Adherents of the theory of power transition argue that China’s rising wealth and military power threaten the pre-eminence of the US in the current world order, and as in past great power transitions, this will likely or inevitably lead to war.

T.J. Pempel argues that this view is fundamentally wrong, and that creative adaptation by leaders in both countries can avert armed conflict.

VIEWING CONTEMPORARY US-China relations through the prism of “power transition” is dangerous and wrong. Nonetheless, power transition is a paradigm that has achieved high levels of popularity among international relations analysts and the popular media in both countries. It has become a predominant lens through which to view the evolving relations between China and the US as well as the Asia-Pacific order more broadly.

Power transition theory draws from historical examples of conflict-ridden shifts among major powers, starting with Athens and Sparta in the Peloponnesian War and including subsequent transitions such as that from Spain to the Netherlands, the Netherlands to France, France to Britain and eventually the challenges posed to the order dominated by Britain and the US by the rising power of Germany and Japan that culminated in the Second World War. Popularized as the “Thucydides Trap,” power transition theory draws on such historical experiences to argue that almost every declining regional or world hegemon, anxious at its impending loss of influence, will be “trapped” into military conflict with the rising power in pursuit of an alternative order dominated by the hegemon, anxious at its impending loss of influence.

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Most recently, Graham Allison, referring to the Thucydides Trap and drawing on 16 historical examples of power transitions over five centuries, declared that “… war between the United States and China in the decades ahead is not just possible, but much more likely than recognized at the moment. Indeed, judging by the historical record, war is more likely than not.” Slightly more tentative and hinging his predictions on Chinese domestic political developments, Aaron Friedberg contends that “If China stays on its current path … without becoming a liberal democracy, the present, muted rivalry with the United States is likely to blossom into something more open and dangerous.”

Michael Pillsbury argues that the militaries of both countries are already preparing for war against one another. John Mearsheimer is particularly blunt: “China’s rise … is likely to lead to an intense security competition between China and the United States, with considerable potential for war … China cannot rise peacefully.”

Like many widespread views, power transition theory is not devoid of supporting evidence. Without question, the speed at which China has closed the economic gap with the US has been staggering; in 1980, China’s gross domestic product (in purchasing power parity terms) was just 10 percent of America’s GDP; today, it has surpassed it. Simultaneously, China has been expanding its military capabilities at rates far outstripping those of the US or its regional neighbors. It has announced ambitious plans to exert a larger influence over global finance and regional infrastructure developments; it is promising to create China’s first world-class blue water navy; and of late,
the country has been particularly vigorous in asserting irredentist claims to islands and legally unsustainable claims to vast maritime zones in the East China Sea and the South China Sea.

The US, in turn, no longer occupies the peak of economic and military superiority that it did following the Second World War. Lately, it has been embroiled in a draining series of military conflicts in the Middle East and Central Asia, while its domestic casino capitalists were triggering a catastrophic collapse in the global financial system in 2007-2008. The US economy has only recently begun to recover from both. Meanwhile, domestic ideological antagonisms have paralyzed Washington’s ability to reach policy decisions on critical items such as budgets and infrastructure or less cosmic requirements such as confirmation of government officials or the science of climate change. Any government that cannot govern itself will find it impossible to lead the world.

Of immediate relevance to US influence in East Asia, since as early as 1992 the Pentagon has been pursuing a grand strategy of preventing the emergence of any “peer competitor” in the region. Its Defense Planning Guidance for 1994-99 declared that the US “must maintain the mechanisms for deterring potential competitors from even aspiring to a larger regional or global role.”

Even political leaders from both countries periodically season their rhetoric with flourishes suggesting that each is operating from an implicit, albeit reluctant, embrace of power transition logic. Easy recent examples would include US President Barack Obama’s justification of the Trans-Pacific Partnership agreement as “writing the rules of global trade before China does,” while Chinese President Xi Jinping, for his part, hinted at the desirability of creating an “Asia for the Asians,” i.e. one in which US power and influence is absent or significantly degraded.

On its surface, therefore, power transition theory might appear to be a compelling basis for predicting the future. Why, then, is it wrong? At least five major factors undermine the applicability of the conflict-riven power transition paradigm to US-China relations. The first refers to the basic claims of the power shift; the next four deal with the presumed inevitability of US-China conflict.

Assessing the validity of power transition requires first that one determine whether or not an actual power transition is taking place. While the differences in relative military and other material strengths of the US and China have indeed been narrowing, and despite the Pentagon’s concerns over the Chinese military’s potential for anti-access/area-denial (A2AD) capabilities that could deny the US military free and easy access to China’s perimeter, it will be decades before the Chinese military can remotely gain regional, let alone global, parity with its American counterpart, not to mention the balance when US strength is considered in conjunction with the military muscularity of its regional allies. Similarly, China’s GDP may have surpassed that of the US on a PPP basis and will do so in nominal terms in 10-11 years. But China’s population is four times larger than America’s, leaving the US with a still much higher per-capita GDP, the real measure of a country’s economic achievement. Being the world’s largest economy is by no means synonymous with being the world’s most affluent nation. Impressive as China’s technological advances have been since its 1979 reforms began, America’s innovative edge and lead in information technology and human resources remains considerable. Further, the international political, social, educational and cultural appeal of the Chinese system remains scant while those of America, despite its many obvious flaws, retain considerable global appeal. In short, across multiple dimensions, China’s overall material and cultural power in no way poses a realistic challenge to the complex webs now supporting US global and regional superiority. Genuine power transition between the two is inconceivable for decades to come.

If a comprehensive power transition remains well over the horizon, multiple forces also mitigate against any “inevitability” regarding military conflict between the two. Endemic to the power transition logic is the high probability of a military clash between the declining hegemon fighting to maintain the “status quo” and a challenger anxious to upend it. This raises a second concern. There should be no presumption of clarity about any pre-existing status quo in today’s Asia-Pacific. Nor are the US and China respectively locked into identifiable roles as defender versus challenger of that presumed status quo. To date, both countries have instead shown far more fluidity in adapting to changing realities.

The US may seem rigid in its defense of such things as human rights, its Cold War alliance structure, and freedom of navigation. In turn, China, with its Asian Infrastructure Investment Bank (AIIB), may appear to be challenging the long-established global financial structure centered around the World Bank, International Monetary Fund (IMF) and Asian Development Bank (ADB). Equally it may seem to challenge existing maritime administrative controls with its nine-dash line and its salvos in contested maritime space. It also rejects the premise of an open Internet by its domestic restrictions on citizen access. Offsetting American efforts to safeguard a number of longstanding practices and principles, however, is the fact that the US has long welcomed and contributed to China’s economic development, just as it did that of Japan and Germany decades earlier. Equally, Washington has encouraged China’s participation in numerous...
multilateral institutions from the World Trade Organization (WTO) to the International Atomic Energy Agency (IAEA), while also co-operating with China in forging new institutions such as the Six-Party talks or their own bilateral Strategic and Economic Dialogue. As well, Washington has accepted rules it did not set by joining organizations initiated by others, including APEC and the East Asia Summit as well as the G-20 and the North Pacific Coast Guard Forum, for example.

Equally, China has eagerly joined and today actively participates in countless multilateral bodies such as the WTO and the IMF, which required major accommodations within China’s domestic financial and economic system in favor of rules it had little role in shaping. China has been an engaged and rule-abiding member of numerous other regional and global institutions, while also being the world’s most selfless provider of troops to international UN peacekeeping missions.

What we see, instead of two scorpions eying each other warily from opposite ends of a bottle, are two countries in a continual, complex dance of pragmatic adaptation to changing realities. There is little evidence of unbending stances favoring continuity or change. Without a doubt the two countries’ self-defined interests often clash. Such clashes will, like disagreements between any two countries, require acknowledgment and sometimes painful and uneasy accommodation, but they need not result in military conflict. Two countries can be at odds without being at war.

Still, a third counter to the logic of a conflict-laden power transition concerns the non-reinforcing nature of the two countries’ military and economic interests. Unlike prior historical transitions marked by wars, whether that between Athens and Sparta 2,400 years ago or the US and Japan in the 1940s or by the Cold War standoff that marked US-China relations of a few decades ago, the economic and security interests of today’s China and the US are divergent rather than mutually overlapping. Their military postures may hint at a renewed Cold War bipolarity. China remains a protector of North Korea while its relations with Russia have warmed, extending to the two countries’ co-operation in the Shanghai Co-operation Organization (SCO), which some label an “anti-NATO.” The US, in turn, continues to strengthen its security alliances with South Korea, Japan and throughout the Asia-Pacific.

Yet any such geostrategic bifurcation is offset by a thick network of financial, trade and monetary interdependencies that include investments, regional production networks, bond markets and trade ties. These weaving close linkages that counterbalance the defense in security and defense. Paradoxically, each country’s ability to compete with the other now depends to a considerable degree on the other’s sustained economic success. Where their militaries envision adversaries, their business leaders see profit-generating partners. This economic interdependence leads to a fourth factor militating against conflict. Just as the two countries now are linked through complex interdependence, particularly in the economic arena, so have they found common grounds for collaboration in multiple arenas such as counter piracy actions in the Gulf of Aden, the Iranian nuclear deal, economic responses to the Lehman Shock of 2007, co-operation through the Six-Party talks and recent bilateral agreements on cybersecurity and climate change abatement, to mention only a few instances where mutual co-operation has trumped competition. The two countries’ interests episodically clash, but equally noteworthy they frequently align. There is no reason to presume that going forward this mix will not continue. If the recent sailing of the USS Lassen near China’s new maritime reclamation activities in the South China Sea suggests, for example, classic confrontational behaviors by both sides driving toward a power transition, the less well-publicized friendly visit by the USS Stethem to Shanghai a week later underscores the positive and ongoing military-to-military co-operation the two pursue on an ongoing basis.

Fifth and most important, the logic of power transition rests heavily on structural changes, primarily in the material power balance between two pivotal nation-states. Power transition’s predictions of conflict afford little influence to the significance of agency (i.e. human choice). Under power transition logic, “leaders” in each of the contesting powers emerge as little more than sock puppets responding to shifts in material power. The appeal of parsimony offered by a theoretical perspective like power transition carries with it the drawback of teleology. Human beings can learn; they are more than lemmings condemned by some materialist DNA to march blindly off the same cliff as their historical predecessors. An awareness of the devastating consequences of the two world wars and the even more ominous destructive power of nuclear weapons helped keep the US and the USSR from direct military confrontation for over 40 years. Equally, few political leaders in any of today’s major powers, including China and the US, envision war with one another as a viable mechanism by which to advance their nations’ well-being.

These factors all weigh strongly against the logic of power transition and its presumptions of probable, if not inescapable, conflict. Future relations between China and the US, as well across the Asia-Pacific more broadly, are more likely to be characterized neither by rigid defense of existing security and economic arrangements nor by their obliteration at the hands of a rising power. More likely will be the less dramatic but more salutary process of uneasy accommodation as each state adjusts to the evolving challenges created by multidimensional regional and bilateral interdependence, as well as shifts in conventional power resources such as wealth and military strength.

This unfolding dynamic will unquestionably require adaptations — often painful ones — to new realities by all parties to that dynamic. However, today’s extensive interweaving of military balances, complex interdependence and overlapping spheres of co-operation are likely to deepen further, providing ongoing incentives to leaders in both China and the US to continue their avoidance of military confrontations. “Uneasy accommodation” is far more likely to be a compelling course for both countries’ leaders than is unremitting animosity so long as proponents of inevitable enmity do not gain control of policy-making in either country. Instead, the leaders of China and the US, along with those of other states in the region, must continue to enhance their co-operations and positive-sum interactions while minimizing and managing interactions likely to be confrontational and zero-sum.

History defies teleology. Certainly, that is also true of the theory of power transition. The future of US-China relations and of East Asia are far from predestined. Rather, the Asia-Pacific’s future will emerge as the product of choices made by leaders today and tomorrow. Farsightedness aimed at fostering a positive bilateral and regional order will be essential if such an order is to be forged. But the first requirement of any such future will be for leaders to avoid trapping themselves and limiting their creativity by presuming that their future is predetermined to be conflictual. Only then can they avoid the strategic dilemma of impounding the worst intentions to one another and thus creating the downward spiral into mutual mistrust and conflict that each allegedly seeks to avoid.

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