

Commentary, November 10, 2014

## THE XI-OBAMA SUMMIT: A LULL IN THE STORM

BRAD GLOSSERMAN

When Presidents Barack Obama and Xi Jinping meet in Beijing this week, they will try to reverse the downward spiral in relations between their two countries. There is a growing sense that a promising partnership, one that was captured by the agreement to forge a “new type of major country relations,” has lost its momentum and threatens to run off the rails.

The “new type of major country relations” has three essential features. First, it is intended to head off the “Thucydides Trap,” in which a rising power and the reigning hegemon clash as a new balance of power is established. Second, the phrase was devoid of specifics; it is, ultimately, defined by its intentions and the two countries struggle to give it content in their day to day interactions. Third, and critically, the concept was authored by Xi himself; that provenance gave it an authority that forced the US to respond to it.

Each country has an explanation for the deterioration in relations. The US list of grievances is long. It starts with cyber attacks of an unprecedented scale that include traditional espionage — military secrets — as well as

economic data. It includes the claim that economic regulators in China target foreign companies, a complaint now as loud as the longstanding charge that China does not protect intellectual property. In addition, Washington believes that China is engaged in dangerous behavior in the East and South China Seas that does not respect the rule of law or agreements to settle disputes peacefully. Beijing appears intent on bullying its neighbors and acting unilaterally in defiance of regional and international norms. The US also faults Beijing for failing to use its influence to dampen tensions at international flash points, such as North Korea and Iran. China’s refusal to condemn Russian expansionism in Ukraine is a new charge in this indictment and fuels the concern that China is actively working to undermine the US-led international order.

China counters the US indictment, arguing that it is not responsible for hacking and is more the victim of such attacks than the victimizer. It denies that economic regulators unfairly scrutinize foreign companies, and sees itself as merely responding to provocations on its periphery. And on the last charge — seeking a new global order — in fact, China seeks a multipolar world, one



that better reflects changes in global power and influence since the end of World War II.

China advances its own complaint against the US, arguing that Washington seeks to contain China, thwarting its rise through the “rebalance to Asia,” which, among other things, enables or emboldens US allies in their efforts to check China. Beijing charges that the US is attempting to draw a line through the Asia Pacific region with support for the Trans-Pacific Partnership, an alternative trade architecture that excludes China.

Chinese thinking is fueled by two related considerations. The first is a belief among many (but not all) Chinese that not only is their country closing the gap with the US but the US is actually a declining power. The US economic struggles after — and responsibility for — the Global Financial Crisis in 2007-8, the gridlock in Washington, and a seemingly indecisive US president made even weaker by brutal defeats in midterm elections, all contribute to the view that the American era is fading and China is re-emerging as the rightful leader of Asia.

Second, and as a consequence, is a sense that the US needs a positive relationship with China to fend off that decline. This logic is evident in comments such as those by Secretary of State John Kerry last week in a speech at SAIS in which he said “The U.S.-China relationship is the most consequential in the world today, period, and it will do much to determine the shape of the 21st century.” This is true: the world’s two largest economies with

global interests must cooperate to solve global problems. But the Chinese interpret this to mean that the US should subordinate all other relationships to that with Beijing: If this is “the most consequential relationship, period” then the US should treat China accordingly and tell those pesky allies to get in line and Washington should respect — meaning “defer to” — China’s “core interests.”

Ultimately, US-China relations are plagued by two widely divergent and conflicting perspectives. Americans believe China is attempting to create a new regional order with Beijing at the center that excludes or at least marginalizes the US role in Asia. Chinese see Americans as committed to their role as regional hegemon and determined to check any Chinese challenge to US supremacy.

This is the context in which the two leaders will meet this week. As a result, the meeting will focus on positive developments in the relationship, highlighting the two countries’ common concerns and offering a laundry list of low-hanging fruit as proof of their commitment to cooperate. Substantial initiatives are unlikely although a push for the Bilateral Investment Treaty could surface, as could an agreement on avoiding incidents at sea. The warm fuzzies are likely to dissipate shortly thereafter, however, when both countries go back to their daily business.