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United States...

What to do about China?

By attempting to "get tough" with China, US President Donald Trump's administration is highlighting the extent to which America's star has fallen this century. If the US ever wants to reclaim the standing it once had in the world, it must become the country it would have been if Al Gore had won the 2000 presidential election, says J. Bradford DeLong



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US accelerating its decline

In a recent issue of The New York Review of Books, the historian Adam Tooze notes that, "across the American political spectrum, if there is agreement on anything, it is on the need for a firmer line against China." He's right: On this singular issue, the war hawks, liberal internationalists, and blame-somebody-else crowd all tend to agree. They have concluded that because the United States needs to protect its relative position on the world stage, China's standing must be diminished.

But that is the wrong way to approach the challenge. In the near term (1-4 years), the US certainly could inflict a lot of damage on China through tariffs, bans on technology purchases, and other trade war policies. But it would also inflict a lot of damage on itself; and in the end, the Chinese would suffer less. Whereas the Chinese government can buy up Chinese-made products that previously would have been sold to the US, thereby preventing mass unemployment and social

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turmoil, the US government could scarcely do the same for American workers displaced by the loss of the Chinese market.

In the medium run (5-10 years), the US would face even larger problems, because China would have begun to replace US customers and suppliers with those of Europe and Japan. At the same time, an America that has just blown up its relationship with China will have a hard time convincing anybody else to fill China's shoes as a trade partner and source of investment. Becoming the world's irrational doofus comes with costs, after all.

That is why it is entirely foreseeable that America's attempt to "get tough" with China could accelerate its own relative decline, effectively handing China the semi-hegemony it is already approaching.

A new cold war

As for America's geopolitical or even military options, there are few left. After more than two years of chaotic unilateral behavior, the Trump administration has squandered any chance it might have had to work with other countries to contain China.

Following Trump's unlikely election victory in 2016, congressional Republicans who claimed to support free trade and American soft power could have sought to impose limits on the new administration. Instead, they joined the cult, and have served as Trump's sycophants ever since. After two years, America's alliances have been gravely weakened, even more so than after former President George W. Bush's disastrous wars. The US will never reclaim the standing it had in 2000, and it probably cannot even recover the tenuous but still solid geopolitical position it enjoyed in 2016.

As for the military option, the Trump administration may well be envisioning a new cold war, with occasional hot-war proxy conflicts. And yet, nobody really has any idea what a twenty-first-century cold war would look like. We can be somewhat confident that it would not involve a nuclear confrontation, mass deployments of standing armies, the fomenting of armed insurgencies in colonial territories, or any of the other forms of imperial adventurism that defined the original Cold War. Mutually assured destruction still (one hopes) rules out a nuclear exchange or mobilization of conventional forces, and there aren't really any colonial powers left.

When one considers all of the "unknown unknowns" associated with cyber warfare, one is left with no viable model to follow. Presumably, a great-power conflict would take the form of what the Prussian general Carl von Clausewitz called "politics by other means"; we just don't know what that would look like. In the face of such uncertainties, it is folly to pursue politics by any means other than politics itself.

Looking inward

So, what should the US do to shore up its position vis-à-vis China?

For starters, it could show that it has a more competent and less corrupt government than China does – that it is still a healthy democracy that adheres to the rule of law. It could also work to improve its high-tech sector, by welcoming workers and ideas from all over the world and rewarding them handsomely. It could demonstrate that it is capable of overcoming political gridlock, fixing its broken health-care system, bringing its infrastructure into this century, and

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investing in new energy sources. It could finally start to limit the undue political influence of the superrich. It could once again become a society in which all citizens enjoy better standards of living than their predecessors, because the fruits of economic growth are equitably distributed.

In short, the US could start to become what it would have been if Al Gore had won the 2000 presidential election, if Hillary Clinton had defeated Trump, and if the Republican party had not abandoned its patriotism. Such an America would have the world's respect and more than enough diplomatic power to forge a constructive and strategically sound compact with a rising China. To address the defining geopolitical challenge of this century, America must look inward, not abroad.

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