



## Future Dynamics of China-US Relationship in Asia Pacific

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### ABSTRACT

The rising China-US strategic competition significantly impacts the security of the Asia Pacific region. The United States has a compelling interest to expand the regional security network through alliance mechanism. The four Quad countries, Japan, India, Australia, and the United States, aim to push forward advanced modifications in supply chains and collaboration on safeguarding rare earth metals and technologies. Apart from Quad, the Biden administration also seeks to forge a Quad-plus pact to integrate and make alliances with other partners. For that purpose, Vietnam, the Philippines, and Korea can be potential members. The U.S. is also looking for European countries such as France and Britain to become allies with the Quad Plus. By deploying warships in the Indo-Pacific, Britain is consolidating its relations with Japan and other the Quad members. In addition to Quad, AUKUS, a trilateral security alliance, was established in September 2021 between the United States, the United Kingdom, and Australia to deter China.

**Keywords:** AUKUS, Strategic Competition, The Quadrilateral Security Dialogue QUAD

### INTRODUCTION

The contemporary Asia Pacific serves as a significant component of world politics. The understanding and idea of Asia Pacific date back to the 1960s and 1970s, during which countries such as Japan, Australia, and the United States promoted Asia Pacific to connect the wider Pacific regions to East Asia. Politically, Asia Pacific legitimizes the engagement of significant powers, particularly the U.S., because East Asia excludes Australia and the United States geographically. The term Asia Pacific does not carry any particular reference to Asia; instead, there is another alternate regional construct seen as East Asia that does not include the U.S.

Conversely, India's engagement in the Asia Pacific has carved out the term Indo-Pacific. China is a dominant competitor to the U.S. strategic interests in Asia Pacific. China believes that the U.S.'s long-term goal is to suppress China's economic

rise. Chinese believe that QUAD and Biden's AUKUS pact is evidence of the U.S.'s ambitions to limit Beijing's influence in the region. Both China and the U.S. have different lenses for future bilateral dynamics. The U.S. perceives Chinese political parties as antithetical and thus refrains from their perspective of Chinese authoritarianism and treatment of ethnic minorities. Former U.S. president Obama launched the "Pivot of Asia" to shift U.S. policy from the Middle East to Asia-Pacific.

The future trajectory of China-U.S. relations is alarming not just for the United States and China itself but also for all the major countries of Asia Pacific. The strategic architecture that had reinforced the interrelationship for more than 35 years is now in shreds as both countries are strategically afloat. The shift witnessed the decline of an era coerced by a United States strategy of engagement with Beijing that accelerated economic and political reforms in China and engaged China in the global rules-based system. China's growing strains with Taiwan and its engagement in a conspicuous cyber-hacking campaign against the government of the U.S., while explicitly highlighting the intention in its "Made in China 2025 Strategy," highlights the vision of China overtaking the technological power of the United States.

Now, the problem resides in the fact that the 2020s are going to be a vital decade because the balance of economic, strategic, and technological power between Washington and Beijing is likely to move closer to parity, and no matter what stratagems the two sides intend to pursue, the structural rifts between the United States and China in the Asia Pacific will intensify, and that is indeed inevitable.

### **The growing significance of Asia-Pacific**

Asia-Pacific is one of the world's most critical regions, mainly Southeast Asia, East Asia, the Western Pacific Ocean, and Oceania. This area has economic significance and is in the interest of major powers such as China, the U.S., and Russia. 37% of the world's GDP is at purchasing power parity in the Asia-Pacific region, which consists of some of the major economic countries in the world. Asia-Pacific is one of the most important productive areas of the world, producing 40% of the world's economy in the year 2020.<sup>1</sup>

The Asia-Pacific region tends to become one of the largest global economies. The area notably reflects essential international financial architecture developments and affects the institutions governing the world's macroeconomic and economic matters.<sup>2</sup> There is no denying the growing role of the Asia-Pacific region, which is evident in both economic and demographic terms. Demographically, the Asia-Pacific region contains half of the world's growing population. India and China, with a combined population of 2.4 billion, are two substantially populated countries worldwide. On the other hand, this region also includes large numbers of investors and consumers, such as the Philippines, Vietnam, and Indonesia.<sup>3</sup>

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<sup>1</sup> Tai Ming Cheung, *Fortifying China: The Struggle to Build a Modern Defense Economy* (Ithaca, NY: Cornell University Press, 2020), 55-69.

<sup>2</sup> Deborah Elms, "The Origins and Evolution of the Trans-Pacific Partnership Trade Negotiations," *Asian Survey*, vol.56, No.6 (2016), 1017-1018.

<sup>3</sup> Zhu, Zhiquan, *U.S.-China Relations in the 21st Century: Power Transition and Peace* (New York: Routledge, 2016), 136-152.

Asia-Pacific region remains diverse in terms of living standards, and mature economies such as Japan or Australia have a GDP per capita of 34,000 and USD 42,000 at market rates in 2007 and remain ahead. Apparently, in recent years, the vigor of growth in the economy helped lift millions of citizens out of poverty in emerging economies. For instance, the people of China have reaped the opportunities and benefits of its rapid development in GDP per capita. The economic growth of the Asia-Pacific region is at a remarkable pace, and this growth potential contributes to the world's prosperity.

The world economy should be able to rely on this region's growth and dynamism, mainly without forgetting the one caveat: We belong to an interdependent universe. If one economy falls, that will impact other economies as well; these economies depend on each other. The developments are due to systemic changes in the global policy framework. The new emerging players in the Asia-Pacific region have started gaining importance and will become more established players in the future.

Regarding the Industrial side, the Asia-Pacific region contributes almost 43 billion dollars to the shipbuilding industry and shares 66 percent of the world economic market. Furthermore, the location of three members of the Security Council, China, Russia, and the U.S., increases the region's importance.<sup>4</sup> Moreover, some other essential and significant cities in this region that are the most populated and have outstanding importance in the world economy include Karachi, Mumbai, Tokyo, Dhaka, Beijing, Shanghai, New York, Los Angeles, and Bangkok. The significance and importance of such political and economic systems have implications for the international economy.<sup>5</sup>

However, the U.S. has long-term ambitions and special intentions for this region. The U.S. recognizes its importance and wants to play one of the critical roles in the area. Former U.S. President Obama launched the "Pivot of Asia" policy and declared the shift of U.S. policies from the Middle East to the Asia-Pacific region. The Pivot of Asia made it evident that the politics of the Asia-Pacific region would shape the world order, and the U.S. had to play a significant role in it.<sup>6</sup>

Meanwhile, the current U.S. regime has also placed immense focus on this region, as the U.S. has increased its economic progress and shifted its military to the Asia-Pacific region. On the other hand, China has risen as one of the most substantial economic powers in this region and has contained U.S. policies, which have added massive significance to the area.<sup>7</sup> As a communist state, China is increasing its

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<sup>4</sup> Patrick Cronin, "Power Play: It's time for the U.S. to stand up to China," *Foreign Policy*, January 5, 2012

<sup>5</sup> Laura Southgate, "US seeks closer ASEAN ties, spelling conflict with China," *Global Risk Insights*, 28 February 2016

<sup>6</sup> Richard Bitzinger and Michael Raska, "Capacity for Innovation: Technological Drivers of China's Future Military Modernization," in *The Chinese People's Liberation Army in 2025*, ed. Roy Kamphausen and David Lai (Carlisle, PA: US Army War College Press, 2015), 129–62.

<sup>7</sup> Layne, Christopher, "The US-Chinese Power Shift and the End of the Pax Americana." *International Affairs* 94(1): (2018), 89-111.

economic growth. As a result, the U.S. acknowledges China's massive and hegemonic presence in the region and intends to contain and counter its development and influence. In the circumstances mentioned, China seeks to engage India and other states like Australia and Japan.<sup>8</sup>

In the same way, the issue between Pakistan and India over Kashmir has its historical importance and has had an impressive impact on international politics. Pakistan and India are both nuclear states and have great significance in South Asia, and the United Nations has passed several resolutions to resolve this issue. Similarly, Afghanistan's peace process has been one of world politics' hottest and most discussed topics.<sup>9</sup>

### **China's continued march importing its influence overseas by increasing global dependence**

The U.S. is China's economic and political power rival, and this is very serious for multinational companies as China's rise could guide more China-US trade conflicts, disrupt supply chains, and threaten ongoing foreign direct investment.<sup>10</sup> However, globalization is not that much endangered by China's rise as a comparable power to the U.S. China and the U.S. both have interests vested in maintaining an open economic order, and both these countries provide global public goods that are responsible for incentivizing economic openness among other countries of the world.<sup>11</sup>

China has become the world's second-largest economy after the United States. In 2018, China was the world's leading exporter and second-largest importer, and over the past decade, its foreign aid provision and foreign direct investment also increased.<sup>12</sup> The concerns for the U.S. have increased due to the emergence of equally powerful China, and this concern suggests the international relations theory of realists as such a trend will probably promote globalization collapse; hence, the countries will reject the openness of the economy in favor of economic nationalism.<sup>13</sup>

The ongoing US-China trade war and the hostility of U.S. leadership toward international institutions have supported economic globalization. Nevertheless, the concerns might be overblown if world tariff levels remain low by historical

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<sup>8</sup> Lieberthal, Kenneth, and Wang Jisi "Addressing U.S.-China Strategic Distrust" Thornton China Center Monograph Series, No. 4, March 2012

<sup>9</sup> Tai Ming Cheung, *Forging China's Military Might: A New Framework for Assessing Innovation*, (Baltimore, MD: Johns Hopkins University Press, 2019), 1–15.

<sup>10</sup> Blackwell, Robert D., and Tellis A, *Revising U.S. Grand Strategy Toward China*, (Council on Foreign Relations Press, 2016), 63-78

<sup>11</sup> "The Asia Pacific: Challenges and Opportunities for U.S. Policy" Congressional research service December 14, 2018.

<sup>12</sup> Chung-Min Lee and T. J. Pempel, "The Northeast Asian Security Complex: History, Power, and Strategic Choices," in *Security Cooperation in Northeast Asia: Architecture and Beyond*, ed. Chung-Min Lee and T. J. Pempel (New York: Routledge, 2021), 3–21

<sup>13</sup> Lieberthal, Kenneth, and Wang Jisi "Addressing U.S.-China Strategic Distrust" Thornton China Center Monograph Series, No. 4, March 2012

standards.<sup>14</sup> The rise of China will not begin an era of deglobalization and protectionism as there are considerable reasons to suspect the rise of China to promote these factors. According to an analysis that follows the world order theory, the United States and China will constitute a "G2" that can continue global economic integration.<sup>15</sup>

### **Rapidly shaping bloc politics, U.S. reliance on military and economic blocs to retain influence**

China has turned towards political warfare and has sharply influenced the U.S. policy toward China and critical issues. This turn of China has reflected the effectiveness of Beijing's much increased hard power and the never-formidable power that has also reduced the soft power to achieve the ends of China with the United States. The political warfare of China and the use of its sharp power both pursue direct influence on the policy of the U.S. and also impact the attitude of the U.S. indirectly towards China and China-related issues.<sup>16</sup> China is expanding its influence, and its leadership does not rely on the old philosophy of "hide your strengths and bide your time." China has accelerated all its efforts to establish itself as a global economic giant and not only an economic peer of the United States.<sup>17</sup>

As far as today is concerned, no nation could position itself in the geopolitics of the twenty-first century more than the U.S. However, the U.S. has the most potent military, spending more on defense than other countries combined, and its economy remains the most innovative.<sup>18</sup> Additionally, U.S. President Biden has asked dozens of Asia-Pacific nations to join the new economic bloc to counter China's dominance and reassert America's regional influence.<sup>19</sup> The alliance with these states will bring the United States together with powerful states such as South Korea, Japan, and India. With these states, the U.S. wants to establish new rules of commerce for this fast-growing economic region and offer an alternative to China's leadership.<sup>20</sup>

### **Pivot to Asia after Ukraine war**

After the invasion of Ukraine, the administration of U.S. President Biden was quick to enlist the allies and partners of the U.S. in East Asia to isolate or sanction

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<sup>14</sup> Ely Ratner, "Rebalancing to Asia with an Insecure China," *Washington Quarterly* 36, no. 2 (2019): 21-38

<sup>15</sup> Jin, Kai, *Rising China in a Changing World: Power Transitions and Global Leadership* (London: Palgrave Macmillan, 2020), 152-167.

<sup>16</sup> Chung-Min Lee and T. J. Pempel, "The Northeast Asian Security Complex: History, Power, and Strategic Choices," in *Security Cooperation in Northeast Asia: Architecture and Beyond*, ed. Chung-Min Lee and T. J. Pempel (New York: Routledge, 2021), 3-21

<sup>17</sup> Cambell, Kurt and Brian Andrews "Explaining the US 'Pivot' to Asia" *Chatham House: Americas*, (2016, August) 1:1-9

<sup>18</sup> U.S. Department of Defense, *Asia-Pacific Maritime Security Strategy*, Washington, D.C.: Department of Defense, 2017.

<sup>19</sup> Ikenberry, John G., Lim, and Darren J. *China's emerging institutional statecraft, the Asian Infrastructure Investment Bank and the prospects for counter-hegemony*, (Brookings Institution, 2021), 09-24.

<sup>20</sup> Hooker, R.D. *The Grand Strategy of the United States* (Islamabad: National Defense University Press, 2016): 1-35

Russia diplomatically. Australia, Singapore, South Korea, and Japan are the new partners that will counter Russia's further aggression.<sup>21</sup> Korea has become a close ally of the U.S. and has imposed export and economic sanctions against Russia's military aggression. The support of Asian countries, which manufacture key technology, has been critical.

According to Ukraine, only the U.S. can unite everyone and form an international coalition of the most powerful economies and democracies to counter aggressors' aggressive acts. This requires U.S. investment and the willingness of allies to unite as powerful forces. In the past decades, Japan has been reluctant to needle Russia.<sup>22</sup> According to Sheila Smith, an expert on Japanese politics in Crimea, Japan was not aligned with the G7 in 2014 despite being a member. Though Japan's leadership did not want to provoke Russia during the invasion of Ukraine in 2014, this time, Japan's leadership has responded well. There is no denying the fact that after a short period of the invasion of Ukraine, the White House dispatched a defense and national security delegation that contained former members such as Green and Mediros. The U.S. sent the delegation to Taiwan to ensure and reassure the self-governed democratic island off the coast of China.<sup>23</sup>

To counter China, a budding relationship was already developing between the U.S., Europe, Australia, and Asia, and the Ukraine war just accelerated it further. Before the two weeks of the Russian invasion of Ukraine, the U.S. administration released its Indo-Pacific strategy on February 11. During the war, the president of the U.S. met with the leaders of Sweden and Finland to discuss their desire to join NATO.<sup>24</sup>

Jake Sullivan, the National Security advisor, said that the White House did not see this as a tension but as an opportunity to combine the forces mutually. The Biden administration is working to integrate symbiosis into strategy in Europe and the Indo-Pacific. President Biden's unique capacity to stitch these two together will be an outstanding landmark for his foreign policy presidency. However, this transatlantic and transpacific bond is a temporary side effect of the invasion of Russia or a long-lasting realignment.<sup>25</sup>

### **Sino-Russian partnership and U.S. sanctions**

After the invasion of Russia and Ukraine, China wants to avoid being impacted by the sanctions of the U.S. over the Russian war. The foreign minister of China, Wang Yi, said that China is not a part of any crisis. However, during his phone call with Spanish Foreign Minister Jose Manuel Albares, he discussed the Ukrainian war and said that China would do anything to safeguard and protect its interests and legitimate rights.

China will never do anything to lose the reunification with Taiwan, and

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<sup>21</sup> Briefing by Marcin Grajewski, "EU-China ties and Russia's war on Ukraine" March 2022

<sup>22</sup> Lauren Van Metre, Viola G. Gienger, and Kathleen Kuehnast, "The Ukraine-Russia Conflict Signals and Scenarios for the Broader Region" United States Institute of Peace, issue, 5, (2021), 318-349

<sup>23</sup> Ibid

<sup>24</sup> Briefing by Marcin Grajewski, "EU-China ties and Russia's war on Ukraine" March 2022

<sup>25</sup> Lauren Van Metre, Viola G. Gienger, and Kathleen Kuehnast, "The Ukraine-Russia Conflict Signals and Scenarios for the Broader Region" United States Institute of Peace, issue, 5, (2021), 318-349

Russia's assistance can achieve this. Unambiguously, China has to lose so much economically to help Russia achieve its goal in the Ukrainian war.<sup>26</sup> The West could use any leverage to draw a wedge between Russia and China. Moreover, the U.S. particularly wants to balance its strategic competition with China to increase its cooperation on the issues of climate change, pandemic prevention, and nuclear proliferation. Export restrictions or financial restraints are the most evident signs that demonstrate China's unwillingness to align with Russia in the current war in Ukraine.<sup>27</sup>

### **Impact of East Europe on Asia pivot policy**

There is no denying the fact that the war in Ukraine has seriously exposed the weakness of the U.S. as a hegemon, and Russian aggression demonstrates a significant shift of power in the world, especially in Asia. Deepening ties between China and Russia and the failure of the U.S. to prevent the Russian invasion of Ukraine have shaken the Asia pivot policy.<sup>28</sup> Even the U.S. allies have realized that the U.S. could not defend them in the event of possible aggression from either country. This war has also created a massive trust deficit among Eastern European countries, which previously sided against Russia in every instance.<sup>29</sup>

The U.S. image and reliability graph has sharply declined since then. The war was indeed followed by a series of sanctions imposed by the U.S. and its trusted allies, but the economic sanctions left no deep imprint on the behavior of Russia and could not bring the desired outcome for the West as they had anticipated it.<sup>30</sup> The war in itself created a severe national crisis in Europe as more than 6 million people migrated to different parts of Europe, causing a massive refugee crisis. The U.S. has engaged in supplying the Ukrainian fighters with weapons, but human casualties are growing, and Russia has also captured a considerable part of the land territory of Ukraine.<sup>31</sup>

Asia's pivot policy's main objective was to contain those powers that opposed the U.S. and its allies and defend and protect those that supported the U.S. and its allies. However, the countries of Asia Pacific are dissented by the U.S. and are pessimistic about any support or aid in case of a clash with China or Russia. In the wake of the war, China has also increased its defense engagement with Russia, and the nexus of their intelligence work is also perturbing the U.S.<sup>32</sup>

A massive amount of military aid was provided to a country in Eastern Europe, but this aid, along with the sanctions, could not prevent the aggression. Countries in

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<sup>26</sup> Justin-Damien Guénette, Philip Kenworthy, "Global Impact of war in Ukraine on food, energy and finance systems" UNO, 13, April 2022

<sup>27</sup> Lauren Van Metre, Viola G. Gienger, and Kathleen Kuehnast, "The Ukraine-Russia Conflict Signals and Scenarios for the Broader Region" United States Institute of Peace, issue, 5, (2021), 318-349

<sup>28</sup> Stefano Moritsch, "The geopolitical impact of the conflict in Ukraine" KPMG International, 2022

<sup>29</sup> Collette Wheeler, "Implications of the War in Ukraine for the Global Economy" EFI Policy Note, 3 April 2022

<sup>30</sup> Anatolijs Prohorovs, "Russia's War in Ukraine: Consequences for European Countries' Businesses and Economies" Journal of Risk and Financial Management, Issue No.4 (2022), 55-73.

<sup>31</sup> Muhammad Balbaa, "The Impacts of Russia-Ukrainian war on the global economy" Researchgate, April 2022

<sup>32</sup> Stefano Moritsch, "The geopolitical impact of the conflict in Ukraine" KPMG International, 2022

the Asia Pacific know full well that military or economic forces during a war are equally imperative as avoiding aggression.

### **Future of Politics in the Asia-Pacific**

The future of politics in the Asia-Pacific is far more complicated than it appears to be. The continued Cold War between the U.S. and China will bring tremendous political turmoil. The situation is far more complex as the shift is now tilting toward China, and its favorable economic growth, along with its strategy expansion, has allowed replacing the U.S. sway over other countries. China is gradually establishing exclusive control over the trade in the South China Sea corridor. It already has dominant power in the North China Sea corridor.<sup>33</sup>

For years, the dispersion of NATO's capabilities in the Indo-Pacific or establishing a similar format to achieve this goal has raised concerns for Chinese officials and policy makers. Such a transatlantic alliance is perceived in Beijing as a US acquiescent platform that Washington avails to defend its "global hegemony."<sup>34</sup> The United States' Indo-Pacific Strategy and the Quad format, that encapsulated the U.S., Australia, India and Japan achieved less to mitigate China's apprehensions of encirclement policy. However, tensions have just come to a head over the last few years.

In the past, Washington's effort had limited success because the Indo Pacific states were hesitant to form blatant partnerships. However, Russia's invasion of Ukraine has changed the scenario. Now observations regarding China's ambitions and behavior accompanied by a new awareness of the extent of Beijing's alignment with Moscow generate concerns that a conflict in the Indo-Pacific in the not-too-distant future. Ambitions for influence in the South Pacific is a clear sign of Beijing's aim to establish an alternative bloc of states.

To counter the long-feared and now seemingly emerging Western coalition to contain China, the latter efforts for such a coalition is now emerging. By establishing itself as the standard bearer for developing nations, Beijing currently anticipate to at least limit other countries' alignment with the Washington. Moreover, it aspires to create a counter coalition that would give ample space to China for its advancement towards reforming the global order and international power projection.<sup>35</sup>

To understand Beijing's diplomatic concerns, Global South states are not the only target of China rather European states are also in line for diplomatic engagement. In a nutshell, after its response to the war in Ukraine, China intends to enhance cordial relations with European countries.<sup>36</sup> Regardless of the anticipation and the strength in

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<sup>33</sup> Sharman, Christopher H. "China Moves Out: Stepping Stones Toward a New Maritime Strategy." Institute for National Strategic Studies Vol. 93, sec. 13 (2017), 15-62

<sup>34</sup> Blackwill, R. and Harris J. War by other means: geoeconomics and statecraft, (The Belknap Press of Harvard University Press, 2018), 21-40.

<sup>35</sup> Dan Blumenthal, "The Power Projection Balance in Asia," in *Competitive Strategies for the 21st Century: Theory, History, and Practice*, ed. Thomas Mahnken (Stanford, CA: Stanford University Press, 2021), 168.

<sup>36</sup> Collette Wheeler, "Implications of the War in Ukraine for the Global Economy" EFI Policy Note, 3 April 2022



the run-up to this fall's 20th Party Congress of the Chinese Communist Party, Beijing seems to be at risk by the novel evolvments in the Indo-Pacific. Enhanced cooperation between U.S. and Europe sparks apprehensions regarding the risk of U.S. amalgamation to encompass China.

North Korea and China represent the two most significant challenges to U.S. interests in the Asia Pacific region and homeland. Both countries are nuclear powers, but U.S. interaction with these countries varies greatly. The U.S. has no diplomatic or official economic interaction with North Korea, while China is one of the top trading partners of the United States.<sup>37</sup>

Geopolitical tensions are high in the Asia Pacific region. They can potentially result in repercussions significantly affecting U.S. allies in the region and U.S. security, political, and economic interests. Maintaining and fostering strong alliances, understanding and addressing challenges in the region, and how they affect the U.S. homeland will be the key to ensuring the success of U.S. policy in Asia.<sup>38</sup>

### **Bloc politics**

Bloc politics was the primary debate in every political circle during the Cold War era, but it has a matching recumbence with the future dynamics of Asia Pacific. Bloc politics is already in play as each smaller country chooses sides in the current Cold War between the U.S. and China, which is getting increasingly intense. Chinese Communist Party has always been overshadowed by the United States and the West for dominance at regional and international level. Beijing has concerns that the U.S. will employ multidimensional alliances in the Indo-Pacific to encircle China for the promotion of itself as a global hegemon. .<sup>39</sup>

Consequently, China is trying to make allies like North Korea and Russia while exerting pressure on smaller countries to follow suit. The U.S. has already established alliances with South Korea, Japan, and Singapore, and now it is endeavoring to influence the political behavior of Hong Kong and Taiwan, which China has noticed very aggressively. This attitude has already divided this part of the world into two hostile blocs. This bloc politics will turn violent in the not-too-distant future if the rivalry between both the adversaries keeps exerting on the weaker states. Washington's alliances will have the limitations during crises between the U.S. and China, which will steady the state competition. The major challenge for the U.S. with its partners is defense cooperation with more diplomatic and optimal commercial relations.

Regardless of most of the denunciation along with the orthodox perspective of China regarding settlements as probable liabilities, Beijing was seen to follow the same footsteps as China with its works having to improve in the past months. Along with

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<sup>37</sup> Kai He and Huiyun Feng, *Game of Institutional Balancing: China, the AIIB, and the Future of Global Governance* (New York: Routledge, 2021), 168-194.

<sup>38</sup> Fu, Tse-min R., David J., Gill, and John G., Ikenberry, "Correspondence: Looking for Asia's Security Dilemma" *International Security* 40 (Issue 2): 2019), 181-204.

<sup>39</sup> Aileen S.P. Baviera, "China's Relations with Southeast Asia: Political Security and Economic Interests" Discussion Paper No. (2021) 99-17

an increase in the stringent discourse, Beijing introduced a large scale diplomatic offensive to spread its impact globally at the cost of West, centralizing in specific countries based in the Global South. Beijing considers everything that has been put at risk that is both the success and failure of the motivation of China in coming back to its power globally by the year 2049 and to transit the subsisting international order that would depend on the way non-Western countries perceive to the cultivating pivotal framework of Beijing and its competitor that is the U.S.<sup>40</sup>

Since Xi Jinping will likely secure another term at the party's helm, the emergence of alliance and bloc politics will take a persistent hold in Beijing. As Xi Jinping would probably secure another term, China's foreign policy trajectory seems to be all set for future politics where the West will remain the critical reference point for any future Chinese action.<sup>41</sup> Undoubtedly, the world is aligning in to complex bipolar economic, geopolitical and technological interdependent system. As a result of such interdependence, the states in the Indo-Pacific, are likely to feel growing pressure to comply with their respective directional interests and amidst such political environment Beijing is already threatening consequences.<sup>42</sup>

#### **Failing U.S. confrontationist approach and China's pursuit of a cautious, conciliatory approach**

The failing U.S. confrontationist approach and China's pursuit of a cautious, conciliatory approach have made a noticeable difference in the political dynamics of Asia Pacific. The U.S.'s politics have mostly been aggressive and bent upon confrontation and using force. On the other hand, China's approach has been the opposite, which is the main reason for its political success. It has been very cautious in its international play and has always avoided confrontation with the U.S. or any other rival. This policy of confrontation has disappointed the U.S. over decades, as the given attitude has created more instability than order. It has created more anarchy and mayhem than it could bring order.<sup>43</sup> This attitude did bring affirmative outcomes during the Cold War with the Soviet Union, but the latter's fall was more of its fault than the U.S. confrontation. The Soviet Union had deplorable economic policies, which led to its dismemberment.

Economic changes are occurring all over the region, and China stands out for its pace and scale. As the Chinese economy matures, the results of the rapid structural changes are more precise. China is approaching the technological frontier more; hence, distributional tensions result from the rise of the natural environment's unequal carrying capacity. The government of China has responded by adjusting the

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<sup>40</sup> Ashley J. Tellis, Alison Szalwinski, and Michael Wills, *Strategic Asia; US-China competition for global influence* (London: Routledge, 2020), 114-135.

<sup>41</sup> Paco Milhiet, "China's ambition in the pacific; worldwide geopolitical issues" *Institute Catholique De Paris*, (2017), 172-196.

<sup>42</sup> Wu, Xinbo, "Cooperation, Competition and Shaping the Outlook: The United States and China's Neighbourhood Diplomacy," *International Affairs* 92(4): (2018) 849-867

<sup>43</sup> Allison, Graham, *Destined for War: Can America and China Escape Thucydides's Trap?* (Houghton Mifflin Harcourt, 2020), 69-70,

way for future development through its policies to address these issues.<sup>44</sup>

Additionally, China's economy is increasingly impacted by the degradation of the environment and climate change risks. China's past growth relied on the fast development of intensive energy and high-pollution industries. Without adequate pollution externalities, the ecological environment's damage has been increasing. As the bloc politics move on, the U.S. and China are increasing their commitments with their respective allies, and loans and grants are making their way into the economies of these countries. What makes things worse is that if the trade war and other confrontationist moves of the U.S. and China continue in the future, the direct impact will be upon the smaller countries as they cannot recover instantaneously from the economic jolts. The sanctions the U.S. and China imposed on each other also hurt the economies of those countries connected to the imports and exports of these two economic giants.<sup>45</sup>

### **Growing economic uncertainty among U.S. allies in Asia Pacific**

The Asia-Pacific region has experienced one of the most uncertain economic growths in the last two decades. The states in the region play a crucial role in the global economy and are of significant importance to international and U.S. politics. Closer alignment between the U.S. and other partners, such as the E.U., has become a lucrative option to deter China. QUAD's activism, along with the AUKUS partnership and Indo-Pacific Economic Framework, is being read in Beijing as clear signs that Washington's efforts to form a coalition to confront the China challenge are getting renewed traction. This increases the urgency of pushing back forcefully in rhetoric and policy.<sup>46</sup>

To conclude, there is no denying that most of the U.S. allies in Europe perceived the US-China trade war as a faulty approach bound to bounce back and hurt their economies, which indeed it did. This has left a deep space of uncertainty among the U.S. allies to push again for the Asia Pacific, considering that a rehearsal of the faulty policy might risk their economic growth and investment.<sup>47</sup> There is a solid Chinese bid to dominate high-tech industries to determine future military and economic power distribution. China is improving and upgrading its sophisticated missile technology and other weaponry. China is also inching closer to the U.S. in terms of military technology. As a rising military power, China ambitiously sought to pave its way through the energy resources of the South China Sea and further east in the Pacific. Therefore, the Chinese rise was conceived as a direct threat to the U.S. interests in the Asia Pacific and beyond. The region has become an engine for the development of the global economy, and Asian countries are gaining more importance

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<sup>44</sup> Navarro, Peter, Mearsheimer on Strangling China & the Inevitability of War, (Huffpost, 2016), 105-116.

<sup>45</sup> Evans, Paul M, "Assessing the ARF and CSCAP," in *The Security Environment in the Asia-Pacific* Hung Mao Tien and Tun-jen Cheng, eds. (New York: M. E. Sharpe, 2019), 89-103.

<sup>46</sup> M. Cheng, "AUKUS: The Changing Dynamic and Its Regional Implications" *European Journal of Development Studies*, Published Online: February 03, 2022

<sup>47</sup> Heginbotham, Eric, *The U.S.-China Military Scorecard: Forces, Geography, and the Evolving Balance Of Power* (Santa Monica: The RAND Corporation, 2019): 1-30

in the worldwide economy. Therefore, the U.S. administration needs a more active approach in this region to challenge the future hurdles of the worldwide economy. A bilateral or global perspective can assess specific rivalry, such as technological rivalry. Whether it is the economic battle as a means of trade war or the naval and military expansion, the role of modernizing technology cannot be refuted at all.

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