's growing suspicions that China is intent on becoming the dominant power in East Asia, and that those ambitions pose a threat to important American interests. Although US leaders rarely concede the point publicly, the United States seems increasingly intent on curbing China's diplomatic, economic, and military influence. The much-discussed "pivot" or "rebalancing" of US military forces to East Asia is the centerpiece of a *de facto* containment policy directed against Beijing. But there have been other manifestations of that attitude as well.

Washington has interpreted its defense treaty with Japan to cover the Senkaku/Diaoyu islands, which are the focus of a bitter territorial dispute between China and Japan. Similarly, the Obama administration has escalated US involvement in the multi-sided territorial quarrels between China and its neighbors regarding the South China Sea. Washington's tilt toward Vietnam, the Philippines, and other rival claimants has become increasingly apparent in recent years. Indeed, the attitude of the US government concerning those complex, murky disputes seems to be "anybody but China." As Beijing has pressed its claims, including by building a number of artificial islands and reefs in the South China Sea, Washington has reacted with growing hostility. Recently, US military officials even asserted the right to conduct air and sea surveillance missions in the disputed waters, despite the danger of confrontations with Chinese forces.

Washington's *de facto* containment policy has not been confined to security measures. The Obama administration openly opposed the Chinese-led Asian Infrastructure Investment Bank,

urging US allies to reject involvement in the AIIB. That diplomatic campaign produced surprisingly anemic results, however. Although some close American allies (most notably Japan) did respect Washington's wishes, other prominent allies, including Great Britain, defied the Obama administration and joined the AIIB. Moreover, the attempt to sabotage the bank was anything but subtle, and Beijing deeply resented the US diplomatic maneuvers.

The TPP is consistent with that larger policy of trying to curb China's influence. US allies in East Asia certainly appear to interpret the trade agreement in that fashion. In an editorial, Japan's *Yomuri Shimbun* asserted that the pact would have not only important economic benefits but long-term security benefits. "If the presence of the United States and Japan in the Asia-Pacific region is enhanced through the TPP," the editors concluded, "it will be able to contain China's moves to pursue hegemonic influence in the region." The editorial specifically noted the creation of the AIB and portrayed the TPP as an important counter to that initiative. It is not surprising that such a conclusion would be expressed openly in Japan, China's principal regional rival.

Using the TPP as an instrument of a containment policy is extremely unwise. The importance of the bilateral trade relationship should cause US officials to exercise greater caution. So, too, should the fact that China holds some \$1.3 trillion of US Treasury debt and is now the single largest foreign purchaser of such debt. It is generally not a good idea for individuals to antagonize their banker, and a similar principle applies to the behavior of nations.

China's own conduct is causing understandable concern, though. Beijing's breathtakingly broad territorial claims in the South China Sea (encompassing nearly 90% of that body of water) and its increasingly aggressive pursuit of those claims has especially provoked neighboring countries and encouraged hawks in the United States to advocate a confrontational stance. China's assertiveness in the South China Sea, along with Beijing's challenge to Japan regarding the Senkaku/Diaoyu islands, is consistent with the behavior of a rising power that is determined to exercise greater influence in its immediate neighborhood. And Beijing can back up those ambitions with growing economic and military capabilities. The recent slowdown in China's economy may alter the pace of that assertiveness, but it does not change the fundamental reality that China is a rising power with ambitions to match.

That development poses a difficult test for US foreign policy. The historical record of relations between rising great powers and incumbent hegemony is not reassuring. Too often, the result has been intense hostility and even outright warfare. The inability of Great Britain and France to accommodate the rise of Imperial Germany in the early twentieth century is a cautionary tale of the potential for disaster if such a relationship is mishandled. Accommodating a rising China without allowing that country to run roughshod and become the unchallenged hegemon of East Asia is the task now facing US policymakers. It is not an easy task, but American officials need to be more flexible and conciliatory than they have been to this point. A good first step would be to commence immediate negotiations to bring China into the TPP instead of using that agreement as merely the latest component of a hostile containment policy.

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