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## It's a long way from trade tariffs to war, but China and the US must act as grown-ups to steer relations

Tom Plate says fair play and mutual respect are missing in the China-US squabble over trade, and both sides must recognise that the relationship cannot be seen in purely monetary terms

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Tom Plate

Americans who worry about China's fate do not do so carelessly. Their concern is sincere and well-informed. Suggestions and criticism are offered not as the sabotage of capitalist counter-revolutionaries but out of the shared instinct of global cosmopolitans. Why not give bilateral peace a chance? Or do we simply accept that the two great nations are "destined for war", as a recent book title by a famous Harvard professor has it.

Is US President Donald Trump's new national security adviser of the "destiny" ilk? One joke making the rounds about the oft-truculent John Bolton is that he's never met a war

he didn't like. Another is that Bolton is the proverbial bull in the China shop. Soon we will have a better fix on his attitudes towards China, not to mention North Korea: the position of chief of national security requires no US Senate confirmation. His work will begin soon, and he is not the sort of man for whom silence is golden.

His appointment rounded out a blustery week when the ship of state seemed to be rocking more than ever. The punch-up of punitive tariffs against the steel and aluminium exports of China, among other nations, was a chilling reminder that US foreign policies tend to be anchored in the swamp of contemporary domestic politics, with no vision beyond the pressing present.

Trump and Professor Peter Navarro's nest of trade hawks in the White House may not realise it, but the very concept of a trade deficit is a tricky calculation. Unlike, say, the Japanese, Americans spend far more than they save, and love being able to stuff loads of cheap toys made in China under the Christmas tree for the kids. Beijing has put billions of its hard-earned renminbi into US Treasury bonds and other such capitalist instruments. It's not ready to short America – yet, anyway.

Steel overcapacity? The Chinese deserve recognition for substantially reducing it even in the face of social stress on the mainland. There's not much coverage of this in the US media. Some editors seem uncomfortable with positive news from China.

We note that not only is China being targeted with tariffs, but so is Japan. One is a putative "competitor", and the other a putative "ally"? They get the same back of the Trump hand. Why?

I can offer a backstory: in the 1990s, in the middle of the California recession, Washington criticised the Japanese for unfair trade practices with relentless rhetorical ferocity. And they were our strategic partner. Then president Bill Clinton called off the blame game after an appeal by then deputy Treasury secretary Lawrence Summers, a brilliant man. Clinton was said to have said something like: "You're right. We have vital interests with the Japanese other than economic. Let's calm it down." And it was.

Similarly, we also have vital considerations with China that cannot be calibrated only in dollars and renminbi. As the late Warren Christopher, US secretary of state in Clinton's

first term, would say to me, it is impossible to imagine a stable world emerging without a seriously enmeshed China-US relationship. Together, our two great nations comprise about 23 per cent of the globe's population. True grievances need to be negotiated with fair sense, not political spit.

Start with the Chinese theft of intellectual property – this is a tough, complicated issue, but it has to be faced. Next, add China's insistence that for initial or additional market access, US companies need to hand over hard-won technology (Beijing: come on, how fair is that?). And Beijing could also offer more access to services markets. Yes, these are fair points.

For its part, America needs to erect a national mental wall around any creeping narrowness of mind: China is no ally of course but it is not just another nation. We must meet it at least halfway; we should never expect to get it all our own way.

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American diplomatic history offers good examples. More than 100 years ago, John Hay, who served two presidents as US secretary of state between 1898 and 1905, famously worked hard to ensure that China wasn't cut up like a wedding cake by Great Britain, Russia, France, Germany and Japan. Most historians today rate Hay's "open-door" diplomacy as nothing less than a masterpiece of cosmopolitan foreign policy.

In admiration decades later, the legendary US diplomat George Kennan was to conclude that Hay's achievement represented "certain ideals of decency and courage and generosity which were as fine as anything the world has ever known". More recently, we have the pro-China diplomacy of Henry Kissinger. While arguably this controversial statesman got many things wrong – Cambodia, Chile, and so on – the one thing he got right was China. Even if this was the only thing he ever got right, it was a very big one.

China needs to reflect on that, for what the Chinese are seeing today is America's used-car salesman sensibility, not America in its full largesse. Dollar diplomacy by itself does not always add, certainly not to visionary grandiosity.

America's per capita income is seven times that of China's. Yes, China is racing forward, and America more or less is idling in neutral. But China has a long way to go before it reaches any finish line, and America has a very long way to fall before it reaches panic time. Mutual respect in deed and word will enable the bilateral relationship to avoid childish nonsense on both sides, whether tariff retaliation or market-access denial. Please – adults only.

**Columnist Tom Plate's latest book is titled Yo-Yo Diplomacy. He is vice-president of the Pacific Century Institute and the distinguished scholar of Asian and Pacific Studies at Loyola Marymount University in Los Angeles**

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