The Outlook for US-China Relationship after the Anchorage High-Level Meeting: A Focus on the US Perspective

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Executive Summarv

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The first high-level meeting between the United States and China under the Biden administration in Anchorage in March 2021 seems to have been fruitless according to some observers. However, both sides were able to clearly recognize distinct areas of cooperation, competition, and conflict and also outlined the substantially different international orders each is pursuing. Instead of hoping for any compromise, the Biden administration sought to reduce the risk of misperceiving the extent of Chinese revisionism at the meeting as it settles in for great-power competition against China.

Even if both sides gradually expand areas of cooperation in the coming years, the competitive nature of their relationship will not diminish as both pursue primacy in the international system and order-building across various domains. The Anchorage talks have not prevented US-China relations from entering a new phase of full-fledged competition. To that end, the US will first and foremost mobilize like-minded states to balance against China and provide hard power and legitimacy in restoring its leadership of the rules-based order. This Asan Issue Brief examines why US-China global competition is likely to increasingly use multilateral mechanisms and how South Korea can respond to the emerging post-pandemic international order.

Restoring a US-led Order in Coalition with Like-minded Democracies

Both the US and China attempted to secure regional support before and after the Anchorage summit. The Biden administration especially prioritizes uniting allies and partners to collectively respond to the rise of China. The US made the unprecedented decision to publicly release its Interim National Security Strategy Guidance on March 3, 2021, as it reconfirmed its intention to strengthen the rules-based order. The US then sequentially held summits with its allies and partners: the first Quad Leaders' Summit on March 12, the US-Japan Security Consultative Committee ("2+2") Meeting on March 16, and the ROK-US Foreign and Defense Ministerial Meeting on March 18. These meetings not only reassured democratic allies and partners of US commitment to defend the stability of the region, but also sent a signal of united resolve against revisionist countries.

In particular, it is necessary to understand that the Quadrilateral Security Dialogue is more than just an anti-China coalition. The Quad intends to take collective action on a range of global threats by pooling the capabilities of relevant parties. For example, the Quad has launched cooperative partnerships and working groups on vaccine distribution, climate change, critical minerals, and emerging technologies. That indicates that the four likeminded Quad countries of the US, Japan, Australia, and India are willing to supplement the insufficient public goods amid the COVID-19 pandemic, in the short term, and expand areas of cooperation to secure the free, open, rules-based order in the Indo-Pacific, in the long term. Hence, the Quad is definitely not an Asian NATO, but it is a more flexible platform for cooperation in which the Biden administration's multilateral diplomacy can be conducted.

In addition, other states are seeking to preserve the rules-based order in the Indo-Pacific. The so-called Quad Plus grouping suggests a more flexible approach to coordinating with other states without formal membership. In addition to the four Quad members, France, Germany, and the Netherlands have either outlined an explicit regional strategy or released their foreign policy outlook on the Indo-Pacific. By doing so, each of these countries is independently conducting 'spoke-to-spoke' minilateral cooperation. For instance, Australia, Japan, and India have launched the Supply Chain Resilience Initiative (SCRI) to reduce dependence on China; France, Japan, and India are working to establish multilateral norms for building digital economies; and France and Japan are working together under the International Solar Alliance while supporting India's Indo-Pacific Ocean Initiative to expand connectivity. Put simply, these countries not only serve as a counterweight against China, but they are also expanding their geo-political and geo-economic horizons out of their own interests. This, in turn, is laying the foundations for the post-pandemic international order's norms and rules.

Against this backdrop, South Korea has hedged against the risk of US-China competition and attempted to promote its national interests under the New Southern Policy by seeking synergies with the US Indo-Pacific Strategy. It is understandable that Seoul has tried to maintain its relationship with China, which is the main benefactor of North Korea, as it prioritizes denuclearization of North Korea and avoid joining any US-led multilateral effort in order to prevent further US-China conflict. However, Seoul is likely to be isolated from the multilateral processes of building norms, institutions, and a rules-based order.

China's Response and the Multilateralism Card

China is also attempting to mobilize its own partners. After the Anchorage meeting, Chinese Foreign Minister Wang Yi held a meeting with ASEAN countries, including Singapore, Malaysia, Indonesia, and the Philippines, in Nanping, China, on March 31. He also met with South Korean Foreign Minister Chung Eui-yong in Fujian, China, on April 3, a sensitive choice of location amid rising US-China tensions over the Taiwan Strait. The status of Taiwan is a key part of the US Free and Open Indo-Pacific Strategy and also a key issue in President Xi Jinping's long-term rule. Senior US officials have voiced growing concerns about China's efforts to challenge the status quo over Taiwan and it has featured prominently in US talks with its allies and partners. China has struggled to overcome its diplomatic isolation vis-à-vis Taiwan as the international community does not welcome any revisionism, favoring freedom of navigation and overflight. Furthermore, human rights abuses against the Uyghurs in Xinjiang have been elevated as a global concern, with the European Union imposing economic sanctions on Chinese officials despite Chinese attempts to diplomatically sway the decision through offers of vaccines and economic assistance.

In response, China has also sought to use its own multilateralism card in its competition with the US. For example, President Xi Jinping's speech at the World Economic Forum in January 2021 emphasized the importance of "upholding multilateralism and building a community with a shared future for mankind." The Chinese style of multilateralism can be understood as respect for different types of governance, culture, and social values as well as an international order that does not judge a state by a single standard such as democracy or human rights.

Such rhetoric has been interpreted as an instrumental rationale to avoid US pressure, especially over issues like Xinjiang, Hong Kong, and Taiwan. However, China has also not hesitated to use unilateralism in pursuit of its own interests, from rejecting the 2016 international ruling in favor of the Philippines over its claims in the South China Sea to using economic coercion against Australia. Hence, it is questionable how far this rhetoric of multilateralism can be persuasive across the Indo-Pacific.

The Domestic Politics Basis of US-China Relations

While the US and China were signaling to their allies and partners before and after the Anchorage meeting that great-power competition will proceed, both were also cognizant of their domestic audiences. President Biden, who has been severely criticized by former President Trump for being weak on China, has an incentive to maintain a strong China policy as he approaches the midterm elections next year. President Xi Jinping also instigated popular nationalist and confrontational attitudes that China would overcome foreign intervention for his own political gain. However, the outcome of their confrontation mainly depends on how fast each country will recover from the pandemic and economically "build back better."

To sum up, current US-China competition is about more than just bilateral competition. It also involves a process of reorganizing their competing orders and the structures that underpin them. Their competition for dominance already encompasses attempts to promote their own norms, values, and preferred rules-based order; changing the geo-economics landscape by realigning supply chains and developing new technologies; and leading coalitions to provide global public goods. Hence, the competition is multilateral in nature. Therefore, each country will attempt to forge a network of cooperation to build a stronger architecture for this purpose as they both overcome the pandemic.

South Korea's most important diplomatic priorities such as the COVID-19 pandemic, the denuclearization of North Korea, and the Korean Peninsula peace process are not separate from US-China competition. As the US and China pursue their competing multilateral orders, it raises questions as to what extent the changing order reflects South Korea's own interests. South Korea, therefore, should not isolate itself away from global competition and instead more proactively engage in it. Through participating in various types of minilateral or multilateral cooperation that reflect its own interests and gains, Seoul can elevate its foreign policy status, expand the area of cooperation under the ROK-US alliance framework as a global partner, but also initiate the process of restructuring order as a middle power. Such an effort would provide more effective ground for South Korea in addressing Korean Peninsula issues.

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