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Beyond the AI Race: Reframing U.S.-China Relations in an Age of Uncertainty

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In recent years, artificial intelligence has moved to the very center of U.S.–China relations. Once seen primarily as a driver of economic growth and technological progress, AI is now increasingly framed through the lens of strategic competition. The language of a "race"—to build more powerful models, to secure compute advantage, to dominate the future of intelligence—has become a defining feature of bilateral discourse.

But this framing is not merely rhetorical. It is reshaping how policymakers, industries, and publics in both countries understand the relationship itself. And in doing so, it risks pushing U.S.–China relations further into a cycle of mistrust at precisely the moment when cooperation is most needed.

The Problem with the "AI Race" Narrative

The idea of an "AI race" is intuitively appealing. It simplifies a complex technological landscape into a familiar geopolitical storyline: two major powers competing for leadership in a transformative domain. Yet this narrative is deeply misleading—and potentially harmful.

First, it obscures the fundamentally interconnected nature of AI development. Despite growing efforts at technological decoupling, the AI ecosystem remains globally embedded. Supply chains, talent flows, research collaboration, and open-source communities continue to span national boundaries. Even the most advanced systems are the product of cumulative, transnational innovation. Framing AI as a zero-sum competition ignores this reality and risks undermining the very foundations of innovation.

Second, the "race" narrative creates incentives that are misaligned with safety and governance. When technological advancement is framed as a competition to be won, speed becomes the priority. In such an environment, transparency is reduced, information-sharing becomes politically sensitive, and cooperation on risk mitigation is deprioritized. The result is not only duplication of effort, but also an increased likelihood of blind spots in managing emerging risks.

Third, and perhaps most concerning, the narrative amplifies mistrust. In an already fragile bilateral relationship, the idea that one side's technological gain necessarily comes at the expense of the other reinforces suspicion. It encourages policymakers to interpret even defensive or precautionary measures as offensive or strategic moves. Over time, this dynamic can become self-reinforcing, narrowing the space for dialogue and cooperation.

A Changing Risk Landscape—and a New Escalation Dynamic

While the discourse becomes more competitive, the nature of AI-related risks is evolving in the opposite direction—toward greater interdependence.

Today's most pressing AI challenges are not confined to national borders. They are systemic, cross-domain, and increasingly global in their impact. The convergence of AI with other high-risk domains illustrates this clearly.

In cybersecurity, AI is accelerating both offensive and defensive capabilities, lowering the barrier for sophisticated attacks while increasing the speed and scale at which they can be conducted. In the biological domain, advances in generative models raise concerns about the accessibility of dual-use knowledge. At the same time, the proliferation of AI tools is expanding the capabilities of non-state actors, from disinformation campaigns to potential misuse in critical infrastructure contexts.

In the age of AI, system failures—whether due to technical error, model hallucination, data bias, or unintended interactions—may no longer be easily distinguishable from deliberate action. A malfunctioning system could be interpreted as a coordinated attack. An unintended output could be seen as a strategic signal. A technical glitch could trigger political suspicion.

In a context of low trust, the ambiguity inherent in AI systems creates a dangerous possibility. What is, in fact, a failure may be perceived as intent.

This blurring of the line between accident and intention increases the risk of misinterpretation and escalation. And unlike traditional domains, where attribution can take time, AI-enabled systems operate at speed—compressing the window for assessment and response. This dynamic makes trust not just desirable, but essential for stability.

Trust Deficit as the Core Constraint

If the need for cooperation is clear, the obstacle is equally evident: a profound deficit of trust.

U.S.–China relations are currently characterized by strategic suspicion, competing threat perceptions, and limited communication channels in sensitive domains. In such an environment, even well-intentioned proposals for cooperation can be viewed through a lens of strategic competition.

The "AI race" narrative exacerbates this problem. It frames the relationship in adversarial terms, making it politically difficult to pursue cooperative initiatives without appearing to concede advantage. As a result, trust is not only low—it is becoming harder to rebuild, even as it becomes more necessary.

Reframing Cooperation: From Grand Bargains to Incremental Steps

In this context, calls for sweeping cooperation frameworks may be unrealistic. What is needed instead is a more modest, but potentially more effective, approach: incremental trust-building through practical cooperation.

History offers useful lessons. During the Cold War, even at the height of geopolitical rivalry, the United States and the Soviet Union were able to establish mechanisms to manage shared risks. These included communication hotlines, arms control agreements, and confidence-building measures designed to reduce the risk of miscalculation.

AI governance, while different in many respects, may benefit from a similar logic. Rather than aiming for comprehensive agreements, the two countries could begin with narrow, issue-specific areas where interests overlap and risks are clearly shared.

For example, the two countries can work on technical exchanges on AI safety evaluation, joint or parallel scenario exercises on AI-related risks, particularly those involving system failure and misinterpretation, dialogue on terminology and risk frameworks, to reduce misunderstandings arising from different conceptual approaches, and exploration of communication mechanisms for AI-related incidents, especially where attribution is uncertain.

These steps may seem limited. But they create opportunities for interaction, build familiarity between experts, and gradually reduce uncertainty and mistrust. Over time, such efforts can help rebuild a minimal level of trust—enough to manage risks, even if broader political differences remain.

Beyond Competition: A Shared Responsibility

Reframing U.S.–China relations in the age of AI does not require abandoning competition. But competition does not preclude cooperation—particularly when it comes to managing shared risks. The key is to decouple the governance of risks from the competition over capabilities. This is not easy. It requires political will, institutional innovation, and a willingness to engage even in the absence of trust.

Yet the alternative—a continued slide toward fragmentation and mutual suspicion—carries its own costs. A bifurcated technological landscape would increase inefficiencies, slow innovation, and complicate efforts to manage global risks. More importantly, it would heighten the risk of miscalculation in an environment where failure can be mistaken for intent.

The rise of AI has undoubtedly reshaped the U.S.–China relations. But the way we frame this transformation matters. If the relationship is defined primarily as a race, it will reinforce division and mistrust. If it is understood as a shared challenge—one that combines competition with interdependence—then there remains space for constructive engagement.

Moving beyond the rhetoric of rivalry and toward a more pragmatic, risk-focused approach may not resolve all tensions. But it is a necessary step toward a more stable and sustainable relationship.