

A Secret Plan for America's New China Policy

It's based on the reviled and maligned Trans-Pacific Partnership, so don't tell anyone.

Predictability and coordination are shaping up as the central themes to America's new China policy after four years of volatility and unilateralism. But even more important than a steady strategy to manage China's rise in the global economy will be formulating achievable targets. Fortunately, there's an obvious place to start: the Asian trade deal that Hillary Clinton denounced and Donald Trump abandoned.

Joe Biden's [first words](#) on China as president-elect promised consultation with allies on how best to advance shared interests, but his team will need to work hard to forge consensus around economic priorities that improve the relationship amid escalating tensions on everything from the origins of COVID-19 and Huawei's telecom sales to the South China Sea and Hong Kong's national security law.

Resurrecting the Trans-Pacific Partnership is likely a step too far for Biden amid a political landscape that has turned the very initials TPP into shorthand for all that is wrong with American trade policy. Still, the deal that 11 other Pacific economies agreed to without the U.S. in 2018 sets [standards for economic behavior](#) that trading partners everywhere would like to see more advanced in China: codes of conduct for state-owned enterprises, rules for services and digital trade, protection of intellectual property, and commitments to labor rights and environmental standards.

It's hardly a complete list of challenges, but it's an excellent start at a time when global disenchantment with China from Brussels to Canberra threatens progress on every front. Chinese President Xi Jinping's [expressions of interest](#) in joining this rebooted and re-named Comprehensive and Progressive Agreement for Trans-Pacific Partnership (or CPTPP) may be mostly political posturing as American turns inward, but it's clearly worth testing his commitment.

While deteriorating U.S.-Chinese relations have triggered much talk of a new Cold War between East and West, China presents a much more complicated challenge than the Soviet Union ever did—its nuclear arsenal notwithstanding. Moscow's global influence flowed from its military strength and ideological commitment; Beijing derives even more leverage from a vast potential economic opportunity. The United States and its allies fret about China's political model and its diplomatic ambitions, but few want to risk getting shut out of the world's second-largest market.

What makes it even more difficult is that the allies that Biden hopes to leverage all have slightly different priorities in their dealings with China. Five years ago, German leaders spoke of a “comprehensive strategic partnership” and British counterparts celebrated “a golden age” in relations with Beijing, [but that has all soured](#) amid concerns over market access, Chinese purchases of strategic European assets and political protests in Hong Kong.

China is as important a market for Japan as the United States, but further expansion has been [stymied by territorial disputes](#) and historical sensitivities. [South Korea's priorities](#) remain entwined with China's backing of the North Korean government, while Australia has seen its relations unravel precipitously after [a series of steps](#) Beijing didn't like.

Arguably, the U.S. list of concerns about Chinese policy is the longest of all, ranging from the diplomatic (Taiwan and North Korea) and the economic (mostly trade and investment, but also [debt policy](#) in developing countries) to the political (Hong Kong and Uighurs) and the global (climate and COVID). Moreover, in a deeply divided political system, one of the few areas of broad agreement is that America should be “tougher” across the board—with little clarity on what that means or what it might realistically achieve.

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Thus, the benefit of testing the prospects for narrow progress on key issues that most of America’s allies have already agreed to and Beijing itself has notionally accepted.

China’s engagement on trade picked up momentum following the November conclusion of the [Regional Comprehensive Economic Partnership](#), which aligns trading practices with 14 other regional partners, including Korea and Japan. Critics note the deal still leaves a great many tariffs in place and does little to raise standards or expand trade in services, but new rules of origin should help reinforce supply chains across the region.

There are [real hurdles](#) to turning the CPTPP into the central vehicle of U.S. policy in China. Korea withdrew its application over trade tensions with Japan, while post-Brexit Britain’s talk of joining fizzled following Australian objections. Finally, getting the U.S. onboard faces [considerable obstacles](#), even for an administration committed to multilateral solutions that also bring a difficult path to imaging these days.

But it seems well worth a try, especially if we can keep the inflammatory initials under wraps.

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14 December 2020 | Leading Thoughts

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**As of September 30, 2020*

20-1446145