

THE NATURE OF TRUMP'S CHINA POLICY: AN EVOLUTION OF THE US "HEDGING STRATEGY" TOWARDS CHINA

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ABSTRACT: *The United States has been continuously exploring the best strategy to cope with a rising China. Based on the "con-gagement" strategy of the Bush administration, the Obama administration gradually formed a "hedging strategy" against China, featuring "strong coordination and strong confrontation". Since Donald Trump became the U.S. President, he has made a series of further adjustments to the U.S. policy towards China. As this article argues, these adjustments essentially do not mean the abandonment of the "hedging strategy", but a "critical" inheritance of it as well as a new attempt in the gradual adjustment and evolution of the U.S. strategy against China. However, with the further narrowing of the gap between the two countries and growing distrust of the U.S. towards China, the Trump administration's China strategy has gradually shifted to a new type of "hedging strategy" featuring "weak coordination and strong confrontation", which demonstrates a tendency of evolving to a confrontational strategy and hence may lead to more downward pressure on the Sino-US relations. In the short run, the Trump administration does not yet have the external conditions and internal motivation for a total rupture with China. Considering the internal and external conditions of the United States and the intertwined interests of the two sides, the Sino-US relations may still be characterized by competition, rather than conflict. In the long run, how the U.S. strategy against China shall evolve depends not only on the U.S. side, but also on China's attitudes and approaches in response. Indeed, China will play a more important role in shaping the Sino-US relations than ever before.*

KEYWORDS: U.S. foreign policy, Sino-US relations, hedging strategy, Trump, Obama

During the post-Cold War era, in the context of a rapidly rising China, the primary concern of the United States was how to form the best strategy against China in order to prevent the emergence of a new rival as powerful as the Soviet Union after WWII (Chen, 2009). As a result, the U.S. embarked on a long-drawn-out great debate over its China policy, namely "Integration" vs. "Confrontation" and "Engagement" vs. "Containment", through which the U.S. government has been continually exploring the best strategy to deal with the rise of China. After over a decade of discussions and explorations, the U.S. gradually adopted the "con-gagement" strategy during the Bush administration, which deliberately combined the elements of both "engagement"

and “containment”. After the Obama administration took office in 2009, the U.S. decided to shift the focus of its global strategy from Middle East to Asia-Pacific under the banner of “strategic rebalancing to the Asia-Pacific”. Hence, a “hedging strategy” against China was gradually formed on the basis of the “conengagement” strategy, which brought the Sino-US relations to a new balance amidst twists and turns. To the surprise of many people, Donald Trump, a successful businessman without any political experiences, became the U.S. president in 2017. Since taking the office, Trump has made a series of further adjustments to the U.S. strategy against China under the banner of "America First" and "Make America Great Again". Most importantly, he provoked a unprecedented trade war against China, which he defined as a "Strategic Competitor" of the United States.

In general, opinions vary tremendously within the Chinese academia when it comes to Trump's adjustments to the China strategy of the US. Despite that plenty of literatures described the specific policy adjustments, very few analysis clearly defined the nature of the Trump administration's China strategy through a systematic approach and from the perspective of national strategy. Among the existing literatures, there are three most representative viewpoints. The first regards that Trump, as a businessman who had zero experience in politics before and made many offensive moves to China during his election campaign, is a rather unorthodox President. Various signs have indicated that the U.S. has completely changed its China strategy under the Trump administration and is no longer continuing the old strategy adopted during the Obama administration (Li, 2017; Zhang and Feng, 2018) . Some scholars are worrying that the "anti-establishment" style and "de-Obama" tendency shown by this "atypical president" will bring numerous uncertainties to the Sino-US relations, and may even bring the whole world into a period of uncertainty (Zhang and Niu, 2017; Ruan, 2017). The second viewpoint is that Trump does not yet have a clearly-framed and well-organized Asian policy after he withdrew the U.S. from the Trans-Pacific Partnership (TPP), and his China policy lacks professionalism, coherence and stability, which is more oriented towards regional hotspot issues and may lead to chaos in policies especially when it comes to geopolitical and security areas (Liang, 2016). The third viewpoint is that the Trump administration's China policy still follows the logic of the historical evolution of the post-Cold War U.S. policy towards China, with generally strong coherence in the foreign strategy (Da, 2017; Wang, 2017; Han and Jiang, 2017).

The literatures above have provided important references for this article. However, the first two viewpoints have identified the adjustments and uncertainties President Trump has brought to the U.S. strategy towards China, but with limited attention paid to the "certainties" in Trump's China strategy. The third viewpoint demonstrates the historical development of the U.S. strategy toward China. It explains the internal logic and overall trend of the US adjustments made to the China strategy from the long-term perspective, but is insufficient to explain the aggravation of trade friction and increasingly fierce strategic competition between the two parties since Trump took office. Therefore, this article attempts to fill in the research gap by analyzing Trump's China strategy based on a comprehensive review of Obama's "hedging

strategy" towards China, and examining the Sino-US relations in a broader scope of time and space, so as to explore the essence of Trump's China policy and the logic behind it.

DEFINITION AND THEORETICAL FRAMEWORK OF "HEDGING STRATEGY"

Literature review: origin and definition of "hedging strategy"

History has shown that the rise of great powers will undoubtedly bring profound impacts on the existing power structure of international systems, international institutions as well as international relations. Plenty of researchers on international relations have provided classic interpretations of the rise of great powers and their international impact, ranging from "peaceful evolution" suggested by E.H. Carr (1964) and the "Power Transition Theory" put forward by A.F.K. Organski (1958) to the "Long Cycles in Global Politics" of George Modelski (1978) and the "Hegemonic Stability Theory" of Robert Gilpin (1981). Generally speaking, throughout the history, there are mainly three types of strategic responses of the international community towards a rising power: 1) coordination, including bandwagoning, buckpassing, etc.; 2) confrontation, such as balancing, containment and preventing war; and 3) somewhere between coordination and confrontation, namely "strategic ambiguity", including engagement, binding and so forth (Schweller, 1999: 7-18). In fact, these strategies above are not totally mutually exclusive. Engagement and balancing, for example, can be combined. Therefore, a "hybrid strategy" can also be regarded as one of the ambiguous strategic responses (Schweller, 1999: 17).

However, with broader impact of the international order established and dominated by the U.S., deepening complex interdependence among countries due to globalization and economic integration, an increasingly prominent role played by non-state actors such as multinational corporations and non-governmental international organizations, significantly reduced possibility of wars among major powers thanks to the nuclear revolution, continuous development of multilateral international organizations and international mechanisms, increasingly technical and institutional approaches for resolving disputes and frictions, great influence of such non-traditional security issues as global financial crisis, nuclear crisis, terrorism and climate change on the traditional security concepts of various countries, etc., the current international order that a rising modern China faces is significantly different from the situations that other rising powers encountered in the past (Ikenberry, 2007: 139). All these new factors above are shaping the rise of China and influencing other countries' strategic approaches towards China as well. This is an unprecedented historical scenario that never took place in the rise of any great power in the past. Correspondingly, traditional concepts in international studies such as "containment" and "balancing" have failed to clearly and comprehensively summarize the U.S. strategy toward China in the new century. In this context, the "hedging strategy", with a "bet-hedging" tactic at its core, has walked away from the field of finance and entered the arena of international studies, and has become a new tool to describe and summarize the U.S. strategy toward China.

Zalmay M. Khalilzad, a senior researcher at the RAND Corporation of the U.S. and former U.S. ambassador to Afghanistan, first proposed the concept of "hedging" in his book *"The United States and a Rising China: Strategic and Military Implications"* (Khalilzad,1999) and advocated the U.S. to take the approach of "containment and engagement" to "hedge against" the rise of China. Evan S. Medeiros, who previously worked at the RAND Corporation and later served as the Senior Director of Asian Affairs at the U.S National Security Council, was the first scholar to give an initial definition and summary of the "hedging strategy": "the counter-measure adopted by the U.S. is a hedging strategy where the U.S. hedges its bets on security issues, with a hybrid policy of cooperation and competition in response to China's rise in Asia, thus leading to a so-called geopolitical insurance strategy" (Medeiros, 2005/2006). Professor Evelyn Goh of the Australian National University, however, believes that "hedging is a strategy designed to prevent countries from adopting direct strategies such as balancing, bandwagoning and neutrality. The purpose of the hedging strategy is to create a position in between so as to avoid having to choose one at the expense of the other" (Goh, 2005; Goh, 2007/2008). From this perspective, the "hedging strategy" is a type of strategic ambiguity in essence. Professor Goh pointed out the subtle difference between the "hedging strategy" and other strategies, and summarized its characteristics, which is an important beginning for a more comprehensive and systematic understanding of the "hedging strategy".

Professor Cheng-Chwee Kuik of the National University of Malaysia believes that "hedging refers to actions taken by a country in a context of high uncertainty and intertwined interest seeking to reduce risks by adopting diversified policy choices and generating offsetting effect" (Kuik, 2008). His definition has gone further than previous scholars, with the prerequisites for implementing "hedging strategy" identified, namely high uncertainty in the external environment and closely intertwined interest between the two countries in question. However, this definition still has its limitations, as the two prerequisites above may not necessarily make every country in the world adopt a "hedging strategy". Professor Oystein Tunsjo of the Norwegian Defence Research Establishment has taken a further step on this basis, arguing that "countries implementing the hedging strategy are hoping to deal with uncertainties and reduce risks by sending out multiple mixed signals..... 'hedging' is a strategy that combines cooperation, competition, rivalry and many other factors" (Tunsjo, 2010). In other words, due to the existence of uncertainties and risks, a country will bet on both its "longs" and "shorts" through various approaches, seeking benefits while avoiding loss, and cautiously send mixed signals to competitors, so as to attain the goal of obfuscating the truth, reducing risks and protecting itself.

Professor Yu Zhengliang was the first scholar in China to define the "hedging strategy". He believes that "the U.S. implements the hedging strategy against rising powers that it regards as heterogeneous and hedges its bets. On the one hand, it adopts the engagement and integration strategy to encourage the rising power to become the so-called responsible stakeholder and help safeguard the U.S.-led international system. On the other hand, it resorts to alliance with other

big powers, strengthening its military deployment and carrying out military deterrence and containment against the rising power” (Yu, 2006; Yu, 2007). However, Professor Yu was mainly summarizing and describing the characteristics of the U.S. strategy towards China on security issues, with a detailed description of the basic features of the United States’ China strategy at that time. Thus, his definition only applies to the "hedging strategy" adopted by the Bush administration and fails to form concepts with universality. Moreover, Bush’s China strategy was not a typical "hedging strategy", but only an initial manifestation of the "hedging strategy". Further elaborations will be given in this article.

In addition, many Chinese scholars, such as Professor Zhou Fangyin of the Guangdong Institute for International Studies and Professor Liu Feng of the Nankai University, have referred to the concept of “hedging strategy” to analyze the seemingly contradictory policy choices made by Southeast Asian countries in the face of China and the United States. They believe that the “hedging strategy” refers to risk-avoiding measures taken by a country to deal with uncertainties, seeking to seize all the potential benefits while guarding against potential risks, namely “bet-hedging”(Zhou, 2012; Liu and Chen, 2015).

Generally speaking, research on the “hedging strategy” throughout the international academic community is still far from sufficient. As is argued by Professor Evelyn Goh, “there is not yet a single satisfactory definition explaining what on earth a hedging strategy means” (Goh, 2005). Nonetheless, previous discussions on how to define “hedging strategy” in the existing literature do provide important references for the author to form her own definition of “hedging strategy” and establish an initial theoretical framework for it. In this article, “hedging strategy” is defined as “a hybrid strategy with bet-hedging as its core adopted by a country with limited national strength against another country, with which it has intertwined interests, to seek benefits while lowering cost and avoiding loss in a relatively peaceful, permissive but highly uncertain international environment”. Based on the definition above and with a reference to existing literature and historical experience, this article sets out to further elaborate on the “hedging strategy” from its prerequisites, implementing bodies, core characteristics, strategic targets, major patterns, mechanisms and so forth.

Prerequisites and implementing body of “hedging strategy”

Prerequisites for the implementation of the “hedging strategy have rarely been discussed previously in the academia of international relations. Frequently mentioned prerequisites in the existing literature are “high uncertainty in the external environment” and “limitations of the national strength” proposed by Professor Cheng-Chwee Kuik (Kuik, 2008). However, as mentioned earlier, these two prerequisites are merely necessary conditions rather than sufficient conditions for implementing the “hedging strategy”. This article argues that, to implement the “hedging strategy”, the following prerequisites have to be met at the very least:

- (1) The international community is in a relatively stable state of anarchy, with countries or

international actors coexisting in a relatively peaceful and permissive international environment. Firstly, the degree of security dilemma among countries is relatively low, and the threats faced by the host country are non-extreme, discontinuous, non-urgent and non-concentrated. When a country faces very urgent direct invasion or indirect security threat from other countries, it would normally turn to direct strategic responses, such as bandwagoning, alliance and confrontation, to resist the threatening country and ensure its survival. Secondly, there is no fierce competition or arms race among great powers in the international community (Goh, 2005). Since such great power competition or arms race may directly or indirectly threaten a country's survival, direct strategic approaches are often adopted in response to the over-intense international environment, even in times of peace. Therefore, few countries would implement the "hedging strategy" in times of war or during the Cold War. Thirdly, due to the existence of anarchy and non-traditional security issues in the globe, the international environment that countries are facing is still of high uncertainty.

(2) The international system is not an "imperialist system", nor is there a superpower with global hegemony that enjoys an absolute advantage in all fields. In other words, limitations of the national strength can be witnessed in all the state actors in the international system. In an imperialist system, the empire is the only superpower. With an absolute advantage in controlling other countries, it can easily kill various possibilities of the rise of emerging powers. Neither the hegemonic power nor other weak countries are likely to adopt a "hedging strategy" (Zhu and Ross, 2007). Today, although as a superpower, the United States does not yet enjoy global hegemony (Wilkinson, 1999; Cox, 2004). Nor can the American unipolarity in the international system guarantee that the U.S. can withstand all the risks that come along with a rising China. Therefore, in today's international system, there is room for the U.S. as well as other countries to implement the "hedging strategy".

(3) Countries or international actors are in a state of complex interdependence. For one thing, considering the close relationship and highly intertwined interests between the host country and the target country, the host country cannot completely isolate the target country, nor can it reject cooperation with the target country in various fields. For another, the complex interdependence between the two countries is asymmetrical, with great uncertainties in the development of their bilateral relationship and changes to the gap between them. The former is the basis of "seeking benefits" and the latter is the root of "avoiding loss". This scenario usually takes place between emerging countries and the rest of the countries, where the "hedging strategy" is adopted as one of the main strategies in response to the emerging powers.

(4) Ideological factors have relatively less impact in a country's decision-making process. In this regard, instead of ideological competition and other immaterial benefits, material interests are at the core in the host country's calculation of its national interests. For example, during the Cold War, with significant influence of ideological factors in the process of foreign policy decision-making process, countries had to make strategic choices in a bipolar world, where

most of them adopted the strategy to lean to one of the two superpowers.

In today's international community, the implementing body of the "hedging strategy" is mainly a state, but can also be other international actors. The host country and the target country are usually in a relationship where they are neither enemies nor friends. Evelyn Goh believes that the main implementing body of the "hedging strategy" should be countries that are in a relatively weak position in the international system, excluding big powers such as China, the U.S. and so forth. As a matter of fact, however, the "hedging strategy" has been used by scholars to examine China's foreign policy and to analyze the security environment in Europe. Also, It has even been widely discussed as "the best strategy for the U.S. to respond to a rising China apart from engagement and containment" and considered by some scholars as an important part of the U.S. policy toward China (Foot, 2006; Goh, 2005; Medeiros, 2005/2006; Tunsjo, 2008). Therefore, this article believes that "hedging strategy" can be implemented by any country in today's world, including such big powers as China and the United States.

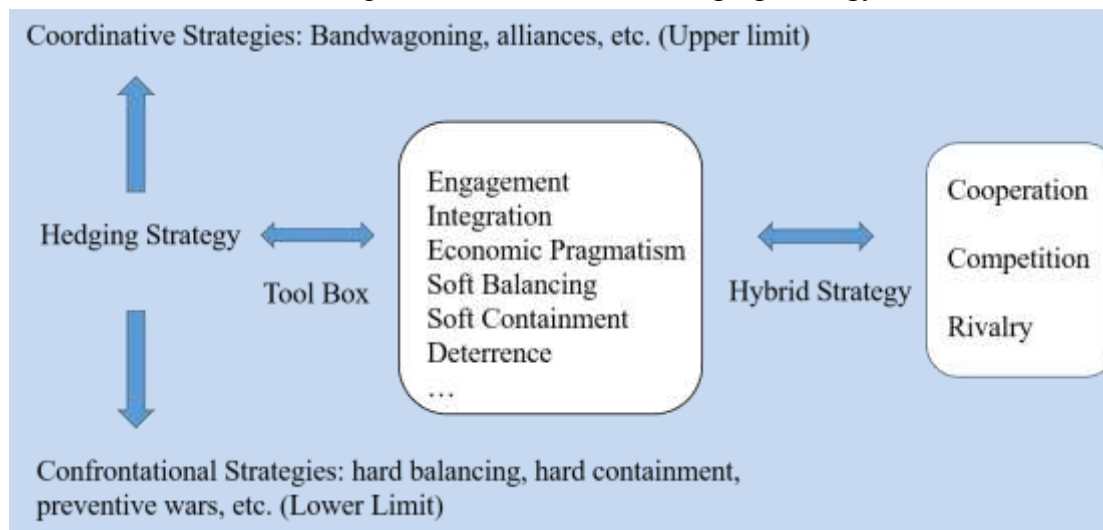
Core characteristics, strategic objectives, major patterns and operating mechanism of the "hedging strategy"

First, the essence of the "hedging strategy" is a hybrid strategy between coordinative strategies, such as bandwagoning and alliance and confrontational strategies, such as hard balancing, hard containment and preventive war, with "bet-hedging" at its core, namely seeking benefits while avoiding loss. This is the key feature that differentiates the "hedging strategy" from other strategies. But "bet-hedging" does not mean that the "hedging strategy" only covers two strategic factors. Instead, it requires a country to adopt diversified and contradictory foreign policy tools in various fields, including politics, economy, security and so on. "Seeking benefits" mainly refers to pursuing the maximization of interests, and the corresponding tactics, ranging from soft approaches to hard ones, include economic-pragmatism,¹ engagement (integration) and bandwagoning (alliance). "Avoiding loss" mainly refers to maximized prevention and avoidance of risks to reducing the cost of survival and development. The corresponding tactics, ranging from soft approaches to hard ones, mainly include economic-pragmatism, soft balancing (soft containment, deterrence)² and hard balancing (hard containment, preventive war) (as shown in Figure 1). Therefore, "hedging strategy" itself is a multi-dimensional and complex mechanism covering a variety of strategic approaches and wide-ranging factors such as cooperation, competition and confrontation.

¹ Economic pragmatism here mainly refers to the action of a country to maximize its economic benefits through economic approaches such as trade and investment. This article argues that economic pragmatism itself is an action of pursuing economic benefits based on utilitarian and realistic considerations. Compared with the coordination and confrontation strategies, economic pragmatism is a relatively neutral and pragmatic strategy. Economic pragmatism is the material basis of the "hedging strategy". A majority of countries have involved economic pragmatism in their current strategies towards China.

² "Soft balancing" is mainly a relative concept towards hard balancing. The actions involved in soft balancing will not directly challenge other countries militarily and are not aimed at changing the world order. Rather, soft balancing seeks to delay, complicate or increase the cost of using power. "Hard balancing" usually takes place between countries with fierce competition over power, so the measures of hard balancing usually lead to direct military confrontation and transfer of power. For discussions on soft balancing and hard balancing (T.V. Paul, 2004:2; Pape, 2005).

Figure 1: Framework of “hedging strategy”



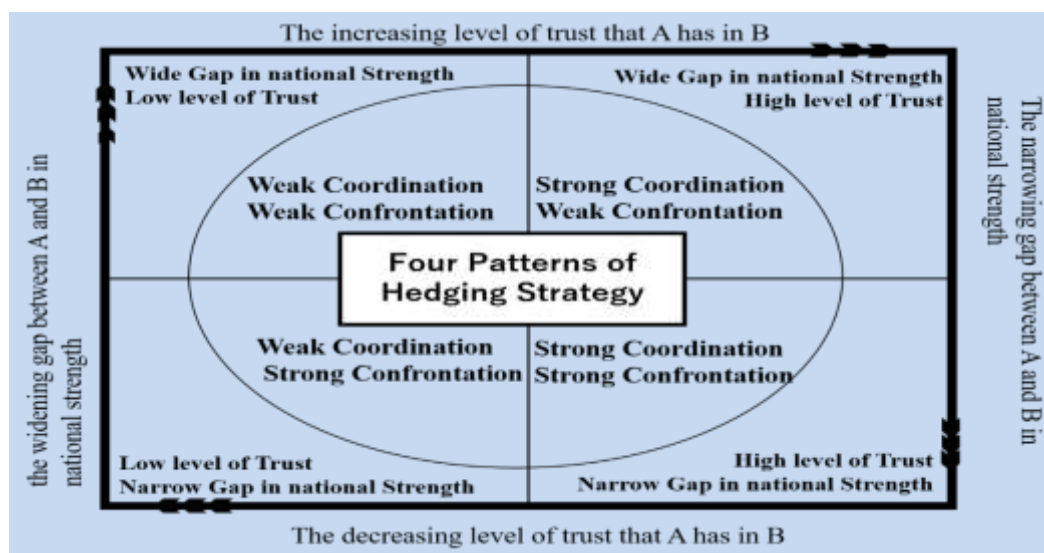
Source: Summarized and Revised according to the research of scholars such as Kuik Cheng-Chwee(2008), Oystein Tunsjo (2010), and Liu Feng and Chen Zhirui (2015).

Second, fundamentally speaking, the ultimate goal of the “hedging strategy” is to safeguard national interest. But the strategic goal of the “bet-hedging” is not simply the maximization of power and benefits. Rather, the strategic goal is to reduce the cost of national survival and development and avoid risks by sending out mixed signals while enjoying the benefits. In other words, the host country needs to weigh the trade-off between “seeking benefits” and “avoiding risks”, and find a balance point, focusing on relative returns and relative costs rather than blindly pursuing the increase of absolute returns.

Third, the “hedging strategy” possesses a significant feature of “destabilizing effect”. As is shown in Figure 1, the “hedging strategy” has the possibility of evolving in two opposite directions, so it enjoys great flexibility. Meanwhile, it also determines the complexity, repeatability and volatility of the bilateral relationship between the host country and the target country. The author believes that the key variables affecting the evolution of the “hedging strategy” are the gap in relative national strengths between the host country and the target country (material factor) and the level of trust that the host country has in the target country (cognitive factor). Admittedly, how the “hedging strategy” evolves is also affected by third-party factors, including the domestic situation of the host country and the target country, personality traits of the state leaders, influence of other relevant countries, etc. But the influence of those factors are usually reflected in the changing gap of relative national strengths between the two countries and the level of trust that the host country has in the target country. Therefore, for convenience of research, this article will not spare a separate chapter to discuss the influence of third-party factors. Based on the comprehensive influence of the two key variables, namely

the gap in national strength and the level of trust, the author roughly subdivides the specific approaches of the “hedging strategy” into four dimensions: strong coordination, weak coordination, strong confrontation and weak confrontation, thus reaching four types of “hedging strategy” (as shown in Figure 2).³ Different types of “hedging strategy” can reflect the differences in the intensity of competition and the depth of cooperation between the host country and the target country. Figure 2 demonstrates that the host country may adopt different types of “hedging strategy” for the same target country at different periods of time, and may also adopt different types of “hedging strategy” for different target countries during the same period of time. It is worth noting that, as one of the material basis and important strategic approaches of the “hedging strategy”, “economic pragmatism” is double-edged itself. So it generally exists in all types of “hedging strategies” disproportionately.

Figure 2: Four Patterns of Hedging Strategy



Fourth, the connotation of the “hedging strategy” itself also determines the upper limit (bandwagoning, alliance, etc.) and lower limit (hard balancing, hard containment, preventive war, etc.) for the evolution of the strategy in two directions. Attributed to the existence of the “upper limit” and “lower limit”, the bilateral relationship between the host country that implements a “hedging strategy” and the target country will generally return to the threshold after going up or down for a certain period of time and reaching the tipping point.⁴ Therefore, despite of the fluctuation in the short run, to some extent, their bilateral relationship is relatively more stable in the long run.

³ The “strong” and “weak” here mainly refer to the difference in the degree and preference of hedging. For convenience, this article uses “strong confrontation” and “weak confrontation” to describe negative (confrontational) strategic approaches, such as soft containment, soft balancing and deterrence, and uses “strong coordination” and “weak coordination” to describe positive (coordinative) strategic approaches, such as engagement, cooperation and integration.

⁴ The definition of “tipping point” here is worth further research and discussion. This article tends to define the tipping point of the “upper limit” as the strategic alliance between two countries and define the tipping point of the “lower limit” as a cold war or the outbreak of a massive conflict or war between two countries.

Comparison of “hedging strategy” with other strategies

Comparison of "hedging strategy" with balancing, alliance, band-wagoning and engagement

Balancing, band-wagoning and engagement are all single strategies, while the “hedging strategy” is a hybrid strategy. It is not a third option chosen when balancing or band-wagoning fails to work. A country can adopt the engagement strategy while implementing other strategies, such as indirect balancing or soft balancing, at the same time. Thus, this hybrid feature is the biggest difference between the “hedging strategy” and the other four strategies. Since it is difficult to use strategies of alliance and band-wagoning while implementing confrontational strategies such as hard balancing, these two extreme types of strategies cannot be “mixed” within the “hedging strategy”.

Comparison between "hedging strategy" and “balancing-big-powers” strategy

There are plenty of similarities between the “hedging strategy” and the strategy of “balancing big powers”: both apply to weak countries and are double-edged. But there are also some essential differences. Firstly, the two strategies have different targets. Balancing among big powers is not targeted at one particular country. Rather, it aims to gain benefits by balancing big powers or taking advantage of the competition among big powers. In contrast, the “hedging strategy” is more targeted. A typical approach of the “hedging strategy” is to engage with a third country so as to reduce the risks posed by the targeted country. Secondly, the “balancing-big-powers” strategy pursues "equidistant diplomacy", seeking to establish friendly relationship with every big power in the world. In comparison, “asymmetry” is often witnessed in the "hedging strategy". The host country’s distance with the target country and its distance with other major powers may not be the same. The distance gap usually depends on the host country’s perception and assessment of risks and benefits in its relationship with other major powers. Thirdly, the fundamental objectives of the two strategies are different. The primary objective of balancing big powers is to maximize the benefits, while the “hedging strategy” is fundamentally aimed at gaining benefits while avoiding risks. Finally, the “hedging strategy” can be applied in a wider range of fields. The “balancing-big-powers” strategy is often adopted by weak countries, generally targeting at big powers, while the host country and target country of the "hedging strategy" can be either weak countries or such great powers as China and the U.S.

Comparison between "hedging strategy" and "conengagement strategy"

The "containment + engagement" strategy, namely the “conengagement” strategy, is a new concept derived from the debates in the U.S. between “containment” and “engagement” and the implementation of the U.S. foreign policy during the post-Cold War period. Undoubtedly, this strategy has a lot in common with and is closely linked to the “hedging strategy”. Both the two strategies are hybrid strategies, reflecting the dual characteristics of the United States’ China policy and the objective of the U.S. to seek benefits while avoiding loss. However, the two strategies are not exactly the same. To begin with, the “containment” in the “conengagement”

strategy initially refers to the “containment” strategy in the traditional sense, which emphasizes “hard containment”.⁵ In contrast, the tactic of “avoiding loss” in the “hedging strategy” attaches more emphasis to “soft balancing” and “soft containment”⁶. Furthermore, the “hedging strategy” involves factors that are more complicated and diverse and is a broader concept, covering a variety of strategic factors, such as economic pragmatism, engagement, binding, soft containment and soft balancing. The “conengagement” strategy, on the other hand, is mainly a combination of “containment” and “engagement”. To some extent, the “conengagement” strategy can be seen as the primary manifestation of the “hedging strategy”. Lastly, the “conengagement” strategy is very American and has its great uniqueness. The “engagement” strategy discussed by the academic community actually also includes the factor of “integration”. In comparison, the “hedging strategy” is not necessarily a combination of “engagement” and “containment”, and may not necessarily include the “integration” factor. Rather, it can be applied to a wider range of scenarios. Not only can it be used in the U.S. strategy towards China, but it can also be used by other countries.

Formation of the US "hedging strategy" towards China featuring “strong coordination and strong confrontation” under Obama administration

As far as Obama is concerned, China is “an important cooperative partner as well as a competitor of the U.S.” (Liao and Ji, 2009). After the financial crisis in 2008, on the basis of Bush’s “conengagement” strategy towards China, the Obama administration made all-round adjustments to the China policy in various fields under the banner of “return to Asia-Pacific” and “strategic rebalancing in Asia-Pacific” through careful analysis on the international situation and the Sino-US relations, and gradually formed the typical “hedging” strategy with “bet-hedging” at its core. Compared to the Bush administration, the Obama administration attaches more emphasis to the Sino-US relations and focuses on using “smart power” to “hedge against” the rise of China, with more complicated, diverse, flexible and pragmatic strategic approaches adopted in the fields of economy, politics, security and so forth.

Economy: economic pragmatism

The Obama administration’s economic policy toward China shows obvious dual characteristics and has features of economic pragmatism. On the one hand, Obama has been actively promoting and deepening the economic and trade cooperation with China, hoping to make full use of the engagement with China to solve the domestic economic problems brought about by the financial crisis. For example, in April 2009, China and the U.S. decided to establish the “Sino-

⁵ The “containment strategy” generally refers to the major strategy adopted by the United States to cope with the Soviet Union during the Cold War. Academically, the containment strategy usually refers to the foreign strategy that prevents and restricts the development of the hostile country by means of political isolation, military deterrence and economic blockade.

⁶ The “soft containment” strategy is mainly a relative concept towards the traditional concept of the “containment” strategy (hard containment). Firstly, soft containment is less intense. It is not a direct confrontational strategy and is often based on limited arms, joint military exercises as well as regional or international cooperation. Secondly, soft containment focuses on delaying and restricting the competitor’s development with soft power. Finally, soft containment mainly emphasizes struggles and restraints within the system, rather than promoting the “peaceful evolution” of the hostile country from outside the system. But both soft containment and hard containment are targeted at constraining the development of competitors.

US Strategic and Economic Dialogue" in order to further deepen the economic and trade relationship between the each other. On the other hand, in order to reverse the trade deficit with China and increase exports to China, the Obama administration made use of such trade sanctions as countervailing and anti-dumping to restrict Chinese exports to the U.S. Meanwhile, it frequently criticized China in terms of the market access, government procurement and intellectual property protection in China, seeking to expand US exports to China. In addition, the U.S. also signed the "Trans-Pacific Partnership Agreement" with such countries as Japan and Australia. The Obama administration actively advocated that the strategic goals of TPP negotiations are more important than the economic goals. The United States was hoping to establish a set of "American standards" in economic and trade cooperation in order to regulate China's behaviors and replace China's dominant position in regional economic cooperation (Zhu, 2012; Chen, 2017).

Politics: engagement based on binding + integration + soft balancing

Politically, the Obama administration mainly adopted the policy of engagement with binding as well as integration, with factors of soft balancing included at the same time. For example, the meeting between the Chinese and U.S. presidents at the G20 summit as well as the exchange of visits between the heads of state and high-level officials has pushed ahead with the smooth development of the bilateral relationship. Under the proposal of the United States, China and the U.S. have also carried out extensive bilateral and multilateral cooperation within multilateral international organizations, such as the East Asia Summit and the G20 Summit, to solve global economic crisis as well as climate, energy and environmental issues. During the Obama administration, some researchers even proposed "the group of two (G2)" concept. In the 2010 *National Security Strategy of the United States of America*, the Obama administration welcomed China to join the U.S. and the international community in taking a responsible leadership role in promoting economic recovery, tackling climate change and so forth. Obama has continued his predecessor's goal to "integrate" China with the U.S. and focused on using multilateral international mechanisms to regulate China's behaviors, aiming at integrating China into the U.S.-led international system and multilateral international mechanisms and thus influencing China's domestic and foreign policies, so as to push China to assume international responsibilities and develop in a way that benefit the U.S. On the other hand, in order to maintain its leadership in the Asia-Pacific region, the U.S. has already roughly formed a "strategic encirclement" that counterbalance the rise of China politically by making up to old allies, such as South Korea, Japan and Australia, and wooing new friends, such as India, Indonesia, Vietnam and ASEAN. In addition, the Obama administration has repeatedly criticized China in terms of "Uyghur nationalism", "Tibetan independence", human rights, the Taiwan issue, the Korean nuclear issue and dispute over the South China Sea, guiding the public opinion in the international community to continuously exert pressure on China.

Security: Soft containment and cooperation

The Obama administration has pragmatically adopted completely different policies toward China in the traditional and non-traditional security fields respectively. In the traditional security field, the U.S. mainly adopted the "soft containment" strategy. In the non-traditional security field, however, the U.S. was actively seeking cooperation and coordination with China, hoping to work hand in hand with China to solve non-traditional global security issues and jointly assume international responsibilities.

The US Department of Defense declared in the 2009 *Annual Report to Congress: Military Power of the People's Republic of China* that "we will continue to improve and optimize our ability to respond to China when necessary..... We will continue to pressure China to increase transparency in its military affairs, including the spending, strategies, plans and intensions of its national defense". In July 2010, with "prior communication and coordination" with Vietnam, Hillary Clinton accused China of its policy on the South China Sea at the 17th ASEAN Regional Forum, intervening aggressively in the dispute over the South China Sea. In the report *Sustaining US Global Leadership: Priorities for 21st Century Defense* released on January 5, 2012, it was clearly pointed out that in the future, "strategic rebalancing" in Asia-Pacific will be a core step for the US military to adjust its military strength, optimize its global strategic deployment and identity new military priorities in response to threats. The 2015 *National Security Strategy of the United States of America* demonstrated stronger precaution than the 2010 report, claiming that the U.S. should "be wary of China's military intimidation to resolve territorial disputes..... manage our differences with China based on each other's national strength, insisting that China should abide by international rules and respect international norms on various issues such as maritime security and human rights". Moreover, the U.S. also proposed a concept of military development specially for China that aims to build and implement the Air-Sea Battle, and significantly strengthened its military presence in the Asia-Pacific region, including expanding its military bases, strengthening and expanding the network of military alliance, frequently carrying out military exercises, deepening and expanding military cooperation with the neighboring countries of China, etc., which formed its "strategic encirclement" and "soft containment" of China militarily (Zhu, 2012; Schwartz and Greenert, 2012).

In the non-traditional security field, the U.S. has been actively promoting cooperation and policy coordination with China. In November 2009, the United States officially signed the *U.S.-*

China Memorandum of Understanding to Enhance Cooperation on Climate Change, Energy and the Environment with China. In addition, China and the U.S. have actively and extensively cooperated with each other in tackling and solving global issues such as global economic crisis, anti-terrorism and climate change.

In summary, during the Obama administration, the United States has already formed the "hedging strategy" against China featuring "strong coordination and strong confrontation". This

strategy includes a great number of factors, ranging from cooperation, competition to less intense confrontation, and a variety of strategic approaches, such as economic pragmatism, engagement based on binding, soft balancing, soft containment and cooperation. It goes all out to prevent and watch out for the worst possibilities in the Sino-US relations, while actively seeking to influence and guide China to develop in a way that benefits the U.S. Looking back at the China policy during the Obama administration, it can be found that the coordination strategy played a more important role in the early days while confrontational factors significantly increased later in that period, with the overall Sino-US relationship in a downward trend and uncertain situation. However, despite the "bottoming" of the Sino-US relations from time to time, the bilateral relationship always returned to its initial position with a rupture, which fully reflects the destabilizing and stabilizing effect of the "hedging strategy".

The formation of the Obama administration's "hedging strategy" featuring "strong coordination and strong confrontation" was mainly affected by the following factors. On the one hand, Sino-US cooperation in non-traditional security areas such as anti-terrorism after the 911 incident has significantly enhanced the mutual trust between the two sides. In particular, after the financial crisis, China became the biggest creditor of the United States. This new economic relationship between the two sides has made the United States deeply aware of the importance of China's economic prosperity to the economic recovery in the U.S. Therefore, as soon as Obama took office, he showed strong willingness to strengthen cooperation with China in the economic and non-traditional security fields. And he continued his predecessor's target of "integrating China with the U.S. through engagement". To relieve domestic economic difficulties through bilateral and multilateral economic and trade cooperation with China and other Asia-Pacific countries while tackling the employment issue by expanding exports to the Asia-Pacific region is one of the important motives for the Obama administration to "return to Asia" and reach out to China. On the one hand, when Obama took office, the United States was still stuck in wars in Iraq and the Afghanistan, which caused strong anti-American sentiment around the world, and had just went through the biggest financial crisis since the end of the Cold War, which left the U.S. with sluggish domestic economy. In sharp contrast to the decline of the U.S. economy, China's economy maintained a relatively high growth rate after the financial crisis. In 2010, China's GDP surpassed Japan's for the first time. China gradually occupied a core position in the regional economic system while significantly improving its regional and International influence. Although China did not yet have enough strength to challenge the global leadership of the United States, in the eyes of the Americans, China is gradually growing into a potential "regional hegemonic power" in East Asia and the United States will face fiercer competition with China in Asia-Pacific. The narrowing gap between China and the U.S. as well as new changes to the economic structure and power distribution in Asia-Pacific have led to anxiety and fear of the U.S. and its neighboring countries, which pushed the Obama administration to gradually shift its strategic focus to the Asia-Pacific region and deploy its superior strategic and military resources in the neighboring counties of China in Asia-Pacific, with further strengthened soft containment and soft balancing against China in

comparison to the Bush administration.

Evolution of the US "hedging strategy" towards China under Trump administration Trump's adjustments to the China policy

Trump has again made a series of adjustments to the U.S. domestic and foreign policies under the slogan of "America First" and "Make America Great Again" since he became the U.S. president in January 2017.

Reordering national interests and redefining national security

Unlike all the American administrations after the Cold War, Trump administration regards economic and security interests as the core interests of the United States, while the so-called "universalism" values as well as the U.S.-led international rules and order, which were traditionally seen as important national interests, are now placed in a less important position and are even deliberately ignored (Song, 2017). In the meantime, Trump himself claims that "Economic security is not simply related to national security. Economic security itself is equal to national security, which is crucial for our national strength". Although the Obama administration also attached great importance to economic security in the past, it has never been clearly identified as more important than political security.

Adjusting the strategic positioning of China

In contrast to the comments in the *National Security Strategy of the United States of America* in 2010 and 2015 that "welcome the rise of a stable, peaceful and prosperous China", the latest report released at the end of 2017 mentioned China for over 30 times and all the relevant comments were negative. In the 2017 report, for the first time, China was listed as a "revisionist power" and the top "strategic competitor" threatening the United States, followed by Russia, North Korea, Iran and other "rogue regimes" or terrorist countries. The report also emphasized that "strategic competition between countries, rather than counter-terrorism, has become the primary concern of the United States in safeguarding national security".

Shifting from promoting globalization to trade protectionism

In contrast to the promotion of global free trade by the previous administration, the Trump administration blamed the problems in the U.S., such as trade deficit, outflow of the manufacturing industry and unemployment, on the "unfair" trade relations between the United States and other countries. Under the banner of "America First", he announced the withdrawal of the U.S. from the "Trans-Pacific Partnership Agreement" and decided to restart the North American Free Trade Agreement (NAFTA) negotiations. Also, he substantially reduced foreign aid, imposed high tariffs and even threatened to withdraw the U.S. from the WTO. All his actions have shown strong "trade protectionism". Although much more trade lawsuits against China have already been filed by the Obama administration in comparison to the Bush administration, the Trump administration is now imposing even stricter economic sanctions on China in the name of reversing the trade deficit with China and "reforming fair and mutually

beneficial economic and trade relations between the two sides”. In particular, the Trump administration arbitrarily provoked a trade war against China in March 2018, with a series of actions taken, including launching the “301 investigation” against China, rolling out a massive list of Chinese products subject to additional tariffs, banning exports of technology to ZTE for a period of seven years with a fine of US\$1.4 billion and launching targeted strikes on China’s high-end manufacturing industry, which has led to growing trade friction between the two sides.

Shifting from seeking to spread universal values to “pursuing peace with strength”

Belief in democracy is deeply rooted in the American history. Since the United States became the only hegemonic power in the world after the collapse of the Soviet Union, all the U.S. administrations have been keen to promote Western democracy and freedom to the whole world. The Obama administration was no exception. However, since Trump took office, he has never shown the intention to shape and influence China's domestic and foreign affairs, with significantly decreased efforts to integrate China with the U.S. or regulate China’s behaviors with multilateral international mechanisms. Instead, he is more in favor of pursuing peace with strength. In comparison to the Obama administration, not only has the Trump administration further decreased ideological factors in its China policy, but it has also made its China policy more realistic.

Expanding the scope of American geographical balancing against China from Asia-Pacific to Indo-Pacific

After former US Secretary of State Rex Tillerson proposed “free and open Indo-Pacific” in October 2017, Trump immediately emphasized the notion “Indo-Pacific” in his trip to Asia. And the U.S. soon highlighted the importance of the "Indo-Pacific strategy" in maintaining US security in official documents such as the 2017 *National Security Strategy*. Although currently there is not yet concrete specific policy tools or major projects to support the "Indo-Pacific strategy", precaution against the rise of China is undoubtedly one of the important goals of this strategy. However, in terms of maintaining regional order, unlike the Obama administration’s aggressive involvement in Asia-Pacific affairs, the Trump administration’s willingness to participate in regional affairs has significantly decreased. The United States is no longer willing to aggressively intervene in regional affairs by itself. Rather, it hopes that its allies and partners in Indo-Pacific can assume more responsibilities and obligations and play a more important role in regional affairs.

Preferring bilateralism to multilateralism

In contrast to Obama’s efforts to integrate China into multilateral mechanisms, the Trump administration has adopted an extremely utilitarian and pragmatic approach towards multilateral mechanisms. Since Trump took office, the United States has withdrawn from several multilateral mechanisms previously established by itself, hoping to return to bilateral trade negotiations and bilateral cooperation. Apart from the Trans-Pacific Partnership Agreement and the Paris Agreement, the United States has also withdrawn from UNESCO and

the UN Human Rights Commission. Therefore, some scholars predict that under the Trump administration, the foundation for Sino-US cooperation in the multilateral arena may be much weakened, and the previously established U.S.-led international organizations as well as international systems may suffer a lot (Qian, 2017).

The Essence of Trump's adjustments to China policy

Although the Trump administration's China policy is distinctive from that of the Obama administration in many aspects, the author believes that these adjustments are not equal to an end of the United States' "hedging strategy" against China, but to a large extent an evolution of the "hedging strategy" from "strong coordination and strong confrontation" to "weak coordination and strong confrontation". In other words, to a large extent, the Trump administration has critically inherited the Obama administration's China strategy. Trump's actions should be seen as a latest attempt in the gradual adjustment and evolution of the US strategy toward China, with great adjustments as well as certain signs of inheritance.

Firstly, judging from the diplomatic activities during the early stage of the Trump administration, Trump's China strategy still has a strong "bet-hedging" characteristic: making full use of China to provide momentum for the development of the US economy while being more alert to the possible negative impact that China's rise may have on the global leadership of the U.S. At the same time, Trump's China strategy also combines multiple strategic approaches, including economic pragmatism, engagement, cooperation, soft balancing, etc. Therefore, in essence, it is still a hybrid strategy centered on "bet-hedging", which includes various strategic factors such as cooperation, competition and confrontation. For example, despite that Trump complained about the long-standing trade deficit between China and the United States in his presidential campaign, and even repeatedly accused China of manipulating exchange rates and threatened to impose a 40% tariff on all the Chinese imports so as to correct the imbalance in trade and investment between the two sides, the United States has not and is not intended to give up the possible gains from the Sino-US economic and trade cooperation. As the United States is in need of an enormous amount of money for its economic development, Trump not only met Jack Ma personally, hoping that Jack Ma can help create 1 million job opportunities in the U.S., but he also signed 34 agreements on economic and trade cooperation with China during his visit to China in November 2017, with a total amount of US\$253.5 billion, which has set a new record in the history of both Sino-US and world economic and trade cooperation. Furthermore, the majority of the products in the export order are from the energy, commodities and infrastructure sectors, which is seamlessly linked to the United States' domestic economic policy. In the face of such a historic achievement, Trump completely changed his previous attitude and comments as a "trade protectionist", and repeatedly expressed his hope to maintain an "active trading partnership" with China during his visit to China. In the evening of November 9th, 2017, he tweeted that "I look forward to building an even strong relationship between the United States and China". And he tweeted again on the morning of November 10th, 2017 that "my meetings with President Xi Jinping were very productive". All these above have fully

demonstrated the "profit-seeking" side of the Trump administration and its characteristics of economic pragmatism.

On the other hand, such actions as adjusting the strategic positioning of China, provoking the trade war against China and promoting of the concept of "Indo-Pacific" have shown stronger precaution of the Trump administration against China in comparison to its predecessor. The industries that are most severely suppressed by "Article 301" are the very areas in need of key breakthroughs as identified in the strategic plan "Made in China 2025". This shows that the Trump administration does not simply want to force China to reduce its trade surplus with the U.S. Rather, its underlying goal is to contain the momentum of China's rise by targeted strikes on China's high-end manufacturing industry and curb China's threat to US leadership in global technology and high-end manufacturing sectors, thereby reducing China's advantages in the future economic competition between China and the U.S. Trump has been wooing India and attempts to build a "diamond alliance system" to form a larger strategic encirclement of China. This is in essence a continuation of the basic principles of Obama's "soft balancing" and "soft containment", aimed to hedge China's regional influence, curb China's rise and guard against the potential threats posed by China's rise in an all-round way by changing the geostrategic environment of China. A series of strategic deployments during the Obama administration have also provided an important basis for the implementation of the "Indo-Pacific strategy".

Secondly, as far as strategic goals are concerned, although the Trump administration's China strategy has stronger characteristics of utilitarianism and pragmatism, the United States is not simply pursuing maximization of profits. Rather, it is seeking to reduce the cost of national survival and development while making profits and strive to avoid risks by sending out mixed signals, hoping to find a balance point between "seeking profits" and "avoiding risks" by constant adjustments.

For example, in the first half of 2018, Sino-US trade friction continued to escalate. However, when the international community was worrying about the worsening of the trade war between China and the United States, Trump suddenly tweeted on April 8th, 2018 that "President Xi and I will always be friends, no matter what happens with our dispute on trade..... Taxes will become reciprocal and a deal will be made on intellectual property. Great future for both countries". The tone of this message was the total opposite of the way he repeatedly criticized China previously. On May 8th, 2018, the Chinese and US Presidents had a phone call on resolving trade disputes, where Trump once again sent a positive signal to China, expressing his hope to establish a solid bilateral relationship with China and find a solution that would benefit both sides. On May 19, 2018, China and the United States released a joint statement on bilateral economic and trade consultations in Washington. The two sides agreed to take effective measures to substantially reduce the US trade deficit in goods with China and reached a consensus on strengthening trade cooperation in the fields of energy, agriculture, health, high technology, finance, etc. Both Trump's personal attitude and the fact that the two sides are back

to bilateral negotiations have shown that the Trump administration is still looking for a balance point between “seeking profits” and “avoiding risks” in the Sino-US relations while pursuing the maximization of national interests, so as to avoid a complete rupture with China that can lead to confrontation between the two sides.

However, on June 18, 2018, US Secretary of State Mike Pompeo once again provoked the trade war against China in his speech at the Detroit Economic Club, in disregard of the consensus that had already been formed in the previous Sino-US negotiations. On July 6, 2018, the United States announced that it would impose a 25% tariff on \$34 billion of Chinese products. And China immediately imposed retaliatory tariffs on US products. From the changing Sino-US trade frictions since March 2018, it can be seen that the Sino-US relationship during the Trump administration has shown more frequent adjustments back and forth as well as greater volatility than during the Obama administration. On one hand, this is related to Trump’s personal traits of valuing profits above righteousness and being contemptuous of international credibility. On the other, this kind of repetition and volatility is also essentially a process of balancing and adjustment between “seeking profits” and “avoiding risks” for the Trump administration, which reflects the “destabilizing effect” of the “hedging strategy”.

Thirdly, Trump’s “hedging strategy” toward China has gradually shifted from the “strong coordination—strong confrontation” pattern during the Obama administration to a “weak coordination—strong confrontation” pattern, which has shown a tendency to evolve towards a negative confrontational strategy. Specific evidences are detailed as follows:

The Trump administration has weakened such coordination strategies as “engagement” and “cooperation” with China and has basically abandoned the “integration” strategy. As for the “engagement” strategy itself, unlike the “engagement with binding + integration” strategy of the Obama administration, the Trump administration’s “engagement” with China is more about communication, engagement or negotiation in the ordinary sense, which is no longer aimed at integrating China into the US-led international system and multilateral international mechanisms and has basically abandoned the expectation of using multilateral mechanisms to constrain and influence China’s domestic and foreign affairs (Da, 2017). As far as the “cooperation” strategy is concerned, unlike Obama’s active pursuit of common interests with China, Trump tends to use his unique approaches to “force” China to cooperate with the U.S. in a way that is in line with the national interests of the U.S., which is a more selfish and negative attitude.

The Trump administration has strengthened such confrontational strategies as “soft balancing” and “soft containment”. The subtle changes to the strategic positioning of China in the 2017 *US National Security Strategy* conveyed at least two important signals. The first signal is that the United States has raised its strategic competition with China to a regional and even a global level, expanding from the economic sector to a wider range of fields such as security and politics.

Guarding against the rise of China has become the focus of the United States' global strategy. The second signal is that the United States will not make a strategic retreat from the Asia-Pacific region. Rather, it has decided to expand the scope of Sino-US geostrategic competition from Asia-Pacific to Indo-Pacific. In addition, the Trump administration has also strengthened its pressure on China in terms of the South China Sea issue and the Taiwan issue.

"Economic pragmatism" is more prominent in Trump's overall China strategy. As a former businessman, Trump has a stronger pursuit of "equal and mutually beneficial" Sino-US relationship as well as stronger determination and capability to reverse the United States' disadvantages in Sino-US trade in comparison to Obama. Due to the emphasis on economic security, the Trump administration holds a tougher attitude towards China in the economic field, with more diverse tactics and stronger utilitarianism. As a result, for a long time to come, the possibility and frequency of Sino-US economic and trade frictions may increase significantly.

The Obama administration has clearer boundaries among its economic, political and security strategies, while the Trump administration tends to "link" all kinds of issues, such as political and security issues, to the economic issue. Trump connects Sino-US trade friction with the geopolitical competition between the two sides, linking economic interests to China's key concerns such as the Taiwan issue and the Korean nuclear issue and even elevating the trade friction to the level of strategic competition concerning international rules and order. The Trump administration has been forcing China to make concessions by using "boxing combination", which has significantly increased the possibility of sparking conflicts between China and the U.S. in multiple areas simultaneously.

From Obama to Trump, the evolution of the US "hedging strategy" towards China is resulted from both the further narrowing of the gap between the two sides and the sharp decline of the United States' trust in China. By 2015, China's total import and export value has increased by 3.479 trillion US dollars compared to the beginning of the 21st century, which is nearly twice the increase in the United States during the same period. China has already surpassed the U.S. in terms of the total import and export volume in merchandise trade as well as the export volume (Han and Jiang, 2017). In 2017, at the market exchange rate, China's GDP accounted for 61.67% of the US GDP, close to the threshold of 2/3. Measured by purchasing power parity, China's GDP totaled 23.12 trillion international dollars, which surpassed the US GDP and ranked first in the world. Moreover, a narrowing gap between China and the United States in the fields of science and technology, education and military can also be witnessed. After the financial crisis, in contrast to the decline of the US international credibility, China's influence and voice in international organizations has increased significantly, with remarkably improved status and role in regional economic cooperation, the formulation of international rules and the reform of the global governance system. The further narrowing of the gap between China and the United States and the decrease of the United States' relative gains in the process of globalization has further intensified the Sino-US strategic competition at the regional and global levels. Therefore,

the United States attaches more emphasis to relative gains than absolute gains in its bilateral relations, with its overall China policy tending to be tougher and more realistic .

On the other hand, the sharp decline of the United States' trust in China has also played an important role in the evolution of the US strategy towards China. Firstly, with the further widening domestic wealth gap, aggravated social division and class antagonisms, and the narrowing of the gap between China and the U.S., the United States has been losing confidence in its national development as well as its control over the rise of China and has becoming more pessimistic on the prospects of the bilateral relations (Liu, 2017). At the same time, the negative sentiment of the American people towards China is constantly growing. The American people have become more nervous and anxious about the rise of China (Tao, 2016). It is more widely believed that China has robbed job opportunities from the U.S. and stolen the intellectual property of the US. Secondly, with the gradual evolution of China's foreign strategy, the significant growth in China's defense expenditure and rapid increase of China's international influence in recent years, coupled with "Belt and Road Initiative" and the establishment of the Asian Infrastructure Investment Bank (AIIB), the US political elites are more worried about China's strategic intentions. And a consensus has been gradually reached among strategists to strengthen prevention against China. China has even been tagged with new labels such as "sharp power" and "creditor imperialism" by not only important think tanks and mainstream media in the U.S., but also key American strategists, who play a significant role in the formation of China policy. Thirdly, as the main decision maker of the US foreign policy, Trump himself has formed a Hobbesian concept of survival due to the isolated elite education and rigorous military training he received during childhood. He believes that "this world is extremely dangerous and is not trustworthy, so you have to be strong enough and ready to fight"(McAdams, 2016). It is under this kind of thinking that Trump's overall trust in China is very low. He believes that China is developing in a way against the US interests. Therefore, only by becoming stronger in the competition with China and constantly strengthening economic and military strength can the United States truly ensure its safety.

Evidences have shown that the Trump administration has deeply realized the need to reflect on and change the United States' long-standing strategy toward China and explore new ideas and new approaches to respond to the rise of China. However, in the face of high unemployment rate, severe political and social division and sluggish economy, Trump has to pay more attention to domestic economic development and further retract the global strategy of the U.S., while continuing to maintain minimum engagement and cooperation with China to prevent the two sides from falling into the Thucydides trap. Therefore, before Trump finds a more practical solution, his only option is to critically apply the "hedging strategy", adjusting specific tactics and redesigning strategic deployment with more limited resources than during the Obama administration. Therefore, to a large extent, the Trump administration's "critical" inheritance of the "hedging strategy" is not only based on in-depth strategic considerations, but is also out of the reality that there are no other better options at hand.

The trend of the evolution of Trump's China strategy

Although the Trump administration's China strategy tends to evolve to a confrontational strategy, in the short term, the “hedging strategy” is still the best strategy for the United States to respond to the rise of China. In the short term, the Trump administration does not have the external conditions and internal motives to break through the “lower limit” of the “hedging strategy”.

First, although China's GDP is almost two-thirds of the US GDP, there are no fundamental changes to the gap between the two countries in terms of national strength and status, and there will not be such changes in the short term. Firstly, based on historical experience and from a long-term perspective, China has not yet had enough strength to realize the transfer of power. China's ability to intervene in and influence core international affairs has not reached the level of Germany in the late 19th century. Thus, China is still far from being able to pose direct threats to the global hegemony of the United States (Gao, 2018; Liu, 2017). Secondly, the RMB cannot shake the international hegemony of the US dollar in the short term. Thirdly, China has not yet established an alliance system strong enough to compete with the alliance system of the U.S. Fourthly, China has never proactively applied any foreign policy that poses direct threats to the survival of the United States or its core national interests. Also, China and the United States have not yet fallen into highly intense competition or arms race. Therefore, due to the gap between the two countries in term of the comprehensive national strength and the relatively relaxed international environment, for the time being, the Trump administration does not have the external motives to adopt a confrontational strategy against China and make China its true enemy.

Second, the United States is currently facing various domestic problems such as obstacles to economic development and serious political and social division, in addition to the heavy pressure exerted by its overseas wars over a long time. In this context, the United States under the leadership of the Trump administration is less capable and less willing to control other countries and mobilize global strategic resources, with a stronger tendency to retract its global strategy. Therefore, in the absence of urgent, concentrated and continuous external threats, giving priority to domestic issues, making full use of China and other countries to regain the momentum for economic growth and seeking domestic support will remain the focus of the Trump administration.

Third, although the United States' precaution against China is strengthening day by day with the growing strength of China, the cost-benefit ratio of guarding against China is also an important factor influencing the Trump administration's China strategy. Considering the limitations of the United States' national strength and the urgent need to solve domestic problems, it is difficult for the Trump administration to adopt highly-costly and highly-risky confrontational strategies against China in the short term, such as total containment or

preventive war. In contrast to the confrontational strategy, the “hedging strategy” is less costly, less risky and more flexible, and is more in line with the current national strength of the U.S. as well as its domestic political, economic and social conditions.

Fourth, as mentioned above, new changes to the international environment have made the Sino-US relationship different from the relationship between any emerging country and defending country in history. Due to the increasingly prominent problem of non-traditional security threats, there will be great potential for Sino-US cooperation. In the future, the Trump administration still needs to find a new balance point between "competing with China" and "coping with common threats together with China". Therefore, the increasingly complicated international environment and the highly intertwined interests between the two sides will be the main driving force for the Sino-US relationship to improve after it shows a downward trend, which can reduce the risk of a "rupture" in the Sino-US relations and make it possible for the two sides to compete with each other without total confrontation.

However, in the long run, the possibility that the Trump administration may break through the framework of the “hedging strategy” cannot be completely ruled out. How the US strategy towards China will evolve is primarily determined by the changing gap between China and the U.S. and adjustments to the interaction between the two sides. Although Trump’s China strategy is highly realistic, the Sino-US relationship will not necessarily end up in a “zero-sum game” or a “war between hegemonic powers”. With growing national strength, China is playing a more important role in influencing the US policy towards China and shaping the Sino-US relations. Therefore, how the US strategy toward China will evolve does not solely depend on the U.S. side, but is also determined by China’s attitudes and responses. Whether China and the United States can increase mutual trust, clear up doubts, avoid the trap of Thucydides, get out of the security dilemma, achieve mutual benefits and create a win-win situation depends on the joint efforts of both sides.

Summary

As is pointed out by Willanson Murray, “strategy itself is a process, a constant adjustment in order to adapt to the changing conditions and environment in a world dominated by randomness, uncertainty and ambiguity” (Murray, 2004:1). From the Obama administration to the Trump administration, the US "hedging strategy" towards China has undergone a process from the formation of the strategy to the gradual evolution of the strategy, and the process has not yet stopped up till now. This process has shown an important fact that in the post-Cold War period, with the further narrowing of the gap between China and the U.S. as well as the significant decline of the United States’ trust in China, the US strategy toward China is evolving towards a confrontational strategy, and the Sino-US strategic competition has gradually developed from a traditional competition over military and political power to a more complicated, more subtle and multi-dimensional game involving wide-ranging fields, such as economy, science and technology, politics, military and culture.

The “hedging strategy” implies the two-sidedness, ambiguity and complexity of the US strategy toward China. The instability of the “hedging strategy” determines that the Sino-US relations will inevitably show certain repeatability and volatility and also reflects the United States’ continuous adjustment between “seeking benefits” and “avoiding loss and risks”. Under the influence of the Trump administration's “hedging strategy” featuring “strong confrontation and weak coordination”, the Sino-US relationship is likely to face a stronger downward trend in constant fluctuations. However, the increasingly complicated international environment and the highly intertwined interests between the two sides make it possible for China and the U.S. to compete with each other with a total rupture.

With growing national strength and improved international status, China is playing an increasingly active and important role in choosing its own foreign strategies and shaping the Sino-US relations. As an emerging country, whether China can correctly understand and properly cope with the adjustments of the US strategy towards China will not only have a profound impact on the Sino-US bilateral relations, but will also have significant influence on the development of the Asia-Pacific region and even the world at large.

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