

## *The Upside of US–Chinese Strategic Competition*

US–Chinese strategic competition is a defining factor in world politics. The prevailing narrative on US–China relations predicts inevitable conflicts between these two giants, potentially leading to a self-fulfilling prophecy. While fully acknowledging the inherent dangers of potential wars or military conflicts between the two powers, this book shows that competition is not necessarily detrimental. By systematically examining US–China institutional balancing across security, economic, and political domains, particularly in the aftermath of the 2008 global financial crisis, this book highlights three positive externalities or unintended consequences: the revitalization of regional institutions to address emerging challenges, unexpected collaborations between great powers (the US and China) and regional actors, and the provision of public goods by both nations. The book argues that constructive and institutionalized competition between the US and China, if managed with strategic foresight and restraint, could inadvertently lead to positive outcomes – institutional peace – in the Asia-Pacific region.

KAI HE is Professor of International Relations at Griffith University, Australia. He served as a nonresident Senior Scholar at the United States Institute of Peace (2022–2023), an Australian Research Council (ARC) Future Fellow (2017–2020), and a postdoctoral fellow in the Princeton–Harvard China and the World Program (2009–2010).

HUIYUN FENG is Professor of International Relations at Griffith University, Australia. Her latest coauthored books include *After Hedging* (with Kai He, Cambridge Elements in IR, 2023) and *Contesting Revisionism: China, the United States, and the Transformation of International Order* (with Steve Chan, Wenxin Hu, and Kai He, 2022).

# The Upside of US–Chinese Strategic Competition

Institutional Balancing and Order Transition  
in the Asia Pacific

KAI HE  
*Griffith University, Queensland*  
HUIYUN FENG  
*Griffith University, Queensland*



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*To our children, Alexander and Isabella, for a peaceful world*

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*Abbreviations*

AADMER	ASEAN Agreement on Disaster Management and Emergency Response
ACCEMC	ASEAN-China Centre for Emergency Management Cooperation
ADB	Asia Development Bank
ADMM	ASEAN Defence Ministers Meeting
AFC	Asian Financial Crisis
AIIB	Asian Infrastructure Investment Bank
APEC	Asia Pacific Economic Cooperation
APT	ASEAN Plus Three
ARF	ASEAN Regional Forum
ASEAN	Association of Southeast Asian Nations
B3W	Build Back Better World
BRI	Belt and Road Initiative
BRICS	Brazil, Russia, India, China, and South Africa
CCP	Chinese Communist Party
CEPEA	Comprehensive Economic Partnership in East Asia
CHR	Commission on Human Rights
CICA	Conference on Interaction and Confidence-Building Measures in Asia
CoC	Code of Conduct
CPTPP	Comprehensive and Progressive Agreement for Trans-Pacific Partnership
CSP	Comprehensive Strategic Partnership
DOC	Declaration on the Conduct of Parties in the South China Sea
EAFTA	East Asian Free Trade Agreement
EAS	East Asia Summit
FOIP	Free and Open Indo-Pacific
FONOP	Freedom of Navigation Operations
FTA	free trade agreement



*List of Abbreviations*

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GCI	Global Civilization Initiative
GDI	Global Development Initiative
GFC	Global Financial Crisis
GSI	Global Security Initiative
HRC	Human Rights Council
ICCPR	International Covenant on Civil and Political Rights
ICESCR	International Covenant on Economic, Social, and Cultural Rights
IMF	International Monetary Fund
INF	Intermediate-Range Nuclear Force
IPEF	Indo-Pacific Economic Framework
JBIC	Japan Bank for International Cooperation
LIO	liberal international order
LMG	Like-Minded Group
MAD	Mutually Assured Destruction
NAFTA	North American Free Trade Agreement
NGO	nongovernmental organization
OPIC	Overseas Private Investment Corporation
PPP	Purchasing Power Parity
PTA	preferential trade agreement
Quad	Quadrilateral Security Dialogue
R2P	responsibility to protect
RCEP	Regional Comprehensive Economic Partnership
RTA	regional trade agreement
SCO	Shanghai Cooperation Organization
SDG	sustainable development goals
SDNT	Single Draft Negotiating Text
SLD	Shangri-La Dialogue
TAC	Treaty of Amity and Cooperation
TPP	Tran-Pacific Partnership
TPSEP	Trans-Pacific Strategic Economic Partnership
UPR	Universal Periodic Review
UPU	Universal Postal Union
USMCA	US-Mexico-and-Canada Agreement
WTO	World Trade Organization