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The Biden Administration's Expected China Policy: A Change in Style or Substance?

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In the first half of his forthcoming term, President-elect Joe Biden will almost certainly concentrate on domestic affairs. Of primary urgency are the damages and economic fallout from the coronavirus pandemic, as well as the ideological divisions in US society, which were exacerbated during the Trump presidency. However, Biden will not be able to ignore foreign affairs, and uppermost in his priorities will be the competition with China for strategic, military, technological, and economic supremacy. Chinese President Xi Jinping has set a major goal for China to achieve parity of power and leadership with the United States by mid-century, and is proceeding toward this goal while employing all tools available to a regime that on the one hand is Communist and centralized, and on the other hand has elements of a semi-free market. Both sides of the political aisle sense that previous US attempts to integrate China into the international system, in the hope that it will become a constructive actor, have not only failed, but also paved the way for Beijing to seek to undermine Washington. The competition between these two powers, in the twilight of Trump's term, has turned into a rivalry that the incoming President will have to address.

The pivot to East Asia in US policy began did not begin during the Trump administration, but rather under the administration of President Obama and Vice President Biden. Trump continued this emphasis, swiftly abandoning an early attempt at lowering the US trade deficit with China through tactful diplomacy and shifting toward threats and sanctions. At the same time, the Trump administration made an aggressive effort to block Chinese access to US knowledge and technology, and applied pressure on allies and partners to align policies with Washington. Despite unprecedented political differences on other issues, the Democrats for the most part supported Trump's policies toward China, even though in the 2020 presidential campaign, Trump threatened that Biden wouldn't be "tough enough" on China. Before the elections, Biden and his candidate for Vice President, Kamala Harris, said that they viewed China as the most important foreign policy challenge. At the same time, they criticized the Trump-led trade war against China and pledged to conduct a more nuanced policy, on the basis of American strengths – social openness, economic dynamism, and partnerships and coordination with allies.

A major shift in the new administration's approach to international issues will likely be reflected in the return to the international legal and organizational systems. Biden has repeatedly said that China must operate according to international norms and rules, and that the United States would work with its partners and allies on vital issues, such as 5G communications technology and cyber threats. The return of the United States to international cooperation will allow positive and constructive dialogue with the European Union (EU) and partners in East Asia, who have high economic and security sensitivity to massive Chinese penetration not only in the cyber realm, but also in the electricity, transportation, and infrastructure sectors.

The EU, which has recently escalated its tone on China, will be an important partner for Washington. European countries have a similar position to that of the President-elect and his Vice President on issues such as civil rights and freedom of speech, ethnic minorities, and suppression of criticism against mainland China in Hong Kong.

US key partner countries in the Asia-Pacific region, which are geographically close to China and also more vulnerable to its power, particularly Japan, Taiwan, and Australia, will welcome the adoption of a disciplined and consistent policy vis-à-vis China, though their support for the Biden's policy in this regard is expected to be complex and multifaceted. The Regional Comprehensive Economic Partnership (RCEP), concluded in mid-November by China and the South East Asian Nations, including Japan, South Korea, and Australia, is an indication of that complexity. The agreement, signed in the transition phase between the outgoing and incoming US administrations, updates previous free trade agreements with China, and includes technical matters – taxation, rules of origin, standardization and phytosanitary measures (clean agricultural products), along with investments, intellectual property, e-commerce, and other areas. Signing this agreement with China could hinder these countries' ability to participate in the US-led international campaign to demand China to operate according to accepted international norms, including those of the World Trade Organization, of which China has been a member since 2001.

Beyond the difference in framing the competition with China, the incoming and the outgoing administrations will differ on their choice of tools. The President-elect and Vice President elect (who focused on socio-economic issues during her Senate tenure) criticized Trump's sweeping imposition of tariffs on Chinese imports, claiming that they caused damage to the US economy and the American consumer. The primary damage was due to raising prices on consumer goods and loss of jobs that depended on imports and investment from China. Moody's estimates that the Trump administration's increased tariffs, along with other measures, triggered the loss of 300,000 jobs in the United States.

Biden and Harris believe that the US needs to adopt a more sophisticated, long-term, and comprehensive policy.

To formulate this strategy, the new administration might use a legislative initiative supported by 11 Democratic senators, who in September 2020 proposed the America LEADS Act (America Labor, Economic competitiveness, Alliances, Democracy and Security), which has four key components: (1) investing \$350 billion in America's competitive potential, through federal funding of, inter alia, research and development of 5G communications technology, as well as quantum and artificial intelligence; (2) supporting cooperation with allies, and returning liberal American values as guidelines for foreign policy; (3) supporting the diplomatic system; and (4) ensuring that China pays a price for its "predatory" conduct in the fields of trade and its use of military force. The Senators also suggested deepening US commitment to the defense of the Pacific and Indian Ocean states and protecting their rights in maritime and airspace in the region.

On this subject, they share the positions of senior advisors to the incoming administration, including Michele Flournoy, the leading candidate for Secretary of Defense, who has pointed to the absence of an effective American response to Chinese efforts in recent years in an attempt to cultivate China's political, economic, and military influence. Flournoy argues that the United States must increase its deterrent power in the Pacific region to prevent a future confrontation with China. For its part, China is liable to test the new administration and American determination to fight for its status in several smaller theaters, particularly Taiwan, the artificial islands in the South China Sea, Hong Kong, and the border with India. The Democratic Party platform, formulated in the summer of 2020, omitted the term One China, which refers to Taiwan as part of China, and instead spoke of finding a peaceful solution that is consistent with the wishes and interests of the people of Taiwan. Some 20 years ago, as a Senator, Joe Biden wrote that the United States has an interest in preserving democracy in Taiwan but is not obligated to defend Taiwan from attack. President Biden could be tested on this point, and he might listen to voices such as that of Henry Kissinger, who, in the wake of Biden's election, recommended renewing talks with the Chinese government to prevent war. If indeed the incoming administration does work to strengthen trans-Atlantic cooperation against China on a broad scale, including economic and technological issues on the one hand, and human rights and ethnic minorities on the other, China may reconsider its conduct in the international arena and its adaptation to the new circumstances and coalitions.

Trans-Atlantic economic cooperation that is designed to stand up to China is a comfortable political framework for Israel, which wants to preserve both its special relationship with the United States and its ability to maximize the fruits of close economic cooperation with China – without appearing to be yielding to dictates from

Washington. Moreover, Beijing's responses to the demands of a possible transatlantic coalition, particularly on economic issues, will have implications for Israel, which is engaged in negotiations over establishing a free trade zone with China. Greater openness and transparency in China toward foreign companies operating in its territory will also likely lead to increased involvement of Israeli companies in China and increasing trade between the countries.

In face of the emerging new international arena, shaped by the change in the White House, the economic damage caused by the coronavirus pandemic, and the reorganization of the international system, Israel, with its dependence on international trade, has a significant interest in preserving its ongoing dialogue with the major international actors, especially the United States. Presumably the Biden administration, like its predecessor, will continue to monitor how different countries, including Israel, conduct their relations with China in fields that affect US security.