Thank you for this timely opportunity to discuss US policy toward China and more broadly toward East Asia. I particularly want to thank Amitai Etzioni for this invitation. I hate to date us both, but it was 45 years ago, when I was a sophomore in Social Studies at Harvard, that I first read The Active Society—a book that had a profound impact on my at that time and still has powerful insights that are relevant today.

As everyone knows, this is an Election year—one that is full of surprises, but for me one of the biggest surprises is the dog that didn’t bark—the fact that there has been little debate over US policy toward China.

Who would have thought that it would be Russia and not China dominating conversation?—It could be because Putin has deliberately courted attention while China leaders have at least in relative terms laid low—as I’ll discuss later.

Not typically the case. China has played an important part in many US political campaigns since the Communist takeover in 1949—think of the contest between Nixon v. Helen Geohagan Douglas for California Senate 1950 when Nixon attacked for her for supporting moving the Chinese UNSC seat from Taiwan to Peking.

Reagan in 1980 challenged Carter for terminating the Taiwan treaty, Clinton in 1992 famously attacked Bush for “coddling the butchers of Beijing”.

With China’s rise, and the growing tensions in the South and East China Seas, and over cyber intrusions, China would have made a likely target.

Although China has figured to some extent in the trade debate, there hasn’t been much debate over the broader strategy—though perhaps we’ll hear more during the debate tonight.

And as I should say that while I was honored to work very closely with Secretary Clinton and President Obama on our policy toward East Asia, I speak today only for myself.

Because it has not figured very prominently, no clear mandate for policy, irrespective of the outcome. But what is clear is that the core consensus that has driven US policy under increasing attack from all
points of the compass. So this is a propitious time to assess whether the approach that has governed US policy for some 40 years is still relevant and appropriate today.

The basic premise of that consensus is well known to all of you, summed up in the canonical phrase that the US seeks a strong and prosperous China. It was based on three deep convictions – that the US and China have a shared stake in the stability and prosperity of East Asia, that both stand to lose from unbridled rivalry, and that the differences that do exist – especially with respect to our political and economic systems, while serious, could be managed constructively. This consensus not only benefited the people of the US and China, but the rest of the region as well, including US allies. Despite periodic tensions, including over China’s actions in Tien an Men Square in 1989, the missile firings near the Taiwan straits in the mid-1990’s and the EP-3 incident, the region has experienced extraordinary prosperity and stability since the mid-1970s.

This consensus was not without its critics – from Nixon’s first trip, to the decision to normalize relations with the PRC and end our formal recognition and security ties to Taiwan – to Tien an men, the Taiwan straits missile crisis and beyond. Successive American political campaigns featured candidates who accused the incumbent party of cozying up to Communist dictators at the expenses of American values and interests. But even when the challenger prevailed, policy tended to recur to the mean. President Reagan signed the third communique with China’s leaders, President Clinton made a historic week long trip to China in 1998 and helped usher in China’s membership to the WTO, and President Bush worked closely with Chinese leaders on counter-terrorism.

US policy was matched by China’s apparent acceptance of the basic principles that allowed for the consensus to be maintained in the US – a willingness not to challenge the US led liberal order in East Asia and beyond. From Deng Xiaoping’s 24 character admonition to “tao guang yang hui” to the decision to join international regimes from the NPT to the WTO, China for the most part did not directly challenge the US, its allies or the post-World War II international order.

As the millennium turned and China continued to rack up extraordinary economic growth, and with it enhanced political and military power, the voices challenging the consensus continued to grow louder, especially among former members of the PLA. This was matched in turn by voices in the US who began to insist on the inevitability of US-China confrontation.

The first decade of the 21st century proceeded relatively smoothly, aided by a shared, post-9/11 focus on terrorism. But as the decade drew to a close, the alarm bells sounded again, fueled by apparently expansive Chinese maritime claims in the East and South China Sea, and by a growing sense by some in China that the financial crisis of 2008-2009 presaged an era of rapidly declining US power and influence, creating an opening for greater China’s assertiveness. Indeed, some in China began to argue that the time had come for China to abandon the self-effacing model advocated by Deng Xiaoping, in favor of Mao’s more assertive “China has stood up”. These tensions surfaced early in the Obama Administration, and have only deepened since –matched by growing Chinese alarm at what many saw as the underlying premise of the Obama –rebalance or pivot – to contain China.
As result, the critics of the post Nixon consensus policy have moved from the fringes of the American policy to the center – epitomized by the monograph issued by Council on Foreign Relations written by Bob Blackwill and Ashley Tellis, two certified, card carrying members of the Foreign Policy establishment, calling explicitly for a policy to weaken China in order to sustain US primacy.

Which bring us to the core question. Is this end of the era of consensus policy – in which the US seeks constructive relations with China based on a Chinese willingness not to directly challenge the US role in the region and beyond? Should we now prepare for the coming and inevitable contest of wills?

Much of the debate over the future of US policy is a debate about how to assess Chinese intentions. Are Chinese goals maximalist – to replace the US as the global hegemon? --as some such as Michael Pillsbury have argued in his book “the Hundred Year Marathon? Was China’s earlier restraint simply a matter of biding time until China became strong enough to assert its will? Or are China’s aims more limited – but still deeply problematic – such as seeking a Chinese Monroe Doctrine for East Asia, as perhaps foreshadowed in Xi Jingping’s comments at the 2014 Conference on Interaction and Confidence Building, where he called for Asian problems to be solved by Asians themselves? Are Chinese territorial claims self-limiting to recovery of territory “lost” in the 19th and early twentieth century and promised back at Tehran and Potsdam? Or are China’s moves primarily defensive – to prevent a recurrence of the “Century of humiliation”?

Scholars of varying stripes have offered their answer to these questions based on their own academic bent. Some neo-realists have argued that a future of conflict is foreordained by the inevitable tensions between a rising and an established power – the so called Thucydides trap – although as my good friend Joe Nye points out, Thucydides may well have gotten it wrong it terms of why Sparta and Athens went to war. Others – from academics like John Ikenberry to practitioners like Don Gross – argue that economic interdependence will inevitably temper conflict and lead to crisis management rather confrontation. Others – myself included, fret about an emerging security dilemma that – irrespective of the intentions of each side – could lead to a lose-lose – even catastrophic lose-lose outcome – an outcome all too vivid as we mark the centennial of the slaughter that was World War I.

Put another way – how should we understand current Chinese foreign policy – as a long term strategic plan to restore the glory of the Qianlong emperor? As the most recent manifestation of long-term Chinese strategic culture – the assassin’s mace? As an adaption to the shifting balance of regional economic and military power toward China? As the Communist Party strategy for diverting domestic discontent by mobilizing nationalist pride? As the weakness of civilians in the face of an increasingly powerful military? As the outgrowth of increasing cult of personality around Xi Jingping?

It is that uncertainty which lies at the heart of the challenge of developing a sound policy for the United States… that uncertainty takes many forms. Part of the uncertainty lies in the nature of the political process in China itself – opaque and secretive. But even we could determine with some confidence the innermost secrets of Zhongnanhai -the intentions of the current leadership, that wouldn’t necessarily tell us much about future leaders – and for long range policy purposes, that is at least as consequential
as the current leaders’ intentions – And even if we had some insight into future leaders intentions (and even knew who they would be) “exogenous” events, as my political scientists friends would say – could throw all that prognostication into a cocked hat. In the end, policy based on future intentions is subject to what I call “radical uncertainty” – and that humble acknowledgement of radical uncertainty – rather than the confident predictions of both pundits and scholars – must lie at the heart of a sound approach.

Uncertainty can have pernicious effects on policy, In the face of uncertainty, it seems tempting – indeed sublimely rational – to adopt a hedging strategy – hope for the best but prepare for the worst. The problem with hedging strategies is that they can be self-fulfilling – what looks like a hedge to one actor can look quite threatening to the other – and induce a reciprocal hedge that accelerates the downward spiral of a security dilemma. To break this spiral, many have advocated a strategy of building trust – but trust building is also subject to many of the difficulties that give rise to uncertainty in first place.

Our host and others have called for a grand bargain – but – putting aside for the moment the very considerable problems of what each side should be willing to concede, and the potentially destabilizing affect such as G-2 would have on the other countries of the region whose interests might not be well reflected in the bargain – what confidence would either side have that the bargain would hold? Both historians and theorists have longed cautioned about the unreliability of diplomats grand bargains” that would lead to “peace in our time” – but in fact represented just an opening move in what would ultimately prove a deadly conflict.

It’s no accident that President Reagan therefor insisted on trust but verify.

An alternative approach was proposed by Mike O’hanlon and me in our book Strategic Reassurance and Resolve. As the students in the audience will hopefully recognized, the title evokes two of the key concepts that strategist have identified as way to help bound uncertainty and help policymakers make a realistic assessment of the prospects for either cooperation or rivalry based on the real – rather than imagined – goals of each side. Put another way, strategies of reassurance can help reduce the risk of conflict from misplaced fears, while resolve can help reduce the risk that will underestimate the others willingness to act to protect its interests. Neither of these tools by themselves will mitigate against rivalry or even conflict if our interests are truly adverse, but they can help make it possible for us to work together if and where – as Amitai and others have argued – our interests are convergent, or at least complementary. And it at least help assures that if we do have conflict, it will be over real and important, rather than imagined differences.

As the new administration takes office, there are two areas which are ripe for this approach – and where the failure to pursue them could, in the very near term, lead to a dangerous downturn in the bilateral relationship. The two areas I think would be obvious to all here – the maritime disputes in the East and South China Seas and North Korea’s nuclear and missile program.

In the South and East China Sea one important measure of reassurance available to China is to take up the proposed moratorium on new island reclamation and expanded maritime operations, reflected in the ASEAN proposal for a code of conduct. President Xi indicated at least partial willingness to take this approach by his commitment to no further militarization when he met with President Obama, but the situation on the ground is not so comforting. Encouragingly although china’s hostile rhetoric in response
the UNCLOS arbitration decision has raised anxieties, the worst fears have not – at least to date – materialized. Chinese restraint in response to the arbitral award, particularly with respect to Scarborough Shoal, which send an important signal of reassurance, and could become the basis for a more comprehensive framework, which would leave the underlying territorial disputes unresolved, but mitigate the spiral of tension. Similarly, a scaling down of Chinese naval and air operations around the the Senkaku Islands could also send a powerful message of reassurance.

Perhaps even more important in shaping the future of the US-China relations is the growing urgency of dealing with North Korea’s nuclear and missile programs. There’s a lot of debate about what China can and should do about North Korea, and whether China prioritizes retaining a stable north over effective measures to reduce or eliminate the missile and nuclear threat. But China’s actions to date – while helpful to some degree, have not provided US policy makers with the necessary reassurance that our goals are aligned – and in the absence of that reassurance, the US and its allies have no choice but to demonstrate resolve toward North Korea by prudent defensive measures, such as THAAD and by increasing the economic pressure on the North Korean leadership, to include secondary sanctions – even if both of these types of measures are seen as unfriendly or even hostile by China. Given that the situation on the peninsula is deteriorating rapidly, it is incumbent on China to reassure the US – and South Korea and Japan – that its commitment to non-nuclear peninsula is more than rhetoric. This should be a top of the new administration’s agenda in its first engagements with China’s leadership, not only because of the urgency of the question but also because the failure to find a satisfactory common way forward could have serious consequences for the relationship as whole.

Both the maritime disputes and the challenge of North Korea have a common dimension which lies at the heart of the long-term management of US-China relations. In both cases, the US interests are closely connected to the interests and concerns of our treaty allies and other partners in the region. China’s leaders often criticize these ties as relics of the Cold War, as symptoms of an ill-disguised containment strategy like the one pursued by the US in Europe and East Asia during the Cold War. They point to US support for the Philippines’ recourse to arbitration on the SCS, on the security commitment to Japan in connection with the Senkakus, and the US-ROK decision to deploy THAAD to counter the North Korean missile threat as manifestations of US hostile intent.

The Chinese complaints in some respect mirror President Putin’s criticism of the persistence of NATO – as a hostile act directed at Russia. Both Chinese and Russian leaders argue that we should abandon these historic alliances. But in both cases they are profoundly wrong. Rather than a source of instability and conflict, our alliances in East Asia and in Europe are the indispensable anchor for regional stability and security. The alliances allow our partners to develop close ties with their powerful near neighbors, without risking their independence – or having to resort to dangerous military buildups of their own to counter a possible threat. US withdrawal from these commitments would deepen anxiety in both regions –benefitting no one including China (or Russia) – Abrogating these relationships to assuage China and Russia’s concerns would undermine confidence in US reliability and commitment, rippling instability to other regions as well. Thus, the US needs to continue to insist that while we are prepared to look for ways to reassure China about the goals and actions of our alliances – for example in the case of explaining the purpose and limited capabilities of THAAD, we are not prepared to walk away.

This points to the need for a serious, candid and credible dialogue between the two sides at the highest and authoritative levels. To their credit, Presidents Obama and Xi have recognized the importance of
this engagement, and have broken all previous records for leader to leader dialogue, both in frequency and scope. This engagement at the top has produced a few hopeful signs, from the climate agreement to the agreement last September to try to address economic cyber espionage. But the results have not been broad or consequential enough to end the downward drift of the relationship. Credible mechanisms to sustain the dialogue and make sure it produces results in the intervals between leaders meetings are essential to create a virtuous circle of problem solving that builds reassurance. This is of course is much less glamorous than grand bargains but could prove a more durable and realistic approach in the long terms.

Thank you for the opportunity to speak to you today.