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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

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

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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Author

Amrita Naik Nimbalkar

Junior Economist, Global Macro amrita.naik.nimbalkar@ing.com

Mateusz Sutowicz

Senior Economist, Poland mateusz.sutowicz@ing.pl

Alissa Lefebre

Economist <u>alissa.lefebre@ing.com</u>

Deepali Bhargava

Regional Head of Research, Asia-Pacific <u>Deepali.Bharqava@ing.com</u>

Ruben Dewitte

Economist +32495364780 ruben.dewitte@ing.com

Kinga Havasi

Economic research trainee kinga.havasi@ing.com

Marten van Garderen

Consumer Economist, Netherlands marten.van.qarderen@inq.com

David Havrlant

Chief Economist, Czech Republic 420 770 321 486 david.havrlant@ing.com

Sander Burgers

Senior Economist, Dutch Housing sander.burgers@ing.com

Lynn Song

Chief Economist, Greater China lynn.song@asia.ing.com

Michiel Tukker

Senior European Rates Strategist michiel.tukker@ing.com

Michal Rubaszek

Senior Economist, Poland michal.rubaszek@ing.pl

This is a test author

Stefan Posea

Economist, Romania tiberiu-stefan.posea@ing.com

Marine Leleux

Sector Strategist, Financials marine.leleux2@ing.com

Jesse Norcross

Senior Sector Strategist, Real Estate <u>jesse.norcross@ing.com</u>

Teise Stellema

Research Assistant, Energy Transition teise.stellema@ing.com

Diederik Stadig

Sector Economist, TMT & Healthcare diederik.stadig@ing.com

Diogo Gouveia

Sector Economist diogo.duarte.vieira.de.gouveia@ing.com

Marine Leleux

Sector Strategist, Financials marine.leleux2@ing.com

Ewa Manthey

Commodities Strategist ewa.manthey@ing.com

ING Analysts

James Wilson

EM Sovereign Strategist James.wilson@ing.com

Sophie Smith

Digital Editor sophie.smith@ing.com

Frantisek Taborsky

EMEA FX & FI Strategist frantisek.taborsky@ing.com

Adam Antoniak

Senior Economist, Poland adam.antoniak@ing.pl

Min Joo Kang

Senior Economist, South Korea and Japan min.joo.kang@asia.ing.com

Coco Zhang

ESG Research coco.zhang@ing.com

Jan Frederik Slijkerman

Senior Sector Strategist, TMT jan.frederik.slijkerman@ing.com

Katinka Jongkind

Senior Economist, Services and Leisure <u>Katinka.Jongkind@ing.com</u>

Marina Le Blanc

Sector Strategist, Financials Marina.Le.Blanc@ing.com

Samuel Abettan

Junior Economist samuel.abettan@ing.com

Franziska Biehl

Senior Economist, Germany

Franziska.Marie.Biehl@ing.de

Rebecca Byrne

Senior Editor and Supervisory Analyst rebecca.byrne@ing.com

Mirjam Bani

Sector Economist, Commercial Real Estate & Public Sector (Netherlands) mirjam.bani@ing.com

Timothy Rahill

Credit Strategist timothy.rahill@ing.com

Leszek Kasek

Senior Economist, Poland leszek.kasek@ing.pl

Oleksiy Soroka, CFA

Senior High Yield Credit Strategist oleksiy.soroka@ing.com

Antoine Bouvet

Head of European Rates Strategy antoine.bouvet@ing.com

Jeroen van den Broek

Global Head of Sector Research jeroen.van.den.broek@ing.com

Edse Dantuma

Senior Sector Economist, Industry and Healthcare edse.dantuma@ing.com

Francesco Pesole

FX Strategist

francesco.pesole@ing.com

Rico Luman

Senior Sector Economist, Transport and Logistics Rico.Luman@ing.com

Jurjen Witteveen

Sector Economist jurjen.witteveen@ing.com

Dmitry Dolgin

Chief Economist, CIS

dmitry.dolgin@ing.de

Nicholas Mapa

Senior Economist, Philippines nicholas.antonio.mapa@asia.ing.com

Egor Fedorov

Senior Credit Analyst egor.fedorov@ing.com

Sebastian Franke

Consumer Economist sebastian.franke@ing.de

Gerben Hieminga

Senior Sector Economist, Energy gerben.hieminga@ing.com

Nadège Tillier

Head of Corporates Sector Strategy nadeqe.tillier@ing.com

Charlotte de Montpellier

Senior Economist, France and Switzerland charlotte.de.montpellier@ing.com

Laura Straeter

Behavioural Scientist +31(0)611172684 laura.Straeter@ing.com

Valentin Tataru

Chief Economist, Romania valentin.tataru@ing.com

James Smith

Developed Markets Economist, UK <u>james.smith@ing.com</u>

Suvi Platerink Kosonen

Senior Sector Strategist, Financials suvi.platerink-kosonen@ing.com

Thijs Geijer

Senior Sector Economist, Food & Agri thijs.geijer@ing.com

Maurice van Sante

Senior Economist Construction & Team Lead Sectors <u>maurice.van.sante@ing.com</u>

Marcel Klok

Senior Economist, Netherlands marcel.klok@ing.com

Piotr Poplawski

Senior Economist, Poland piotr.poplawski@inq.pl

Paolo Pizzoli

Senior Economist, Italy, Greece paolo.pizzoli@ing.com

Marieke Blom

Chief Economist and Global Head of Research marieke.blom@ing.com

Raoul Leering

Senior Macro Economist raoul.leering@ing.com

Maarten Leen

Head of Global IFRS9 ME Scenarios maarten.leen@ing.com

Maureen Schuller

Head of Financials Sector Strategy <u>Maureen.Schuller@ing.com</u>

Warren Patterson

Head of Commodities Strategy Warren.Patterson@asia.ing.com

Rafal Benecki

Chief Economist, Poland rafal.benecki@ing.pl

Philippe Ledent

Senior Economist, Belgium, Luxembourg philippe.ledent@ing.com

Peter Virovacz

Senior Economist, Hungary peter.virovacz@ing.com

Inga Fechner

Senior Economist, Germany, Global Trade inga.fechner@ing.de

Dimitry Fleming

Senior Data Analyst, Netherlands <u>Dimitry.Fleming@ing.com</u>

Ciprian Dascalu

Chief Economist, Romania +40 31 406 8990 <u>ciprian.dascalu@ing.com</u>

Muhammet Mercan

Chief Economist, Turkey muhammet.mercan@ingbank.com.tr

Iris Pang

Chief Economist, Greater China iris.pang@asia.ing.com

Sophie Freeman

Writer, Group Research +44 20 7767 6209 Sophie.Freeman@uk.ing.com

Padhraic Garvey, CFA

Regional Head of Research, Americas padhraic.garvey@ing.com

James Knightley

Chief International Economist, US <u>james.knightley@ing.com</u>

Tim Condon

Asia Chief Economist +65 6232-6020

Martin van Vliet

Senior Interest Rate Strategist +31 20 563 8801 martin.van.vliet@ing.com

Karol Pogorzelski

Senior Economist, Poland Karol.Pogorzelski@ing.pl

Carsten Brzeski

Global Head of Macro

carsten.brzeski@ing.de

Viraj Patel

Foreign Exchange Strategist +44 20 7767 6405 <u>viraj.patel@ing.com</u>

Owen Thomas

Global Head of Editorial Content +44 (0) 207 767 5331 owen.thomas@ing.com

Bert Colijn

Chief Economist, Netherlands bert.colijn@ing.com

Peter Vanden Houte

Chief Economist, Belgium, Luxembourg, Eurozone peter.vandenhoute@ing.com

Benjamin Schroeder

Senior Rates Strategist benjamin.schroder@ing.com

Chris Turner

Global Head of Markets and Regional Head of Research for UK & CEE chris.turner@ing.com

Gustavo Rangel

Chief Economist, LATAM +1 646 424 6464 gustavo.rangel@ing.com

Carlo Cocuzzo

Economist, Digital Finance +44 20 7767 5306 <u>carlo.cocuzzo@ing.com</u>