The Strategic Partners and Strategic Competitors between China and United States in the Period of Barack Obama Administration

Nur Arif Nugraha¹ nur.arif.nugraha@gmail.com

Abstract

This essay will consider a number of perspectives to determine whether the relationship between China and United States is strategic partnersor strategic competitors. During the Obama administration, the policy toward China oscillates between being strategic partners and strategic competitors since the first time he became President in January 2009 until the present time. In this essay, I will argue that the relationship between China and the United States should be based on partnership rather than competition considering the strategic position of both countries in the world recently, especially in terms of economic cooperation. However, there is still a sense of competition between them, especially in military sectors. Sometimes, the relationship between them in this sector often brings the tense to their relationship.

Keywords: Obama administration, policy, strategic partners, strategic competitors, relationship.

-

¹ Staff DJPN

Introduction

In international relation context, it is intriguing to see the relationship between China and the United States. United States is a lonely superpower nation since the cold war ended whereas China is the largest population in the world and the second largest economies in the world. There are some issues that cause the relationship dynamic between two countries. During the Obama administration, the policy toward China oscillates between being strategic partners and strategic competitors since the first time he became President in January 2009 until the present time.

The discussion arises as to whether we should accept that China should engage the relationship with the United States more as strategic partners than as strategic competitors in the period of Barack Obama administration. This essay will consider a number of perspectives to determine whether support or reject this contention. In this essay, I will argue that the relationship between China and the United States should be based on partnership rather than competition considering the strategic position of both countries in the world recently, especially in terms of economic cooperation. However, there is still a sense of competition between them, especially in military sectors. Sometimes,

the relationship between them in this sector often brings the tense to their relationship.

This essay consists of three parts. First, I will explain the relationship between China and the United States both strategic partners and strategic competitors. In this part, I will briefly explain the dynamic relationship between both countries both as strategic partners and strategic competitors and also I will critically argue the reason behind the relationship. Second, I will explore some momentous events to describe the tensions between China and the United States. In this part, I will present the historic events that raised the tension between two countries both in economic and military sectors. Finally, I will discuss both issues with reference to the period of Obama administration and his policy toward China. In this part, I will argue the main aspects of Obama's policy toward China. To conclude this essay, I willsuggestwhat the US should do in the future to engage the relationship with China.

Strategic Partners or Strategic Competitors

One reason to accept that China should engage the relationship with the United States more as strategic partners than as strategic competitors is the

suggestion that United States has a strategic position in solving the global issues. This reason is supported by the fact that since the cold war, United States is a lonely super power nation in the world¹. The relationship between China and the United States is unique. It all started when the United States viewed China as a part of the communist block led by the Soviet Union. The development between China and the United States as strategic partners actually began when President Nixon initiated the normalization with China and signed Shanghai Communiqué in February 1972². In that year, the US policy toward China has remained the same, was to engage China constructively because the strategic position of China in the future as one of the potential superpower nation.

The period just before President Obama became the President of the United States, President Bush had already built the constructive relationship with China in every aspect such as economy, climate change and human rights³. President Bush had initiated the close relationship with China before he ended his presidency term in the end of 2008, while there was a

The United States and China has been trying to broaden their relationship in global and regional issues. In his remarks in July 2009, President Obama stated that the partnership with China is "a prerequisite for progress on many of the most pressing global challenges". It can be inferred from this statement that the engagement and cooperation with China is truly essential for both countries because of their competitive advantages. The United States is a super power nation in this world, especially after the Soviet Union collapsed in 1991.

Another reason to believe that China should engage the relationship with the United States more as strategic partners than as strategic competitors is that China is the second largest economies in the world. This based on the idea that China has overtaken Japan to become the world's second largest economies.

global financial crisis at that time. It is a decent starting point for President Obama to continue and maintain the relationship with China as a strategic partner.

¹Clark, Ian. (2011). China and the United States: A Succession of Hegemonies? *International Affairs*, 87(1), 13-28.

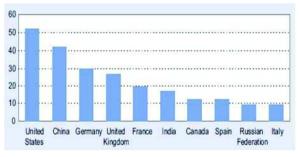
²Ross, Robert. S. (1988). *After The Cold War: Domestic Factors and U.S.-China Relations*.
New York, USA: M.E. Sharpe.

³Carter, Ashton. B. (2006). America's New Strategic Partner? *Foreign Affairs*, 7(1).

⁴Lawrence, S.V. &Lum, T. (2011). US-China Relations: Policy Issues. Washington, USA: Congressional Research Service.

Figure 1: The Most Promising Investor-Countries for the Next Three Years (2010-2012)⁵

(Y axis shows a number of times that the country is mentioned as top investor in their respective countries)



Source: UNCTAD Survey, 2010

The chart above clearly shows that both the United States and China are the most promising investor countries for the next three years. This means that both countries should develop their relationship as strategic partners because there is a positive climate for investment in both countries. There are also two notable facts to consider in 2011 or the third year of Obama administration from Office the United States Trade Representatives⁶. First is the fact that China was the United States' third largest goods export market in

2011. Second is the fact that China was the United States' largest supplier of goods import in 2011. The investment between both countries also indicated the satisfying progress. The investment of China in the United States was dominantly from trade sectors, whereas the investment of United States in China was mostly from manufacturing and banking sectors.

In order to be a superpower nation, China lacks three factors; a favourable security surplus; military and economic hard power; and political, social, and intelligent soft power⁷. If it viewed from the geographical locations, China has more neighbour countries than the United States. The United States has only two neighbour countries, Canada in the north and Mexico in the south. Moreover, the Pacific Ocean in the west and the Atlantic Ocean in the east have a significant advantage for the United States from threats by other powers. It is easier for the United States to manage the relationship among neighbour countries. In this part, it is clear that the United States has a favourable security surplus than China.

⁵UNCTAD. (2012). World Investment Survey 2010-2012 Retrieved 29 September 2012, 2012, from http://unctad.org/en/docs/diaeia20104_en. pdf

⁶Office of the United States Trade Representatives. (2012). U.S. China Trade Facts Retrieved 29 September 2012, 2012, from http://www.ustr.gov/countries-regions/china

⁷Lijun, Sheng. (1999). China and the United States: Asymmetrical Strategic Partners. *The Washington Quarterly*, 22(3), 147-164.

On the other hand, a consideration against the issue that China should engage the relationship with the United States more as strategic partners than as strategic competitors is that the stronger China might weaken the influence of the United States among countries in the world⁸. It is unquestionable that China and strengthening both in politics economics. This condition might weaken the influence of United States to be overtaken by China. There has been an escalation between China and the United States. In a big picture, China is strengthening both politically and economically while the recent economic crisis in the US has weakened its power. The strength of China's economy has made many countries in the world shifting their investment from the US-centric to China. Many countries including Southeast Asian countries began to view China as a strategic business partners. Meanwhile, China also balances their economic power with the development of military power. the combination between Currently, economic and military power of China has made them be the most influential power in Asia.

Figure 2: The Comparison of Gross Domestic Product (GDP)⁹ and GDP Growth¹⁰between China and United States, 2007-2011

	China		United States	
Ye ar	GDP	Gro wth (%)	GDP	Gro wth (%)
20 07	3,494,055,94 4,791	14.2	13,961,800,00	1.94
20 08	4,521,827,28 8,304	9.6	14,219,300,00 0,000	-0.4
20 09	4,991,256,40 6,735	9.2	13,863,600,00	-3.5
20 10	5,930,529,47 0,799	10.4	14,447,100,00	3.0
20 11	7,318,499,26 9,769	9.3	15,094,000,00 0,000	1.7

Source: World Bank, 2012

It can be seen from the table that from 2007 to 2011 China always indicates an increasing trend of Gross Domestic Product and positive GDP growth. It shows higher growth than the United

⁸Art, Robert. J. (2010). The United States and the Rise of China: Implications for the Long Haul. *Political Science Quarterly*, 125(3), 359-391.

⁹World Bank. (2012). GDP (current US\$). Retrieved 29 September 2012, 2012, from http://data.worldbank.org/indicator/NY.G DP.MKTP.CD

World Bank. (2012). GDP growth (annual %). Retrieved 29 September 2012, 2012, from http://data.worldbank.org/indicator/NY.G DP.MKTP.KD.ZG

States which experiences negative GDP growth in 2008 and 2009. The stronger China is a threat to America. The growing power of China is followed by their partnerships with various countries in the region. Thus, it began to weaken the influence of the United States. This is a serious threat to the United States that has been in control of the political economy in some areas. In East Asia, the United States has been in control because of the growing influence in Japan and South Korea, while in Southeast Asia the United States emerged because of the control of the powerful impact in a number of countries such as Malaysia, Singapore, and the Philippines. Now, undeniably, the influence of the United States started to weaken.

China is considered as a threat to the United States because their economic and political strength will strengthen China's influence in the region. In East Asia, a stronger China would weaken the influence of the United States, which has close ties with Japan and South Korea¹¹. South Korea is now beginning to view China as a strategic partner. Earlier, South Korea prefers economic cooperation with

the U.S. than with China. In Southeast Asia, the strong American influence in Malaysia and Singapore began to deal with the growing influence of China in Myanmar. Cambodia. and Vietnam. Previously the United States is a strategic partner for the economic **ASEAN** countries. Now their roles are being replaced by China, which has geographical proximity to the region.

In the context of the competition between the United States and China, the ASEAN countries could take advantage. As a proxy region, ASEAN can benefit financially from these two countries. ASEAN could favourable create a conditionfor the investment race between China and the United States in the region¹². Economically, this will encourage the growth of investment in the two countries. However, ASEAN should also be wary of the influence of the two countries politically. They need to be aware of the intervention in many areas especially in a political decision-making.

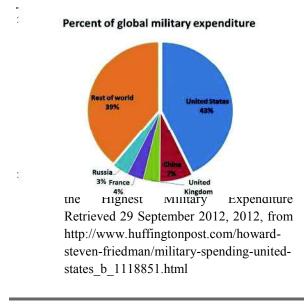
Finally, there is another significant objection to the claim that China should engage the relationship with the United States more as strategic partners than as

¹¹Yong, Deng. (2001). Hegemon on the Offensive: Chinese Perspectives on U.S. Global Strategy. Political Science Quarterly 116(3), 343-365.

¹²Vaughn, B. & Morrison, W.M. (2006). China-Southeast Asia Relations: Trends, Issues, and Implications for the United States. Washington, USA: Congressional Research Service.

strategic competitors, is that the emerging military power of China threatens the United States. To support this view is the reason that China has spent more than USD100 billion on the 2012 defence budget for the first time in their history, which is the second largest budget under the United States¹³. There is an increase of 11.2 % from the defence budget in the previous year.Li Zhaoxing, the spokesmanof annual sessions of China's national legislature (previously Chinese foreign minister)said that the Chinese government is in accordance with the coordination between defence development and economic. The amount of defence budget is adjusted to the needs of national security. He also said that the growth of Chinese defence expenditure is appropriate and reasonable.

Figure 3: Five Countries with The Highest Military Spending¹⁴



Source: The Huffington Post, 2011

The United States should view China as a partner to solve the security issue in the world. The substantial progress happened when China and the United agreed to strengthen defence States cooperation and maintain regional stability, based on mutual benefit, trust and understanding. Last September 2012, both countries held a meeting in Beijing. The U.S. Defence Secretary, Leon Panetta and the Chinese Defence Minister, Liang Guanglie. They met and discussed few things about some of the issues and also agreed to establish a new concept of military ties between two countries¹⁵. From the meeting, it is clear that the partnership between the two countries should encourage the development of new types of relationships, which are based on the equality principle and mutual benefits. The constructive relationship through intensive communication and dialog between China and theUnited States is hugely significant to achieve the security and prosperity in the 21st century.

Panetta and Chinese Defense Minister General Liang Guanglie hold a Joint News Conference, China Retrieved 29 September 2012, 2012, from http://www.defense.gov/transcripts/transcript.aspx?transcriptid=5116

The Important Events that Raised Tensions Between Two Countries During 2009-2012

There are some events that disturb the relationship between China and the United States during the period of Obama administration. The first event was when United States decided to send heavily armed destroyer ships to the South China Sea in 2009¹⁶. The reason is to escort ships owned by United States surveillance in the South China Sea. Unfortunately, this action happened right after a tension between ships of U.S. Navy surveillance ships it to China.

The second event was when the most popular search engine in this world, Google intended to move away from China because of the censorship policy from the government in 2010¹⁷. This tension related to the Internet problems, which was then expanded and more complicated. Beijing insisted to impose the censorship on the

compromise policy dealing with Washington's interests. For China, the control of public opinions could have been influenced by the flow of online information that is a non-negotiable prerequisite. In the middle of the pressure of democracy and freedom of information, Beijing still strictly controls the spread of information. is when Chen

Internet showed the signal of non-

Finally, Guangcheng's runaway from the 19 months of house arrest to the United States Embassy in Beijing in 2012¹⁸. He struggled for human rights issues. He was arrested because of his fight against forced relevant abortions government implemented the family planning program. The protection afforded by the U.S. government at the embassy gained the violent response from China. This was an extremely high political issue because it involved the United States, countries that experienced have ups and diplomatic with China. For Washington, the Chen's escape was a struggle for universal human rights. However, China considered that Chen is purely an internal matter. The United States' involvement

154

¹⁶Spillius, Alex. (2009). Barack Obama approves sending armed destroyers to protect US ships in South China Sea. Retrieved 29 September 2012, 2012, http://www.telegraph.co.uk/news/worldne ws/barackobama/4982896/Barack-Obamaapproves-sending-armed-destroyers-toprotect-US-ships-in-South-China-Sea.html ¹⁷Oreskovic, Alexei. (2010). Google moves China search service to Hong Kong Retrieved 2 October 2012, 2012. from http://www.reuters.com/article/2010/03/22 /us-china-googleidUSTRE62L14V20100322

¹⁸New York Daily News. (2012). China blind activist outsmarted guards in elaborate dramatic escape. Retrieved 29 September 2012, 2012, from http://articles.nydailynews.com/2012-04-30/news/31503116_1_yuan-weijing-house-arrest-security-guards

gave a negative pressure in the diplomatic relations between the two countries. China viewed this circumstance intervention of sovereignty because the United States was proactive to protect Chen, although he had not intended to ask for political asylum.

The **Policy** of Barack Obama Administration toward China

There are two global issues that mostly cause the bilateral relationship between China and the United States experiencing ups and downs. First is the South China Sea issue. Robert Wang as The U.S. deputy chief of mission in Beijing, presents "strong dissatisfaction and firm opposition" to a U.S. statement that said China's recent decision to establish a military garrison in the South China Sea and elevate the administrative status claimed by China, the Philippines and others risked further inflaming tension there ¹⁹. The mineral-rich waters, which are the key to international trade routes was claimed by China and in part by Vietnam, the Philippines, Malaysia and others.

Second is the Taiwan issue. This issue has been standing between China

¹⁹Spegele, Brian. (2012). New Tensions Rise on South China Sea. Retrieved 29 September 2012, 2012, http://online.wsj.com/article/SB10000872

> 396390443659204577570514282930558. html

and the United States. The problem of the Pentagon's \$6-billion arms sale to Taiwan is responded negatively by China. The negative response arises because the Beijing government has suspended security exchanges with the Pentagon and promised to sanction American defense companies²⁰. Some Chinese scholars viewedevil motives in the U.S. action and warned the possibility of negative consequences. In Washington, some worry that Beijing will withdraw its cooperation on matters of real importance to the United States, such as Iran and North Korea.

As soon as President Obama became the President of United States, he held a meeting with Chinese President Hu Jintao in London, the first of this kind for the two leaders. During the meeting, they agreed to build a positive, cooperative and comprehensive relationship in the 21st century to deepen bilateral cooperation in various fields. They also decided to establish the "China-US Strategic and Economic Dialogues" mechanism²¹.

²⁰Bush, Richard. (2011). Taiwan comes between the U.S. and China again Retrieved 29 September 2012, 2012, from http://articles.latimes.com/2010/feb/11/opi nion/la-oe-bush11-2010feb11

²¹Embassy of People's Republic of China in UK of Great Britain and Northern Ireland. (2012). Hu Jintao Meets with President 29 Obama. Retrieved September 2012. 2012. from http://www.chineseembassy.org.uk/eng/zgyw/t945206.htm

In the second year of Obama Administration, the United States has achieved some successes in their efforts to work with China on global issues such as coordination of stimulus spending to address the global financial crisis and cooperation in negotiating new sanctions against Iran and North Korea over their nuclear programs²².

There are three policies that can be developed from the Obama administration toward China in the future. First, the United States government can choose the containment policy toward China²³. However, if the Obama administration chooses this policy, it means it would counterproductive to what the Bush administration had done previously.

Second, the government can choose to upgrade the United States and China relations. This can be actualized by bilateral relationship or G-2 with intensive approaches²⁴. The strategic position between both countries can enhance the

solution for the global issues such as Israel-Palestine and India-Pakistan.

Third, the government can choose to work with China. In this option, Obama might follow the Bush policy toward China such as North Korean nuclear issue, the Taiwan issue and the global economic crisis²⁵.

In the United States, there are two views on China. The anti-China believes China is a threat because they want to dominate Asia and the elimination of U.S. global power while another faction believes China is not a threat if the U.S. did not become weak.

Conclusion

In summary, it would appear more reasonable to accept the contention that China should engage the relationship with the United States more as strategic partners than as strategic competitors in the period of Barack Obama administration. The strongest line of reasoning for this view is not only based upon the United States as a lonely super power nation in the world but also the strategic position of both countries in the world. Another consideration to support the contention is not only the success story of China that has overtaken Japan to become the world second largest

Lawrence, S.V. &Lum, T. (2011). US-China
 Relations: Policy Issues. Washington,
 USA: Congressional Research Service.

²³Zhiyue, Bo. (2009). Obama's Policy: Continuity Rather Than A Change. *EAI Background Brief, 426*, 1-10.

²⁴Economy, E. C. & Segal, A. (2009). The G-2 Mirage: Why the United States and China Are Not Ready to Upgrade Ties. *Foreign Affairs*, 5(1), 1-7.

²⁵Brzezinski, Z. (2009). Major foreign policy challenges for the next US President. *International Affairs*, *85*(1), 53-60.

economies in the world, but also China has experienced in a rapid economic growth in three decades. Thus, it proves that the synergic relationship between two countries is more powerful than being competitors.

However, the stronger China might weaken the influence of the United States in the global context. The United States that has been the most powerful nation in the world does not want to be overtaken by China although it is not an impossible thing to happen in the near future. Furthermore, in some areas, particularly in sensitive issues like Taiwan and South China Sea there is still a tension between China and the United States. circumstance can resist the cooperation between both countries as strategic partners. In the future, both Beijing and Washington should be more adaptive and compromised in dealing with this issue. For Obama administration, the relationship with China is the most critical issue for the next presidential election in the end of year 2012.

References

Art, Robert. J. (2010). The United States and the Rise of China: Implications for the Long Haul. *Political Science Quarterly*, 125(3), 359-391.

- Brzezinski, Zbigniew. (2009). Major foreign policy challenges for the next US President. *International Affairs*, 85(1), 53-60.
- Bush, Richard. (2011). Taiwan comes between the U.S. and China again. Retrieved 29 September 2012, 2012, from http://articles.latimes.com/2010/feb /11/opinion/la-oe-bush11-2010feb11
- Carter, Ashton. B. (2006). America's New Strategic Partner? *Foreign Affairs*, 7(1).
- Christensen, Thomas. J. (2006). Fostering Stability or Creating Monster: The Rise of China and US Policy Toward East Asia. *International Security*, *31*(1), 81-126.
- Christensen, Thomas. J. (2011). The Advantages of an Assertive China. *Foreign Affairs*, *3*(1), 1-11.
- Clark, Ian. (2011). China and the United States: A Succession of Hegemonies? *International Affairs*, 87(1), 13-28.
- Economy, Elizabeth. C. (2010). The Game Changer: Coping With China's Foreign Policy Revolution. Foreign Affairs, 11(1), 1-9.

- Nur Arif Nugraha | The Strategic Partners and Strategic Competitors between China and United States in the period of Barack Obama Administration
- Economy, E. C. & Segal, A. (2009). The G-2 Mirage: Why the United States and China Are Not Ready to Upgrade Ties. *Foreign Affairs*, 5(1), 1-7.
- Embassy of People's Republic of China in UK of Great Britain and Northern Ireland. (2012). Hu Jintao Meets with US President Obama. Retrieved 29 September 2012, 2012, from http://www.chinese-embassy.org.uk/eng/zgyw/t945206. htm
- Friedberg, Aaron. L. (2005). The Future of U.S.-China Relations: Is Conflict Inevitable? *International Security*, 30(2), 7-45.
- Friedman, Howard. S. (2011). 5 Countries With the Highest Military Expenditure Retrieved 29 September 2012, 2012, from http://www.huffingtonpost.com/ho ward-steven-friedman/militaryspending-unitedstates b 1118851.html
- Global Security. (2012). China's Defence Budget. Retrieved 29 September 2012, 2012, from http://www.globalsecurity.org/milit ary/world/china/budget.htmGries, Peter Hays. (2005). China Eyes the Hegemon. 401-412.

- Hoge, James. F. Jr. (2004). A Global Power Shift in the Making: Is the United States Ready? *Foreign Affairs*, 7(1), 2-7.
- Jisi, Wang. (2005). China's Search for Stability With America. *Foreign Affairs*, 9(1), 1-7.
- Lawrence, S.V. &Lum, T. (2011). US-China Relations: Policy Issues. Washington, USA: Congressional Research Service.
- Lijun, Sheng. (1999). China and the United States: Asymmetrical Strategic Partners. *The Washington Quarterly*, 22(3), 147-164.
- Mearsheimer, John. J. (2006). China's Unpeaceful Rise. *Current History*, 4(1), 160-162.
- Nau, Henry. R. (2010). Obama's Foreign Policy. *Policy Review*, *3*(1), 1-18.
- New York Daily News. (2012). China blind activist outsmarted guards in elaborate dramatic escape. Retrieved 29 September 2012, 2012, from http://articles.nydailynews.com/20 12-04-30/news/31503116_1_yuan-weijing-house-arrest-security-guards

Office of the United States Trade

- Nur Arif Nugraha | The Strategic Partners and Strategic Competitors between China and United States in the period of Barack Obama Administration Representatives. (2012).U.S. China Trade Facts. Retrieved 29 September 2012, 2012, from http://www.ustr.gov/countriesregions/china
- Oreskovic, Alexei. (2010). Google moves China search service to Hong Kong. Retrieved 2 October 2012, 2012, from http://www.reuters.com/article/201 0/03/22/us-china-googleidUSTRE62L14V20100322
- Ross, Robert. S. (1988). After The Cold War: Domestic Factors and U.S.-China Relations. New York, USA: M.E. Sharpe.
- Spegele, Brian. (2012). New Tensions Rise South China on Sea. Retrieved 29 September 2012, 2012, from http://online.wsj.com/article/SB100 0087239639044365920457757051 4282930558.html
- Spillius, Alex. (2009). Barack Obama approves sending armed destroyers to protect US ships in South China Sea. Retrieved 29 September 2012, 2012, from http://www.telegraph.co.uk/news/w orldnews/barackobama/4982896/B arack-Obama-approves-sendingarmed-destroyers-to-protect-US-

Sutter, Robert. (2009). The Obama Administration and US Policy in Asia. Contemporary South East Asia, 31(2), 189-216.

ships-in-South-China-Sea.html

- The White House. (2012). Statement On Bilateral Meeting With President Hu of China. Retrieved 29 September 2012, 2012, from http://www.whitehouse.gov/the pres s office/Statement-On-Bilateral-Meeting-With-President-Hu-Of-China
- UNCTAD. (2012). World Investment Survey 2010-2012. Retrieved 29 September 2012, 2012, http://unctad.org/en/docs/diaeia201 04 en.pdf
- U.S. Department of Defence. (2012). Secretary Panetta and Chinese Defense Minister General Liang Guanglie hold a Joint News Conference, China. Retrieved 29 September 2012, 2012, http://www.defense.gov/transcripts /transcript.aspx?transcriptid=5116
- Vaughn, B. & Morrison, W.M. (2006). China-Southeast Asia Relations: Trends, Issues, and Implications for the United States. Washington, USA: Congressional Research

- Nur Arif Nugraha | The Strategic Partners and Strategic Competitors between China and United States in the period of Barack Obama Administration Service.
- World Bank. (2012). GDP (current US\$).

 Retrieved 29 September 2012,
 2012, from
 http://data.worldbank.org/indicator/
 NY.GDP.MKTP.CD
- World Bank. (2012). GDP growth (annual %). Retrieved 29 September 2012, 2012, from http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG
- Yong, Deng. (2001). Hegemon on the Offensive: Chinese Perspectives on U.S. Global Strategy. *Political Science Quarterly* 116(3), 343-365.
- Zhiyue, Bo. (2009). Obama's Policy: Continuity Rather Than A Change. EAI Background Brief, 426, 1-10.