

Enduring Misperceptions: A Critical View of China-US 'Decoupling'

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Rukmani Gupta

Introduction

Debates over 'decoupling' in the China-US relationship emerged due to the trade and tariff war between the two countries during the presidency of Donald Trump. Although hardly a well-defined term, decoupling has been increasingly used in popular media to express fears over the stability of the bilateral relationship between the United States and China. Decoupling can be broadly considered as indicating a situation where issues of common interest between the two countries are greatly reduced and their policies are increasingly independent if not divergent. Hence, decoupling can be viewed as a breakdown of existing bilateral relations characterised by a reduction in the points of contact. Instead of a single event, this breakdown is a process which varies in intensity over a period of time.

Although the tit-for-tat tariffs imposed by China and the United States on each other first raised the prospect of 'economic decoupling' between the two countries, the discourse over decoupling has now come to encompass much more than economic issues, including technological and geopolitical issues. A fear of the consequences of decoupling between the United States and China across various spheres continues to animate discussion, particularly in terms of their impact on the global economy and geopolitical stability.¹

This report argues that decoupling occurring between China and the United States has so far been superficial, but the narrative on decoupling is based on misperceptions of what are nevertheless real changes in the patterns of China-US economic interactions. These misperceptions are reinforced by negative official rhetoric regarding the causes and impact of economic interactions, which in turn heightens existing tensions in the overall bilateral relationship. Improving bilateral ties seems difficult when both China and the United States continue to blame one another for deteriorating relations. The burdens of strained bilateral ties between China and the United States will be borne by ASEAN and other actors in the region that seek to maintain balanced relations with both countries.

¹ See: Michael Heath and Kathleen Hays, "IMF's Berger Warns China Tech Decoupling Would Slash Global GDP", *Bloomberg*, 16 April 2021, <https://www.bloomberg.com/news/articles/2021-04-16/imf-s-berger-warns-china-tech-decoupling-would-slash-global-gdp#xj4y7vzkg>; Richard Heydrian, "Why Southeast Asia is desperate for a US-China détente", *South China Morning Post*, 22 November 2022, <https://www.scmp.com/comment/opinion/article/3200258/why-southeast-asia-desperate-us-china-detente>.



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Addressing economic decoupling

Contrary to some reports, there is in fact little evidence that there has been a breakdown of the economic relationship between the two countries since the start of the trade war in 2018.² US government trade data indicates that in 2021, US exports to China saw a 21.4 percent increase over 2020 and US imports from China saw a commensurate 16.5 percent increase.³ Since 2017, when US exports to China were valued at USD130.4 billion, the value of US exports to China had expanded to USD151.1 billion in 2021. US imports from China that stood at USD505.6 billion in 2017, have also seen a marginal increase and were valued at USD506.4 billion in 2021.⁴

A similar story of growth in overall trade is reported by China Customs data.⁵ According to this data, China's exports to the United States increased by 27.5 percent in 2021, while imports grew by 32.7 percent over the previous year.

The United States maintained its place as China's third-largest trade partner following ASEAN and the European Union (EU).⁶

2 Anne Hoecker et al, "US-China Decoupling Accelerates, and Shockwaves Spread", 19 September 2022, Bain & Company, <https://www.bain.com/insights/us-china-decoupling-tech-report-2022/>.

3 US Department of Commerce, Bureau of Industry and Security (2022), "U.S. Trade with China", <https://www.bis.doc.gov/index.php/country-papers/2971-2021-statistical-analysis-of-u-s-trade-with-china/file>.

4 US Department of Commerce, Bureau of Industry and Security (2018), "U.S. Trade with China Overall Trends 2017", <https://www.bis.doc.gov/index.php/documents/technology-evaluation/ote-data-portal/country-analysis/2356-2017-statistical-analysis-of-u-s-trade-with-china-pdf/>.

5 General Administration of Customs of the PRC (2022), "China's Total Export & Import Values by Country/Region, December 2021 (in USD)", <http://english.customs.gov.cn/Statics/46bdb268-260d-46a1-adde-e3cebcaf6817.html>.

6 Shen Weiduo and Chu Daye, "US' trade with China surges 28.7% in 2021, but widening deficit proves tariffs 'a failure', *Global Times*, 14 January 2022, <https://www.globaltimes.cn/page/202201/1245953.shtml>.

This is not to suggest that the imposition of tariffs has had no impact on bilateral trade. According to studies by the Peterson Institute for International Economics, US imports of Chinese goods hit with tariffs of 25 percent have not recovered despite heightened demand during the pandemic.⁷ In the case of IT hardware and consumer electronics, imports from China have fallen by over 60 percent while those from the rest of the world have surged by a similar percentage. The import of Chinese goods that were eventually hit with a 7.5 percent tariff have recovered to pre-trade war levels, with a marginal increase. Similar imports from other countries have however increased by over 50 percent. Chinese goods that were not hit with tariffs (such as laptops, toys, phones) have seen imports to the United States increase rapidly over pre-trade war levels. On average this marks an increase of 50 percent – for China as well as other countries.

Despite these trends, bilateral trade value has recovered to pre-trade war years and is improving. Even as imports of goods hit with higher tariffs have fallen, there has been an increase in import of goods that were not hit with tariffs. Thus, the overall trade relationship between the two countries has not ‘decoupled’ or broken down, although there is certainly a slowing in the rate of growth of Chinese exports to the United States compared to the pre-trade war years. As diversification of supply chains continues, this rate of growth in imports is unlikely to improve rapidly.

As regards two-way Foreign Direct Investment (FDI), US FDI in China has seen a reduction over previous years. In 2020, US firms invested USD8.7 billion in China, a significant fall from the USD13.1 billion invested in 2019. The 2020 figure for US FDI into China is also lower than the average amount over the preceding decade. Chinese investment into the United States however saw a marginal increase in 2020 over the figure for 2019.⁸ As per data from the United Nations Conference on Trade and Development, global FDI fell by 42 percent in 2020 largely due to uncertainties related to the COVID-19 pandemic.⁹ Thus, reduced FDI flows from the United States to China could well be explained by a general economic slowdown.

A reduction of US FDI flows to China has not impacted global foreign investment into the country. FDI growth in China increased by 21 percent in 2021, after increasing by 6 percent in 2020.¹⁰

7 Chad P. Bown, “Four years into the trade war, are the US and China decoupling?”, Peterson Institute for International Economics, 20 October 2022, <https://www.piie.com/blogs/realtime-economics/four-years-trade-war-are-us-and-china-decoupling>.

8 Thilo Hanemann et al, “Two-Way Street: 2021 Update US-China Investment Trends”, May 2021, https://rhg.com/wp-content/uploads/2021/05/RHG_TWS-2021_Full-Report_Final.pdf.

9 United Nations Conference on Trade and Development, “Global foreign direct investment fell by 42% in 2020, outlook remains weak”, 24 January 2021, <https://unctad.org/news/global-foreign-direct-investment-fell-42-2020-outlook-remains-weak>.

10 United Nations Conference on Trade and Development, “Foreign investment in developing Asia hit a record \$619 billion in 2021”, 9 June 2022, <https://unctad.org/news/foreign-investment-developing-asia-hit-record-619-billion-2021>.



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While it is convenient to see the changes in the patterns of economic interaction between the United States and China as having been prompted by the actions of the Trump administration, domestic economic concerns in both countries presaged a shift in economic relations.

Although seeking greater technological and scientific progress is a goal common to all countries, the Made in China 2025 (MIC) plan launched in 2015 proposed government policy to “support enterprises to perform mergers, equity investment, and venture capital investment overseas” to reduce China’s dependence on foreign-owned technology.¹¹ As part of MIC, an upgrade of manufacturing in strategic sectors of China was envisioned that would lead to 70 percent self-sufficiency for core components and basic materials. In pursuit of these policy objectives, China sought investment in hi-tech sectors across Europe and the United States. The codification of Chinese efforts towards reining in “irrational” investments abroad led to a new outward foreign direct investment (OFDI)

11 State Council of the PRC, “Made in China 2025”, 7 July 2015, <http://www.cittadellascienza.it/cina/wp-content/uploads/2017/02/IoT-ONE-Made-in-China-2025.pdf>.

regime based on lists of encouraged, restricted, and prohibited investments in 2017.¹² Unsurprisingly, the encouraged list included infrastructure investments under the Belt and Road Initiative, hi-tech manufacturing and R&D, while the prohibited list included investments considered detrimental to China's interests and security. By 2020, China adopted the Foreign Investment Law to guide FDI in the country, incorporating 'negative lists' to encourage investment in specific sectors.¹³

In the wake of the economic uncertainties of the COVID-19 pandemic, and tensions in economic relations with the United States, China consolidated its vision for reorienting its own economy to become less dependent upon foreign trade. Thus, concepts such as 'dual-circulation' (双循环) and 'common prosperity under dual-circulation' (共同富裕) envisage correcting China's overreliance on exports by deepening structural reforms on the supply side, expanding domestic markets so that they can become the mainstay of the economy while complementing China's international trade.¹⁴ The rapid increase in foreign acquisitions by Chinese companies particularly in the wake of MIC led to greater scrutiny of investments in sectors deemed critical to national security and a coalescing of concerns over eroding national competitiveness in Europe and the United States.¹⁵ Since Chinese FDI in developed countries focused on mergers and acquisitions rather than greenfield investments and because the share of State Owned Enterprises (SoEs) in OFDI remained quite large, fears revolved around the role of the Chinese state in leveraging financial institutions and equity markets to facilitate investments by SoEs.¹⁶ Another long-standing concern that came to the fore was the treatment of foreign firms in China and the restrictions faced by them, highlighting the lack of reciprocity in the scope and volume of investment opportunities. Hidden subsidies provided by the Chinese government to domestic enterprises have also long been believed to constitute a

12 State Council of the PRC, "Notice of Guiding Opinions to Further Direct and Regulate the Direction of Overseas Investment", 4 August 2017, http://www.gov.cn/zhengce/content/2017-08/18/content_5218665.htm.

13 In 2021 a new negative list was issued, which reduced restrictions issued earlier. For a comparison see Qian Zhou and Zoey Zhang, "China's 2021 Negative Lists Widen Market Access for Foreign Investment", *China Briefing*, 27 December 2021, <https://www.china-briefing.com/news/2021-china-negative-lists-update-widen-market-access-for-foreign-investment/>.

14 Liu He, "Accelerate the construction of a new development pattern with the domestic cycle as the main body and the domestic and international dual cycles promoting each other" (加快国内以国内大循环为主题·国内国际双循环相互促进的新发展格局国内国际双循环相互促进的新发展格局), *People's Daily*, 25 November 2020, http://www.gov.cn/guowuyuan/2020-11/25/content_5563986.htm.

15 For instance see: Angela Stanzel, "Germany's turnaround on Chinese takeovers", European Council on Foreign Relations, 21 March 2017, https://ecfr.eu/article/commentary_germanys_turnabout_on_chinese_takeovers_7251/; and Alan Rappeport, "U.S. Outlines Plans to Scrutinize Chinese and Other Foreign Investment", *The New York Times*, 17 September 2019, <https://www.nytimes.com/2019/09/17/us/politics/china-foreign-investment-cfius.html>.

16 See US Bureau of Economic Analysis, "China - International Trade and Investment Country Facts", <https://apps.bea.gov/international/factsheet/factsheet.html#650>; see also: American Enterprise Institute, "China Global Investment Tracker", <https://www.aei.org/china-global-investment-tracker/>.

disadvantage for foreign firms operating in country and those competing for markets abroad, which explains the continued US emphasis on “fair competition.”¹⁷ Additionally, national security issues were already impinging on trade and investment matters between the United States and China prior to the trade war. This is evident in restrictions on US government purchases of Chinese IT equipment in 2013 predicated on worries over Chinese cyber-attacks as well as the US government’s blocking of a Chinese bid to buy the German semiconductor Aixtron’s US business, effectively scuppering the deal.¹⁸ The Trump presidency thus had a wide range of China-related issues to draw upon while crafting trade policies that would appeal to a domestic audience, for example proposing incentives meant to bring jobs back from China.¹⁹

Problems of rhetoric and perception creation

Although trade and investment data indicate there is no unexpected breakdown in the economic relationship, the rhetoric around the causes and the impact of the tariff and trade wars continues to shape the overall bilateral relationship. Officials in both countries have continued to emphasise their own threat perceptions and their remarks naturally shape domestic perceptions and attitudes.

In June 2019, China’s State Council released a white paper on trade titled “China’s position on the US-China Economic and Trade Consultations.”²⁰ This document lays out the Chinese perception of the trade war that characterises US actions as being unilateral and coercive, and taking no account of the progress made by China on safeguarding intellectual property rights, ultimately harming not only Chinese trade but also ordinary US consumers.²¹

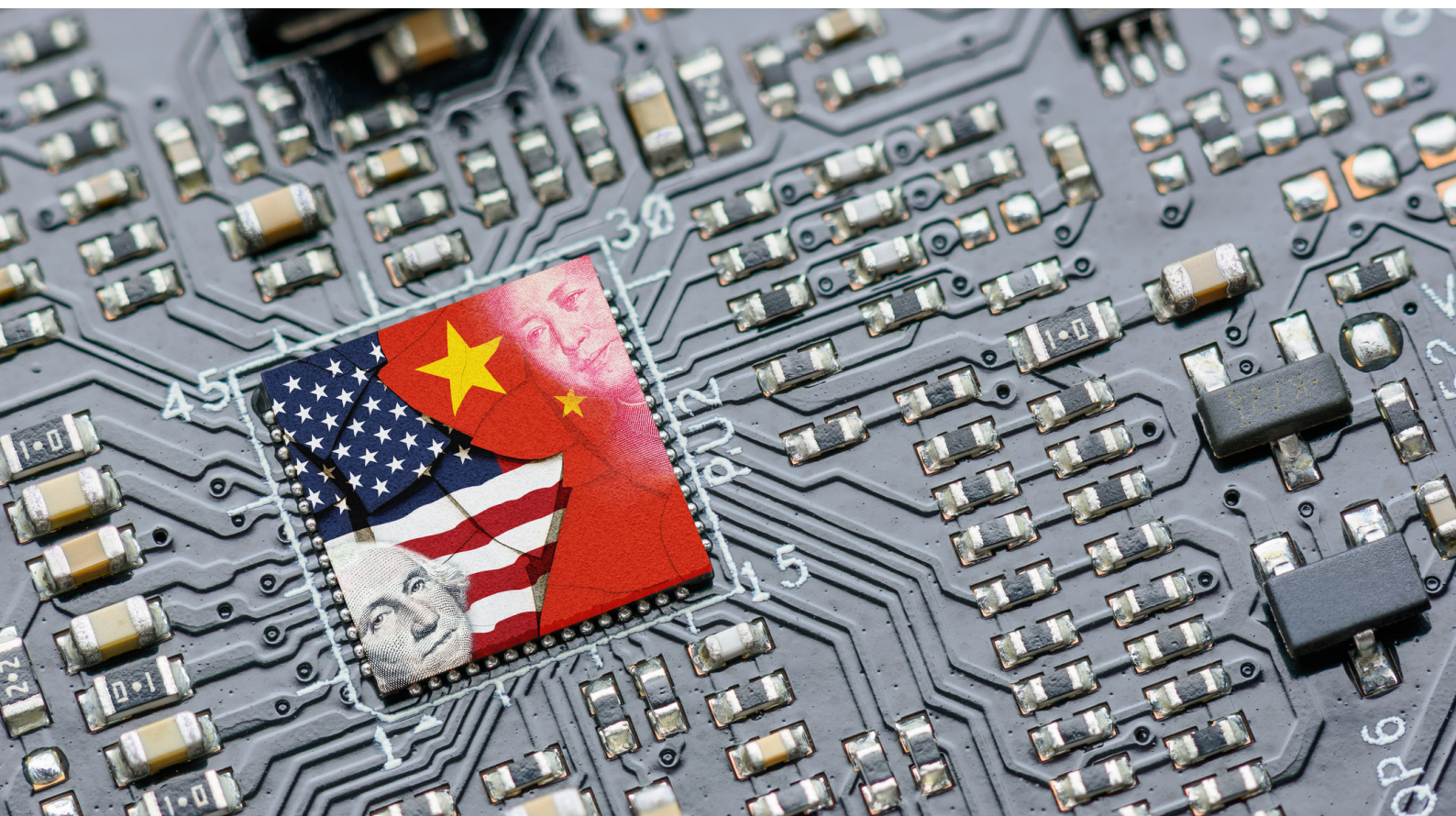
17 See: Masahiro Okoshi and Ryo Nakamura, “U.S.-China decoupling not Washington’s goal: diplomat,” *Nikkei Asia*, 22 September 2022, <https://asia.nikkei.com/Editor-s-Picks/Interview/U.S.-China-decoupling-not-Washington-s-goal-diplomat>.

18 See: Alina Selyukh and Doug Palmer, “U.S. law to restrict government purchases of Chinese IT equipment,” *Reuters*, 28 March 2013, <https://www.reuters.com/article/us-usa-cybersecurity-espionage-idUKBRE92Q18O20130327>; and David McLaughlin, “Obama Blocks Chinese Takeover of Aixtron as U.S. Security Risk,” *Bloomberg*, 3 December 2016, <https://www.bloomberg.com/news/articles/2016-12-02/obama-blocks-chinese-takeover-of-aixtron-as-u-s-security-risk#xj4y7vzkg>.

19 In popular discourse, the loss of lower-wage manufacturing jobs in the United States was conflated with a burgeoning US trade deficit with China. See for instance the blogs, op-eds written by members of the “Alliance for American Manufacturing,” <https://www.americanmanufacturing.org/blog/>; see also: Anshu Siripurapu and Noah Berman, “The contentious US-China Trade Relationship,” Council on Foreign Relations, 2 December 2022, <https://www.cfr.org/backgroundunder/contentious-us-china-trade-relationship>; see also: Alexandra Alper and Andrea Shalal, “Trump promises tax credits for firms that bring jobs back from China,” *Reuters*, 18 August 2020, <https://www.reuters.com/article/us-usa-trump-manufacturing-idUSKCN25D2EM>.

20 State Council of the PRC, “China’s Position on the China-US Economic and Trade Consultations,” 2 June 2019, http://english.www.gov.cn/archive/white_paper/2019/06/02/content_281476694892692.htm.

21 For a succinct summary of key points see “China releases white paper on its position on economic and trade consultations with US,” *Xinhuanet*, 2 June 2019, http://www.xinhuanet.com/english/2019-06/02/c_138110173.htm.



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Since then, senior Chinese leaders such as President Xi Jinping have stated that “attempts to erect barriers and decouple go against economic and market principles” and that the “need in today’s world is justice, not hegemony” – essentially formulating the narrative that China seeks to safeguard free trade and justice, in contrast to the United States.²² In this narrative then, avoiding the emergence of a new Cold War is difficult given the United States’ illogical policies that “take aim at China’s political system, development path and governing party.”²³ Chinese officials, such as Foreign Minister Wang Yi continue to characterise the current state of affairs as one in which “the US is actually pushing an economic decoupling.”²⁴ The continued use of the term ‘decoupling’ seems to be aimed at emphasising a relationship in peril or to attach greater urgency to the prevailing situation.

22 Boao Forum for Asia, “Full Text: Keynote speech by Chinese President Xi Jinping at the opening ceremony of the Boao Forum for Asia Annual Conference 2021”, 21 April 2021, https://www.boaoforum.org/ljnh/2021nh/html/detail_2_220_16961.html.

23 Ministry of Foreign Affairs of the PRC, “Wang Yi Raises Four Questions about the United States’ China Policy”, 23 September 2022, https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/202209/t20220924_10771021.html.

24 Wang Yi, “US needs immediate action to bring China relations back to the track of sound development”, *Global Times*, 30 October 2022, <https://www.globaltimes.cn/page/202210/1278333.shtml>.

That Chinese commentaries lay all blame for the trade war at the door of the United States and view US actions as attempts to derail China's continued development conceivably makes it difficult to revise articulated positions.²⁵

As far as US policy is concerned, the narrative justifying US restrictions on trade with China under President Trump dwelled on the long-standing resentment that China had successfully "cheated" the international economic system.²⁶ In notices on additional tariffs made by the Office of the US Trade Representative (USTR), US actions are characterised as a response to findings that "China's acts, policies and practices related to technology transfer, intellectual property, and innovation are unreasonable and discriminatory, and burden US commerce" and seek to address "China's unfair trade practices related to the forced transfer of American technology and intellectual property."²⁷ Under the Biden administration, the stated aim of continuing trade tariffs and the introduction of new export controls on semiconductor chips is to impede China's military-civil fusion which enables the use of commercial technology for military purposes.²⁸ A change in the stated purpose of tariffs and trade restrictions is thus evident – from correcting the trade imbalance under Trump to a focus on national security considerations under Biden. This clear emphasis on security can be viewed as a direct consequence of China's increased diplomatic and military assertiveness on a range of issues such as the disputes in the South China Sea, Taiwan, and human rights issues and their coverage in American media.²⁹ In particular, the 2022 US National Defense Strategy identifies China's activities to reshape the Indo-Pacific as the most comprehensive and strategic challenge to US national security.³⁰

25 Commentaries emphasise the 'hegemonic' attitude of the United States and its unreasonable threat perceptions. For some representative views see: The Ministry of Foreign Affairs of the PRC "Reality Check: Falsehoods in US Perceptions of China", 19 June 2022, https://www.mfa.gov.cn/eng/wjbxw/202206/t20220619_10706059.html and Xia Yuanyi, "For tense U.S.-China relations, blame Washington politicians", *Xinhua*, 27 April 2022, <https://english.news.cn/20220427/901f740f1bf8424a83901be93bf314b7/c.html>.

26 "Remarks by President Trump at the Economic Club of New York", 12 November 2019, <https://trumpwhitehouse.archives.gov/briefings-statements/remarks-president-trump-economic-club-new-york-new-york-ny/>.

27 Office of the US Trade Representative, "USTR Issues Tariffs on Chinese Products in Response to Unfair Trade Practices", 15 June 2018, <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2018/june/ustr-issues-tariffs-chinese-products>, Office of the US Trade Representative, "USTR Finalizes Second Tranche of Tariffs on Chinese Products in Response to China's Unfair Trade Practices", 7 August 2018, <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2018/august/ustr-finalizes-second-tranche>.

28 Chelsea Cox, "U.S. Commerce Secretary Raimondo doubles down on Biden plan to restrict American companies, and citizens, from helping China make semiconductor chips", *Bloomberg*, 3 November 2022, <https://www.cnbc.com/2022/11/03/us-commerce-secretary-raimondo-doubles-down-on-biden-plan-to-restrict-us-companies-and-citizens-from-helping-china-make-semiconductor-chips-.html>.

29 For representative views see, Office of the US Secretary of State, "The Elements of the China Challenge", November 2020, <https://www.state.gov/wp-content/uploads/2020/11/20-02832-Elements-of-China-Challenge-508.pdf>; David L. Lynch, "White House calls for 'new course' on China trade ties", *The Washington Post*, 4 October 2022, <https://www.washingtonpost.com/us-policy/2021/10/04/tai-biden-china-trade/>; Thomas L. Friedman, "How China lost America", *The New York Times*, 1 November 2022, <https://www.nytimes.com/2022/11/01/opinion/china-united-states-trade-economy.html>.

30 US Department of Defense, "2022 National Defense Strategy", <https://media.defense.gov/2022/Oct/27/2003103845/-1/-1/1/2022-NATIONAL-DEFENSE-STRATEGY-NPR-MDR.PDF>.

Given US concerns about China's focus on developing new capabilities and increasing global deployment of the PLA, it is to be expected that the United States will not facilitate the transfer of technology that may strengthen Chinese military capabilities. A case in point is the Biden administration's restrictions on the transfer of semiconductors and lithography equipment that may assist Chinese companies in rapidly developing smaller computing nodes that would have implications for China's creation of "new-domain forces with new combat capabilities."³¹

The impact of this rhetoric and commentary on public opinion is reflected in opinion polls in both countries. According to public opinion polls conducted by the *Global Times* in 2020 prior to the inauguration of the Biden administration, 65.6 percent of participants held unfavourable views of the Trump administration, 53.2 percent viewed US military forces unfavourably and 46.9 percent viewed US media and its "biased" reporting of China as unfavourable. However, 47.5 percent of respondents believed that the China-US relationship was the most important bilateral relationship for China and more expected the Biden administration to ease, rather than exacerbate, tensions.³² That Chinese views of the Trump administration were unfavourable but rebounded somewhat after the 2020 presidential elections is also reflected in a study conducted by academics outside of China.³³ By 2021, another poll conducted by the *Global Times*, found that for the first time in fifteen years, China's relationship with the United States was no longer considered the most important bilateral relationship by the majority of respondents. China's ties with Russia and the EU were deemed more important than those with the United States. The poll also indicated that changes in the China-US bilateral relationship under the Biden administration were viewed by the majority as "outwardly peaceful but inwardly fighting."³⁴ By March 2022, another *Global Times* poll found that 92.16 percent of respondents saw "contradictions between the rise of China and American hegemony" as the main reason for tensions in bilateral ties, and 72.42 percent believed that bilateral ties would return to normal only when China defeats the United States in terms of hard power.³⁵

31 President Xi Jinping's report to the 20th National Congress of the Communist Party of China states that China will establish a "a strong system of strategic deterrence, increase the proportion of new-domain forces with new combat capabilities." The reference to strategic deterrence suggests that a rethink regarding the sufficiency of China's current deterrence capabilities. Efforts to increase "new-domain forces with new combat capabilities" can be expected to encompass the cyber and information domains as well as space. The creation of new domain forces and intelligent capabilities will be dependent upon computing systems.

32 "Chinese rational on China-US ties: GT poll", *Global Times*, 26 December 2020, <https://www.globaltimes.cn/content/1211038.shtml>.

33 Songying Fang, Xiaojun Li, and Adam Y. Liu, "Chinese Public Opinion about US-China Relations from Trump to Biden", *The Chinese Journal of International Politics*, 2022, 15, 27-46.

34 Chen Qingqing, Cao Siqi and Zhao Juecheng, "GT investigates: Chinese value China-Russia ties over China-US relations amid West's containment: GT poll", *Global Times*, 29 December 2021, <https://www.globaltimes.cn/page/202112/1243624.shtml>.

35 Yang Sheng and Xie Jun, "China won't abandon principles to repair ties with US: GT survey", *Global Times*, <https://www.globaltimes.cn/page/202203/1253534.shtml>.

With regards to US public opinion on China – according to a survey by Pew Research Center – some revised their views on China to a more positive position but overall, 82 percent of Americans held unfavourable views of China in 2022 compared to 79 percent who held unfavourable views in 2020.³⁶ Given these perceptions, generating popular support for resetting bilateral ties and the concessions that such a reset would entail will require enormous effort in both countries.

Conclusion

Even though a breakdown of bilateral relations in the economic realm and beyond is not immediately apparent, the notion that matters of mutual interest and the points of contact are reducing indicates that there is a degree of ‘decoupling’ underway between China and the United States. Concerns in the Asia-Pacific and beyond relate mostly over having to take sides between China and the United States.³⁷ Edward Luttwak has described how great powers suffer from “a pronounced insensitivity to foreign sensitivities.”³⁸ The inability to appreciate regional complexities and push through foreign policy decisions that fit internally generated perceptions and expectations is certainly evident in the region; be it the United States – which expects its military presence in the region to be wholly welcome – or China – which is unable to comprehend new-found resistance to its investment proposals in the region. The challenge for other countries will be to limit the impact of deteriorating China-US ties as they return to a form of great power rivalry while maintaining balance in relations with both countries. An important role that other countries can play – be it ASEAN, Northeast or South Asian countries, Pacific Island Countries or even the EU – is mediating differences between the United States and China and encouraging dialogue on shared concerns. Avenues for the discussion of mutual concerns already exist in the form of multilateral groupings, such as the ASEAN plus formats, the Shangri-La Dialogue, or the Indian Ocean Dialogue. However, for a start to be made, officials and scholars in both China and the United States must begin with acknowledging mutual threat perceptions rather than deeming them utterly irrational. This acknowledgment will perhaps temper the propensity to make statements that reject any responsibility for prevailing misperceptions and lay the foundations for substantive exchanges.

36 Laura Silver, “Some Americans’ views of China turned more negative after 2020, but others became more positive”, Pew Research Center, 28 September 2022, <https://www.pewresearch.org/fact-tank/2022/09/28/some-americans-views-of-china-turned-more-negative-after-2020-but-others-became-more-positive/>.

37 Dian Septiari, “US does not want to force ASEAN to choose sides: Official,” *The Jakarta Post*, 16 September 2020, <https://www.thejakartapost.com/seasia/2020/09/16/us-does-not-want-to-force-asean-to-choose-sides-official.html>.

38 Edward Luttwak, *The Rise of China vs. the Logic of Strategy*, (Cambridge: Harvard University Press, 2012), 247, Kindle. See also “Great State Autism”, Harvard University Press Blog, 2 April 2013, https://harvardpress.typepad.com/hup_publicity/2013/04/great-state-autism-in-israel-and-china.html.

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The APLN China-US-Asia Dialogue

The relationship between China and the United States has deteriorated significantly with the potential to worsen still. The security dilemma that this generates is fuelling fear, mistrust, and arms racing, impacting countries across the Asia-Pacific and globally. Potential repercussions include military confrontation and the possibility of nuclear escalation while undermining attempts at global cooperation on a range of 21st-century challenges.

Through a series of scholarly exchanges and publications, APLN's China-US-Asia Dialogue evaluates what steps are necessary to improve understanding, reduce misperceptions, de-escalate risks and tensions, and build trust. The project is aimed at devising pragmatic policy recommendations for decision-makers and policy communities across the Asia-Pacific, and Washington and Beijing in particular.

The Asia-Pacific Leadership Network for Nuclear Non-Proliferation and Disarmament (APLN) is a Seoul-based organisation and network of political, military, and diplomatic leaders and experts from across the Asia-Pacific region working to address global security challenges, with a particular focus on reducing and eliminating nuclear weapons risks.

The mission of APLN is to inform and stimulate debate, influence action, and propose policy recommendations designed to address regional security threats, with an emphasis on nuclear and other WMD (weapons of mass destruction) threats, and to do everything possible to achieve a world in which nuclear weapons and other WMDs are contained, diminished, and eventually eliminated.



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