Biden is unlike Trump, also as regards China

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Theme
This paper analyses the implications of the election of Joe Biden on US policy towards China and for its European allies.

Summary
The Biden Administration’s China policy is expected to significantly differ from Trump’s and to be more similar to that of its European allies in not interpreting China as an existential threat but as an economic and normative challenge. It will be a more sophisticated policy than the current one, combining elements of containment, selective decoupling and cooperation, especially on COVID-19, climate change and the proliferation of weapons of mass destruction: more multidimensional, less focused on the trade war and more active in other areas such as human rights; more concerned with the structural capacities on which US economic competitiveness is built upon; and less unilateralist, with an increased presence in multilateral organisations and coordination with its allies. If this materialises, it could lead to more coordinated transatlantic initiatives to deal more effectively with China’s economic competition and systemic rivalry.

Analysis
No interstate relationship is more important to the world’s fate than that between China and the US. On the one hand, a military conflict between the two countries could have an unprecedented destructive impact. On the other, when they cooperate, no duo can match their ability to achieve effective action on major global issues. Donald Trump’s presidency has led to a profound deterioration in the bilateral relationship, which has reached its lowest point since Mao and Nixon launched an unexpected diplomatic rapprochement almost half a century ago.

When the dust raised by Donald Trump’s controversial presidency settles, and can be assessed with some moderation, it is very likely that one of the most lasting and significant elements of his mandate will be the hardening of US policy towards China. In fact, this is an issue on which the position of the President-elect, Joe Biden, has significantly evolved in recent times, sharing several assumptions with its predecessor.

This does not mean that Joe Biden will limit himself to a policy of continuity towards China. The consensus between Democrats and Republicans on China is more limited...

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than commonly assumed. Despite the diversity of opinions on the issue within both parties, this paper argues, mainly through the analysis of primary sources, that there are significant divergences between the current and the forthcoming US Administrations both as regards the diagnosis –the nature of the threat posed by China to the US– and the chosen strategy. Hence, the change of incumbent in the White House will lead to significant shifts in US policy towards China, with implications that go well beyond Beijing, and also concern the EU.

This paper is divided into three sections. The first summarises the legacy of Trump’s policy towards China, highlighting how it has changed the approach of many experts and officials linked with the Democratic Party, including close advisers to Joe Biden, and how it has changed the approach of the President-elect himself. The second section presents the main foreseeable differences between Biden’s policy towards China and the one that Trump would have likely implemented during a second term. The final section reflects on the possible effects that Biden’s policy towards China will have on the transatlantic relationship and on the EU’s relations with China.

Trump and the new consensus on US policy towards China

The outgoing President is one of the most polarising political figures in US history. However, he has managed to create a new consensus amongst both Republicans and Democrats on the need to toughen US policy towards China.

Early on, the Trump Administration stressed that China posed a much greater threat to the US than assessed by previous Administrations, including Obama’s, and that it was necessary to introduce more elements of containment in US policy towards the Asian giant. From this perspective, it was noted that the ability of the US to influence China’s political system had been exaggerated and that the policy of engagement with China had not achieved the political or economic liberalisation expected for decades by Washington. Therefore, China’s development was no longer seen as positive in itself, since it did not transform China in accordance with US values and interests, but rather strengthened a rising and revisionist power. This was reflected in the 2017 National Security Strategy, which identified China as the greatest threat to US leadership as its leaders unfairly but effectively exploited the rules of a game they did not respect, but from which they benefited. This made it imperative to modify the terms of the relationship, or else US prosperity and security would be eroded. Instead of opting for a policy of selective engagement, the Trump Administration, through Vice President Mike Pence, chose to resurrect a Cold-War China-containment strategy.

This vision broke with the policy of engagement with China that Joe Biden had consistently endorsed during his long Senate career and during his Vice Presidency. Some of his advisers during the Obama Administration began to question his policy, moving closer to the positions of the Trump Administration as reflected in a spring 2018 article in Foreign Affairs titled ‘The China reckoning: how Beijing defied American expectations’. Progressively, this analysis has become the majority opinion within the community of foreign-policy experts close to Joe Biden, including, among others, Michele Flournoy, Susan Rice, Antony Blinken, Kurt Campbell, Samantha Power, Ely Ratner, Jake Sullivan and the Donilon brothers. Antony Blinken, Deputy Secretary of State under
the Obama-Biden Administration and principal foreign policy advisor of the President-elect, acknowledged the existence of this consensus in a ceremony held last July at the Hudson Institute.

The President-elect himself has significantly changed his view on Sino-American relations in the last year and a half. At a campaign rally in Iowa on 1 May 2019 Joe Biden criticised Donald Trump’s trade war against China, arguing that the latter was no match for the US due to its multiple internal difficulties, stemming in large part from its political system. Less than a year later, in the spring of 2020, Joe Biden published an article in Foreign Affairs, ‘Why America must lead again’, in which he defined China as ‘the real economic threat [that] is playing the long game by extending its global reach, promoting its own political model, and investing in the technologies of the future’. He also asserted that ‘the US does need to get tough with China. If China has its way, it will keep robbing the US and American companies of their technology and intellectual property. It will also keep using subsidies to give its state-owned enterprises an unfair advantage – and a leg up on dominating the technologies and industries of the future’. This vision of the challenge posed by China to US leadership is not that of the Obama-Biden Administration; it is the one the Trump Administration brought to the table.

This reassessment of China’s impact on the US has led Joe Biden to raise the need to reconsider bilateral ties that he previously interpreted mainly as a lever the US had to press change on China. Biden began to interpret some of these ties as a US vulnerability, a dependency that the Asian giant could use to its advantage. Hence, his electoral programme included measures such as a review of the value chains during his first 100 days in office, aimed at reshoring critical value chains back in the US, including those for drugs and medical equipment. US dependence on China in these sectors became evident during the COVID-19 pandemic. It seems therefore clear that Biden is not going to revert to a policy of engagement with China, at least under past formats, but in a more selective and conditional way.

**Biden’s policy towards China**

The hardening of Joe Biden’s position –and that of his closest advisors– towards China does not mean that the President-elect and his circle share the Trump Administration’s policy towards Beijing, which they have defined as ‘confrontational without being competitive’. What is more, they do not even share the vision of a very important part of the outgoing Administration, headed by Mike Pompeo, who interpreted China as an existential threat to the US. The incoming Administration, along the lines of the manifesto *China is not an enemy* and the article ‘Competition with China without catastrophe’, is very likely to regard China as a much tougher competitor than the Soviet Union ever was, mainly because of its economic strength, but it is highly unlikely that it will use the Cold-War paradigm to interpret the bilateral relationship with Beijing, since it will not identify the Asian giant as a threat to its own survival, but rather as a central partner to address pressing global issues such as the control of pandemics and health governance, climate change and the non-proliferation of weapons of mass destruction.
Therefore, the Biden Administration’s China policy will not be one of general confrontation and containment, but will combine elements of selective containment with those of cooperation and engagement. In other words, the decoupling between the economies of the two countries will be less severe with Biden than with Trump, with trade and financial restrictions limited to strategic sectors and technologies, or linked to human-rights violations, and it is expected that the pressure on the remaining economic sectors and on scientific and academic exchanges will be lowered. As for the reintroduction of elements of compromise into US policy towards China, this should be facilitated by the fact that the Biden Administration does not identify China as an existential threat and considers that there are other threats, such as climate change and pandemics, on which cooperation with China would be very positive. Hence, the mechanisms for cooperation in these fields, dismantled by the Trump Administration, will likely be restored.

Furthermore, several international policy experts close to Joe Biden have raised the need to develop communication channels and crisis management mechanisms with China to avoid possible escalation. For example, Michèle Flournoy, one of main figures tipped as next Defence Secretary, has recently advocated the reestablishment of the bilateral strategic forum between the US and China, stating that direct and regular communication in this matter is key to avoid miscalculations that might lead to conflict.

In addition, Biden’s policy towards China will be more multisectoral than Trump’s, less focused on the trade war and more active in other areas such as human rights. This can be inferred from the multiple criticisms figures close to Biden have expressed over Trump’s China policy, which subordinated the overall relationship to trade issues. An example would be the op-ed published by Ambassador Susan Rice. Among the issues to which the next Administration wants to give more visibility in the relationship with China, Biden himself has emphasised human rights on several occasions. For example, in a document sent to the New York Times detailing his foreign policy priorities, Biden said that ‘When [he would be] president, human rights will be at the core of US foreign policy. The US should be pushing back on China’s deepening authoritarianism, leading the free world in support of the brave people of Hong Kong as they demand the civil liberties and autonomy promised to them by Beijing. The same is true for the unconscionable detention of over a million Uighurs in western China. This is no time for business as usual.’ Furthermore, in a similar document published by the Council on Foreign Relations, Biden proposed using the Global Magnitsky Human Rights Accountability Act to sanction individuals and companies involved in internment camps in Xinjiang. It remains to be seen to what extent this will be a return to liberal hegemony as a US grand strategy. In any case, Anthony Blinken, the forthcoming Secretary of State, has warned that ‘this [would] not [be] some crusade at the point of a bayonet building a world of democracies’. He also paraphrased Joe Biden to emphasise that the promotion of democracy and human rights by the next US Administration would not build on the ‘example of [our] power’ but on the ‘power of [our] example’.

Experts close to Biden have also criticised the Trump Administration for leveraging relations with Taiwan as a bargaining chip in trade negotiations with Beijing and for questioning the traditional US one-China policy and strategic ambiguity over a possible US military intervention in the straits of Taiwan. In this respect, it is foreseeable that Joe Biden will
revert to a stricter observance of these two policies, especially the one-China policy, and that he may even seek a tacit compromise with Beijing to avoid a unilateral modification of Taiwan’s status.

It is also very likely that the Biden Administration’s strategy to compete with China will be different from Trump’s, with greater emphasis on strengthening the structural capacities on which US economic competitiveness is based, greater presence in multilateral forums and better coordination with US allies. Biden’s campaign programme has underlined the need to intensify the federal government’s commitments in areas such as science and innovation, education, training and infrastructures in order to strengthen US capabilities to face Chinese competition. In addition, Biden and his team have questioned the effectiveness of Trump’s unilateralist foreign policy, which has favoured China’s leadership in and from international organisations, and weakened US alliances. This will likely translate into a renewed presence of the US within international organisations and around agreements neglected by the Trump Administration, a strengthening of US alliances and associations in the Indo-Pacific, and a possible entry to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership.

Climate change offers a worthwhile example of this more sophisticated strategy towards China, as it will be one of the new Administration’s top priorities. On the one hand, it is understood that cooperation with China is essential to face this threat, as acknowledged during the Obama-Biden Administration. In fact, Biden’s campaign programme explicitly refers to the need to cooperate with China on the issue. However, it also stressed that China should stop subsidising coal and carrying out highly polluting projects abroad. And that the US must surpass China in the clean energy technology race by 2030. To this end, Biden will follow a multilateral strategy and ‘rally a united front of nations to hold China accountable to high environmental standards in its Belt and Road Initiative infrastructure projects’, ‘offer Belt and Road Initiative countries alternative sources of development financing for lower-carbon energy investments’, and ‘reform the International Monetary Fund and regional development bank standards on debt repayment priorities for development projects’. With regards to technological competition with China in the clean-energy sector, Biden also pledged in his campaign programme to adopt measures so that the US would lead the race, allocating the necessary resources to accelerate research and production in the sector.

What’s new for Europe?

Joe Biden’s arrival in the White House will be good news for the EU for several reasons, including its China policy, which is expected to be closer to that of the EU Commission and the main EU member states than his predecessor’s. Like Joe Biden, many European leaders have recently changed their policy of uncritical engagement with China for one that could be defined as conditional engagement. From this perspective, China is identified with different roles (partner, competitor and rival) in different areas, and enhanced ties with the country are no longer seen as something positive in itself but are conditioned to China’s alignment with Europe’s interests and values. The possibility that relations with China can develop, at least in certain areas, according to a positive-sum game, differentiates European leaders and President-elect Biden from the Trump Administration and its policy of confrontation and containment towards China. The latter
policy eroded European prosperity and security, for instance through the signing of a US-China trade agreement that harmed the interests of European companies and jeopardised the international community’s capacity to articulate effective responses to global threats such as climate change or pandemics.

In addition, the President-elect has emphasised his willingness to cooperate with his European allies with an intensity unknown under the Trump Administration, to the point of identifying the revitalisation of US alliances as one of his Secretary of State’s top priorities. More specifically, as regards his China strategy, Joe Biden has explicitly expressed his willingness to coordinate with his transatlantic allies to face the economic and normative challenges posed by the Asian giant effectively. Potential initiatives would be aimed at increasing the competitiveness of the US and EU economies, and to more effectively pressure China to align its foreign action with democratic interests and values. In addition, the incoming Administration would be open to include other democracies, consistent with EU initiatives such as the signing of a Partnership on Sustainable Connectivity and Quality Infrastructure with Japan in September 2019.

Beyond the information provided by Joe Biden during his election campaign, it would be advisable to analyse a recent report published by the Center for a New American Security, titled Charting a Transatlantic Course to Address China and co-authored by Julianne Smith, who served as Deputy National Security Advisor to Joe Biden during his Vice Presidency. The paper includes particularly ambitious and detailed proposals for cooperation between the US and its European allies, which could be explored by the next US government.

Despite the fact that Biden’s arrival at the White House should point to a positive outlook for transatlantic cooperation on China, the new scenario might also entail certain challenges, which could aggravate the current state of disenchantment in the transatlantic relationship, for instance, if expectations on closer cooperation are not met. This cannot be ruled out, given the different economic and strategic interests of the US and its EU allies. In this respect, there are areas where it may be more beneficial for the EU to cooperate with Chinese rather than US actors, whether for economic reasons—as in the obvious case of the 5G rollout— or to increase Europe’s strategic autonomy.

**Conclusions**

The Trump Administration’s criticism of the traditional US policy of engagement with China has permeated the Democratic party, making it very unlikely that Joe Biden will replicate the Obama-Biden Administration’s China strategy once in the White House. In any case, it is foreseeable that his policy towards the Asian giant will greatly differ from that of his predecessor and resemble that of his European allies by not assessing China as an existential threat but as a player with a different role (partner, competitor or rival) in different areas. It will be a more sophisticated policy than that of the outgoing Administration, by combining elements of containment, selective decoupling and cooperation, especially regarding COVID-19, climate change and the proliferation of weapons of mass destruction; it will be more multidimensional, less focused on the trade war and more active in other areas such as human rights; more focused on strengthening the structural capacities on which US economic competitiveness is based, such as
research, development, innovation and infrastructures; and less unilateralist, with a greater presence within multilateral organisations and better coordination with US allies. If this materialises, it will offer a promising foundation to boost the dialogue on China that Washington and Brussels agreed to establish on 25 June 2020.

In principle, all of this would be beneficial to the US’s European allies, as the foreseeable China policy of the Biden Administration would be much closer to their own than Trump’s. In addition, Joe Biden’s government is expected take the EU and EU member states much more into account when coordinating measures to confront China’s economic competition and systemic rivalry, increasing the effectiveness of the EU’s efforts.

In any case, it should be borne in mind that the economic and strategic interests of Europe differ from those of the US, and that this might continue to generate friction between the transatlantic partners over their relations with China, especially as the next White House incumbent will expect more cooperation from Europe than his predecessor.