

Opinion **Chinese politics & policy**

Donald Trump's foreign policy is China's gain

Short-term pain disguises the fact that Beijing benefits from the US's global retreat

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[Donald Trump](#), we know, has forged a special bond with North Korea's Kim Jong Un. We should forget Russia's effort to subvert American democracy — Vladimir Putin is fine, just fine. Even European Commission president Jean-Claude Juncker turns out to be a good guy when it comes to talking trade. Now [the US president](#) says he is happy to meet his Iranian counterpart Hassan Rouhani. Last week he was threatening Tehran with all manner of [fire and fury](#). Given the great deal Mr Kim got in Singapore, Mr Rouhani might do well to grab the offer.

You can see why all this might leave Beijing feeling edgy. Chinese president Xi Jinping was also once a recipient of the Trumpian best-of-friends treatment. But, as the crazy

kaleidoscope that is US foreign policy keeps spinning, the White House war on Beijing's trade policies is establishing itself as something of a constant. The president's revised view of Mr Xi is that "he's for them and I'm for us".

Mr Trump has a point. Most of his generalised rage about trade is a measure of ignorance about globalisation and supply chains. He lives in the 1950s. In those days, things were made in one country — usually America — and then sold in another — preferably just about everywhere else. The modern world of bits and pieces, with components and semi-finished products moving to and fro across borders, does not fit the president's template.

China is different. When Mr Trump accuses it of stealing intellectual property, shutting out imports and manipulating the Renminbi, he strikes a chord elsewhere. It is no coincidence that European governments — most recently Britain — are toughening controls to stop Chinese investment becoming a route to involuntary technology transfer. European businesses complain as bitterly as US ones about Chinese ownership rules. Charges of dumping are frequent. China fully exploits the rules of the World Trade Organization — and then ignores them when it suits.

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So the prospect of a protracted trade conflict probably presents Chinese leaders with real cause for concern — the more so since the economy is slowing and there are visible cracks in the financial system. Even the most authoritarian regimes fret about their grip on power. Communist Party rule has by and large won acceptance because of accompanying rises in living standards. Mr Xi does not want to test the proposition that his writ would still run unchallenged during an economic slump.

Mr Xi's China is also unaccustomed to such pressure. For a decade and more it has had more or less a free run on both economics and geopolitics. Whether it was because they were anxious to grab a share of the Chinese market or concerned to lure Beijing into the multilateral system, western governments have been loath to offend. The softly-softly approach is shifting. And Mr Trump's trade war makes it easier.

And yet. Tempting though it is to say that China is fast emerging as the big loser from Mr Trump's foreign policy, the reality is more likely to be the opposite. For all that the US president has discomfited Mr Xi, the noise obscures the longer-term impact of American policy. Any short term pain should be set against the immense strategic gain for China

flowing from Mr Trump's worldview. In the inevitable global contest between these two great powers, the US is already surrendering advantage to its rival. Chinese policymakers have long had a plan for global primacy. You could be forgiven for thinking that the White House has decided to lend them a hand.

The US starts out with the huge advantage not just of its military and technological superiority but an unparalleled international alliance system. Economic, defence and security agreements with allies across Asia and the Middle East and military bases in dozens of nations have become part of the architecture of American power. Beijing has only a handful of willing accomplices — think, say, Cambodia — alongside the deference it can buy with foreign investment. You do not find other nations saying they want to copy China.

So how is the US playing this advantage? For all the present let's-be-nice mood in the White House, Mr Trump is progressively dismantling the pillars of the US-led international order. One way or another the president has undermined the US commitments to climate change, nuclear non-proliferation, Nato, the EU and longstanding treaty relationships with Japan and South Korea. No one can be sure that tomorrow he will not tear up the North American Free Trade Agreement or pull US troops out of the Middle East. The credibility and trust on which US power was built is draining away. If the US does not respect an American-designed order why should anyone else?

China's long-term strategic goals are clear enough. It wants to restore its control over its own neighbourhood — hence all those new military outposts in the South China Sea, and it wants to collapse the distance between Asia and Europe with its Belt and Road Initiative. It is often said that Beijing wants to see the 21st century become the Pacific century, much as the 20th was the era of Atlanticism. The Pacific, though, is mostly water. China wants to be the leading Eurasian power. In any event, its ambitions have always rested on the assumption that it would need to roll back US influence over time. Mr Trump has set about this task with gusto. That, surely, is worth some short-term pain.

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