

The Real Game of Thrones:
How the U.S. Can Retain Primacy Over China in New Era of
Great Power Competition

Emerson Riback
Fellow, Robson Program for Business, Public Policy & Government
Emory Goizueta Business School
emerson.riback@gmail.com
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Introduction

It has become common wisdom within foreign policy discourse that the recent and unprecedented unipolar moment – the United States’ unchallenged geopolitical leadership position following the Cold War – has come to an unspectacular end. Like many historic endings, the relative decline of the United States compared to its peers came gradually, then suddenly, sagging increasingly under the weight of a series of once-in-a-generation disasters. Some were self-made, like the Iraq War. Others, globally induced, such as the 2008 financial crisis. Simultaneously, an increasingly powerful global neoliberal trade regime led to the “rise of the rest” – particularly China – and shrunk America’s commanding global economic strength. Meanwhile, rapid technological advancement and its global proliferation – for example, cyber weapons that meet with few repercussions – democratized instruments of power, making non-state actors (like ISIS), small states (like North Korea), and otherwise declining powers (like Russia) more formidable and disruptive. And then, at the very time these quasi-connected crises demand coordinated U.S. strategy and action, an internal political divide and paralysis unseen in modern American history has left domestic policy debilitated, if not completely frozen, with neither the desire nor incentive for compromise.

In this real-life game of thrones, the dragon that inspires the most fear – the object that indeed is larger than it appears in the rear-view mirror – is China. The Chinese Dragon, of course, has long been an iconic aspect of the culture and a symbol of the imperial ruler of China: “magnificent creatures¹ that were originally supposed to roam the sky came to be bound by the emperor’s power and locked away within his imperial robe.” And as the millennium’s second

¹ “Imperial Dragons | 京都国立博物館 | Kyoto National Museum.” Kyoto National Museum, February 14, 1998. <https://www.kyohaku.go.jp/eng/dictio/senshoku/48koutei.html>.

decade ends, the dragon continues its unprecedented rise. China boasts the largest active military; second-largest economy (first in purchasing power parity); and, from 1980 to 2015, among the world's fastest-growing major economies.² China has escaped its insulated history to become the world's largest exporter and second-largest importer. Of course, not everything this dragon breathes is all-powerful: China also is the world's largest polluter and faces major challenges of an aging population, slowing economic growth, acute water shortages, a cult of personality around Xi that rivals that of Mao's, and not incidentally, a stubborn democracy movement in Hong Kong that just might present the greatest threat to the Chinese Communist Party since the 1989 Tiananmen Square protests – all in addition to whatever positive or negative outcomes the country and its leadership realize as they address the COVID-19 pandemic, the results of which are unclear as of this publishing and seem likely to remain unclear for some time.

The result of these spectacular, meteoric, and tectonic shifts is clear: A new Great Power Competition is underway.

Indeed, a new international order is taking shape at lightning speed, as nations rapidly adjust to the new global redistribution of power – economically, militarily, and technologically – and two behemoths, the U.S. and China, remain standing. Part friend, part adversary, the countries find themselves simultaneously interdependent, yet yearning for primacy, hurtling into a trade and culture war that would have seemed unthinkable as recently as three years ago under the Obama Administration.

For either country – but for purposes of this paper, from the U.S. perspective – the central policy and political question becomes: What happens now?

² Morrison, Wayne. "China's Economic Rise: History, Trends, Challenges, and Implications for the United States." Congressional Research Service, June 25, 2019. <https://fas.org/sgp/crs/row/RL33534.pdf>.

Even if the U.S. could call a global timeout – somehow push pause and redraw its game plan – what would and should that strategy look like? Put more practically, if not urgently: What Grand Strategy should the U.S. adopt to retain primacy in an era of Great Power Competition with China and a rising multipolar world?

What is evident is the United States must adjust its Grand Strategy for this new period where a rising, emboldened China and a re-assertive Russia seek to challenge U.S. power and interests globally. At stake is not only the future of the liberal international system originally conceived by the “Wise Men” following World War II and extrapolated during the United States’ unipolar moment, but also the physical and economic security of the United States, its allies, and all that the country stands for.

Section II: Background (Or, How Did We Get Here)

In the newly emerging world order, the Sino-U.S. rivalry will be its defining feature. And in a rising China, the United States faces a challenge potentially greater than that from the Soviet Union during the Cold War. While China presents less of an existential and ideological threat than the USSR, China maintains a latent power nearly four times greater than that of the United States, given that it comprises nearly 20% of the world’s population. Also unlike the Cold War, where the U.S. and Soviets each led their own economic bloc with little intercourse between the two, China is deeply integrated into the global economy and global supply chain. China has become so integral to global economic growth that the effects from China’s recent economic

slowdown reverberate globally.³ And on the technological front, China is frantically seeking to reach parity and, eventually, superiority to the United States.

Beyond considering pure economic and technological capability, it is also imperative to understand the interests, values and motivations of the Chinese Communist Party (CCP). China today is ruled by a Leninist one-party state that espouses values antithetical to Western ideals. The CCP has been explicit in declaring values such as “constitutionalism, universal values, civil society, neoliberalism and market economics, [and] freedom of the press” as threats to the CCP.⁴ Additionally, while Democratic societies idolize the role of law, in China “the law is an instrument with which the Communist Party can ensure the continued dominance of the party itself.”⁵ As former U.N. Ambassador Nikki Haley stated, “China’s leaders primarily seek not the betterment of their people but the preservation of Chinese Communist Party (CCP) rule.”⁶ There are no rules constraining its behavior; its world view is denominated in terms of wealth and power. As a result, any analysis surrounding China’s actions and intent cannot be divorced from the CCP’s amoral worldview.

While China’s full intentions and ambitions on the international stage are unclear, China’s current track record is, at minimum, highly worrying. It has sought to make the world safer for authoritarian regimes – even portraying itself as an example of a new model of modernization, distinct from the democratic model; Xi outlined this vision in his 2017 speech to the 19th National Congress of the Chinese Communist Party, highlighting that “the political system of ‘socialism with Chinese characteristics’ is ‘a new choice’ for other developing nations

³ Yu, Sun. “Slowing Chinese Growth Delivers Blow To Global Economy.” FT, October 18, 2019. <https://www.ft.com/content/396e67be-f0b5-11e9-ad1e-4367d8281195>.

⁴ Economy, Elizabeth. *The Third Revolution*. Oxford University Press, 2018.

⁵ *Ibid.*

⁶ Haley, Nikki. “How To Confront An Advancing Threat From China.” *Foreign Affairs*, July 22, 2019. <https://www.foreignaffairs.com/articles/china/2019-07-18/how-confront-advancing-threat-china>.

seeking to grow economically while maintaining their independence.”⁷ Xi’s rhetoric intensified just a year later before a gathering of the National People’s Congress (NPC) and the Chinese People’s Political Consultative Conference (CPPCC), which Quartz headlined: “Xi Jinping says China’s authoritarian system can be a model for the world.”⁸ While China has not sought to play spoiler to American initiatives and interests like Russia has, China has sought to water down or undermine international rules and institutions it finds unfavorable to its own interests, such as resolutions surrounding its human rights violations of Uighurs in Xinjiang and ignoring international rulings regarding its behavior in the South China Sea.⁹ China has also sought to project its own ambitions by militarizing parts of the South China Sea and enlarging its international footprint through the Belt and Road Initiative, President Xi Jinping’s gargantuan investment program. Additionally, China has refused to enact structural economic reforms towards a free market and instead has sought to retain barriers to block foreign companies from accessing its market, while pushing for its own companies to gain unfettered access into Western countries. Lastly, China has sought to move up the value chain by utilizing state funding to shift from producing low-value goods to the high-value, high-tech industries of the future – threatening the current global economic regime. From corporate boardrooms to the White House, and from Midwestern soybean farms to leading op-ed pages, China’s rise as a near-peer competitor to the United States is driving a renewed discussion about America’s relationship with China specifically and role in global affairs more generally.

⁷ Huang, Zheping. “Xi Jinping Says China’s Authoritarian System Can Be A Model For The World.” Quartz. Accessed January 3, 2020. <https://qz.com/1225347/xi-jinping-says-chinas-one-party-authoritarian-system-can-be-a-model-for-the-world/>.

⁸ Huang, Zheping. “Your Five-Minute Summary Of Xi Jinping’s Three-Hour Communist Party Congress Speech.” Quartz. Accessed January 3, 2020. <https://qz.com/1225347/xi-jinping-says-chinas-one-party-authoritarian-system-can-be-a-model-for-the-world/>.

⁹ The Associated Press. “Rights Group Says China Is Trying To Silence Critics Abroad.” The New York Times, January 14, 2020. <https://www.nytimes.com/aponline/2020/01/14/us/ap-un-united-nations-human-rights-china.html>.

This generational change in the global distribution of power comes at a time of turmoil for both the West and democracies at large.

Liberal democracy is under attack, not just from historic foes like Russia and China, but also from recent members of the club: Hungary, Poland, Brazil, Philippines, Turkey, and various far-right movements (in Italy, France, Spain, UK, U.S., and more). Indeed, Europe and the United States have been rocked by a populist backlash, which questions the very pillars of the liberal order that were sacrosanct when Berlin's wall crumbled 30 years ago. The European Union faces Brexit, with its potential for a disastrous no deal outcome (if no trade agreement is settled following Britain's imminent departure from the E.U.), as well as the E.U.'s largest far-right insurgency since the end of WWII. The E.U.'s future is now uncertain as attempts at greater integration – like establishing a common European Union budget – have been repeatedly rejected and, more importantly, questions grow as to whether the euro would be able to survive another downturn.¹⁰ The result is a Europe tearing itself apart and the European project's future in doubt.

On the other side of the Atlantic, the United States is led by a Disrupter-in-Chief who now finds himself impeached and continuously undermines the very international order that the United States sought to uphold the past seven decades. At a time when American leadership is most needed globally, the U.S. has abdicated its leadership role. It sheds multi-national treaties and regularly demeans multi-national organizations, instead seeking bilateral agreements with clear quid pro quos. This vacuum has left room – and sufficient remaining air – for other global crises to balloon, including the migration crisis, climate change, Russian disinformation warfare, cyber norms, the recent Japan-Korea spat, and more. While Trump is not solely to blame for the current state of affairs, he is the only U.S. president to take a wrecking ball to the U.S. led order,

¹⁰ Samuelson, Robert. "The Euro Is Still Vulnerable. Can It Survive?," January 6, 2019. https://www.washingtonpost.com/opinions/the-euro-is-still-vulnerable-can-it-survive/2019/01/06/48566014-1047-11e9-84fc-d58c33d6c8c7_story.html.

calling into doubt U.S. military commitments and indiscriminately issuing and lifting tariffs on allies and adversaries alike.

Perhaps most significantly, the important multi-faceted frameworks that have defined international agreements since the end of WWII are shifting to a single, lowest common denominator: Economics. In the 70-year drive to spread democracy, the world saw increased action – and multilateral agreements – focused on issues including human rights (Universal Declaration of Human Rights), gender equality (Beijing Declaration and Platform for Action (BPfA)), climate change (United Nations Framework Convention on Climate Change (UNFCCC); Paris Agreement), anti-terrorism (Organization for Security and Cooperation in Europe), humanitarian treatment during war (Geneva Convention), shared security (NATO), shared rules (World Trade Organization), and more.

Of course, exceptions existed; the U.S. and other countries engaged in regretful and immoral relationships, from Central American dictators to Mideast plutocracies. And just as clearly, these agreements often were underpinned by economics (often economics were the honey used to attract the various bees) and security interests. But even if one took the most cynical view – that talk of human rights or climate change management represented inauthentic lip service that hid the real goal of money and goods trading hands – well, few today even bother with the lip service. Even the language to describe international actions has changed subtly but importantly to emphasize the financial bottom line: Leaders seem no longer to seek “agreements,” but instead look to make a “deal.”

The future of liberal democracy is in doubt, the state of the trans-Atlantic relationship is at its worst and weakest in decades, and the multiple levers used over the last decades to connect

countries and societies have been distilled to a financial bottom line – all just as the challenge to the system the powers underwrite is at its greatest.

Section III: Primacy

But if the overarching question of the day remains what Grand Strategy the U.S. should adopt to retain primacy in an era of Great Power Competition with China and a rising multipolar world, the key place to start is in the middle of the query: Why does primacy in the international system matter? Why does a nation need to strive to maximize its power and influence? Can't we, as was famously asked in vastly different circumstances, all just get along?

The short answer, unfortunately: Not really.

First, it is important to be transparent about the nature of the international system – one that most resembles neorealism, but is certainly influenced by liberal and constructivist thought. At its most basic, the international arena is a self-help system with no “night-watchman” to ensure the security or existence of a state; nations have no immediate response vehicle – no 911 to call when attacked by a stronger enemy. In some respects, the international arena mimics a state of anarchy, with each state looking out for its own survival and self-interest. However, it is important to note: How each nation decides to act (and view its self-interest) within this vacuum is influenced by the people's “dynamic normative and epistemic interpretations of the material world.”¹¹ In other words, a country's belief of its own self-identity and unique worldview influences how it acts and interacts with the material world and with others. From a strictly material perspective, within this international system, transactions among states serve the

¹¹ Adler, Emanuel. “Seizing the Middle Ground: Constructivism in World Politics,” 1997. http://www.ir.rochelleterman.com/sites/default/files/adler_1997.pdf.

purpose of increasing either a state's power or ability to survive. Thus in the bleakest, most Hobbesian interpretation of this world, the strong do what they can and the weak suffer what they must, as the weak have no recourse for the bullying by stronger nations. While one can critique this view from multiple ideological angles, it is critical for statesmen and policymakers to simply be aware of the raw distribution of power within the international system. This is because today's allies and adversaries are not necessarily one's allies and adversaries tomorrow as power balances and geopolitical realities change. For example, the U.S. and Soviet Union were allies during WWII, but became bitter rivals after the defeat of their shared enemy, Nazi Germany. Former Secretary of State Henry Kissinger famously noted the limits of viewing states' capabilities through their stated values and intentions, "Strategists rely on the intentions of the presumed adversary only to a limited extent. For intentions are subject to change. And the essence of sovereignty is the right to make decisions not subject to another authority. A certain amount of threat based on capabilities is therefore inseparable from the relations of sovereign states."¹²

Primacy matters because, while values and stated intentions are important in the international system, increasing the power and capability of the state to survive is and must be the state's ultimate goal. Such a goal may go without saying, but it provides the bedrock on which leaders and policy makers can make the rest of their decisions.

But where should such primacy be applied? It would be an unwise use of resources – not to mention the plot for a bad James Bond movie – to seek total world domination. Instead, hegemonic powers must define (at least for themselves) which domains are most important. The

¹² Kissinger, Henry. *On China*. Penguin, 2011.

most tangible of these domains are military, economic, and technological; the less tangible deal with cultural/moral authority and domestic stability.

Most specifically – and the structure that drives this paper’s analysis – the key domains can be thought of as two pillars with a connecting bridge. Those pillars are Economics and Military; the connecting bridge – the element that supports and strengthens both pillars – is Technology. But to consider how this structure will play out, it first is necessary to understand how states create and deploy their Grand Strategy.

Section IV: Grand Strategies

A Grand Strategy can be defined as the utilization of all instruments of state power to achieve a desired end. The purpose of articulating a Grand Strategy comes from the need of a State – or any other type of actor such as a business – to utilize its resources in a coherent manner towards a strategic and rational goal. Without a Grand Strategy, states risk deploying resources without purpose or aim – necessarily leading to outcomes that, at minimum, don’t advance, and at worst run counterproductive to, their interests. The tradeoff is clear: With no Grand Strategy, any state can become swayed by short-term interests or “flights of fancy” of whoever holds power at a given moment.

Further, Grand Strategies can (and should) be designed and executed regardless of a country’s position of power – and get redefined as circumstances warrant. Following the end of the Second World War and rise of the Cold War, U.S. Ambassador George Kennan outlined a Grand Strategy of Containment that dominated U.S. policy, thought, and discourse until the Soviet Union’s collapse. Kennan’s Theory of Containment started with the premise that the

Soviet Union posed an irredeemable threat to the security and interests of the United States and that “the United States cannot expect... political intimacy with the Soviet regime. It must continue to regard the Soviet Union as a rival... It must continue to expect that Soviet policies will reflect... a cautious, persistent pressure toward the disruption and weakening of all rival influence and rival power.”¹³ To combat this existential Soviet threat, Kennan called for the “adroit and vigilant application of counterforce at a series of constantly shifting geographical and political points, corresponding to the shifts and maneuvers of Soviet policy.”¹⁴ While the strategy’s implementation faced vigorous debate during certain policy quagmires like the Vietnam War, the overarching strategy is widely seen as a vital component behind the United States’ Cold War victory. Of course, after the dissolution of the Soviet Union, U.S. Grand Strategy shifted again – one could argue in a more adrift fashion than under containment – to a model of Liberal Hegemony and the spreading of neoliberal practices.¹⁵

Grand Strategies also can be employed by the not-so-powerful, as was seen in mid-19th Century Prussia under the stewardship of Otto Von Bismarck. In Bismarck’s time, Prussia was the weakest of Europe’s Great Powers but sought to improve its standing. Bismarck’s Grand Strategy entailed enlarging Prussian territory by acquiring smaller Germanic kingdoms, often at the expense of Austria-Hungary. Bismarck had to delicately balance his goal of expanding Prussian – and eventually German – power against the strategic interests of Europe’s other Great Powers (England, France, Russia, and Austria-Hungary); Prussian expansion couldn’t become so great that the other powers would align against it. The most important component of this

¹³ Kennan, George F. "The Sources of Soviet Conduct." *Foreign Affairs*. August 31, 2017. Accessed March 17, 2019. <https://www.foreignaffairs.com/articles/russian-federation/1947-07-01/sources-soviet-conduct>.

¹⁴ *Ibid.*

¹⁵ Mearsheimer, John J. “Bound to Fail: The Rise and Fall of the Liberal International Order.” *International Security* 43, no. 4 (2019): 7–50. https://doi.org/10.1162/isec_a_00342.

balancing equation: Preventing the rise of a Franco-Russian alliance that could threaten Prussia with a two-front war that Bismarck knew Prussia was unlikely to win.

Achieving his goals outlined under such a Grand Strategy required Bismarck to act in a hyper-rational manner – often creating tensions with both the conservative and liberal parts of the Prussian political establishment. Bismarck famously followed a version of *realpolitik* that was “marked by a global understanding of one’s position... [involving] consideration of not just the short term but also the long term, not just the particular adversary one is facing at the time but also how one’s actions are viewed in the broader environment.”¹⁶ Put into practice, *realpolitik* offered an amoral framework that viewed state interests in pragmatic rather than romantic notions that attempted to uphold certain Prussian values or historical grievances. As a result of his strict adherence to *realpolitik*, Prussian foreign policy during Bismarck’s reign experienced its golden age; Prussia gained power and prestige that enabled it to eventually compete with Britain, the era’s formidable hegemon. It’s worth noting that World War I – an unmitigated disaster for Germany – occurred decades after Bismarck’s departure from German foreign policy and was largely the result of poor decisions by German Kaiser Wilhelm II, who practiced a non-*realpolitik* and less disciplined foreign policy than Bismarck.

As these two examples show, a nation must act strategically towards definitive goals to best assert itself in the international arena. Responding to challenges reflexively – without guidance by higher strategic goals – can lead to overreactions or simply an inefficient allocation of state resources. Perhaps most importantly, having an overarching Grand Strategy enables a country to play offense and jumpstart its own initiatives to help achieve long-term goals. Without this plan, long-term, coordinated offensive policies are infrequent and sporadic. The importance

¹⁶ Rathbun, Brian. “The Rarity of *Realpolitik*: What Bismarck’s Rationality Reveals about International Politics.” *International Security* 43, no. 1 (2018): 7–55. https://doi.org/10.1162/isec_a_00323.

of executing a bipartisan Grand Strategy during Great Power competition cannot be overstated. For the U.S. to compete successfully in the upcoming multipolar world, it must adopt a coherent, forward-looking Grand Strategy.

But if Grand Strategies can be employed by the powerful and less powerful, and if they also necessarily shift as circumstances and realities evolve (politics, economics, new technologies, emerging alliances, etc.), where does that leave the U.S. today as China grows, liberal democracies weaken, and America's global position diminishes?

Section V: Defining the U.S. Grand Strategy: Goals, Strategy & Tactics

Before designing a Grand Strategy to confront the China problem, the United States first must make tough decisions as to what defines its overarching goals and what constitutes its vital interests. This process entails a clear, though not simple, formula to follow:

- Define the goals (vital interests);
- Design the Grand Strategy that delivers those goals; and
- Outline the tactics to execute the strategy

U.S Goals (Vital Interests)

U.S. vital interests can be distilled into two straightforward, overriding objectives:

- Maintaining U.S. dominance in the Western hemisphere and preventing the rise of regional hegemons abroad; and
- Maintaining democracy and liberty at home.

While other significant interests (such as democracy promotion or protecting human rights) surely will arise (and indeed could be argued for inclusion now), these more peripheral interests can be traded and shortchanged in exchange for the pursuance of other, more directly beneficial interests. On the other hand, the two vital interests listed here should be held sacrosanct as non-negotiable aspects of U.S. foreign policy.

Vital Interest I: Maintaining U.S. dominance in the Western hemisphere and preventing the rise of regional hegemons abroad

The United States' first Vital Interest is the prevention of another regional hegemon. If a nation were to establish regional hegemony and consequently become a peer competitor, U.S. interests and security would be greatly diminished. This is because states that become regional hegemons are physically and economically secure at home and instead can deploy their resources to "project power around the globe, and perhaps even [have] the wherewithal to outspend the United States in an arms race."¹⁷ Additionally, "Such a state might even ally with countries in the Western Hemisphere and interfere close to U.S. soil."¹⁸ This could include establishing military bases in the Western hemisphere, threatening U.S. homeland security, and requiring the United States to allocate greater resources towards the Western hemisphere than protecting its other interests around the world. To prevent a nation from achieving regional hegemony, the United States must ensure a stable balance of power in Europe, Asia, and the Middle East, wherein each

¹⁷ Mearsheimer, John J. "The Case For Offshore Balancing." *Foreign Affairs*, August 14, 2019. <https://www.foreignaffairs.com/articles/united-states/2016-06-13/case-offshore-balancing>.

¹⁸ *Ibid.*

region's potential hegemon – namely Russia, China, and to a far lesser extent Iran – is too consumed by its regional balance of powers to competitively project power abroad and threaten the Western hemisphere.¹⁹ A balance of power strategy ideally would rely on local states to constrain a potential regional hegemon. When local states are unable to prevent a regional hegemon's rise, then the United States should take an active and vigilant role to ensure the balance of power remains sufficiently against the striving hegemon. U.S. support can be as benign as sending economic advisors to help guide economic policy to as active as deploying (and possibly using) American military power.

Vital Interest II: Maintaining democracy and liberty at home

In addition to maximizing its own security, the United States' second Vital Interest is to prioritize the existence of democracy and liberty at home. Fortunately, the value of democracy and liberty is axiomatic within the United States – a liberal democracy – and represents the primary foundation upon which the Republic was created more than two centuries ago. While many citizens today believe that the contemporary political landscape under President Trump constitutes a significant threat to American democracy, American institutions and public resolve have so far been enough to thwart Trump's autocratic tendencies from winning the day. What is dangerous, however, is the temptation to spread democracy while turning a blind eye to the costs and benefits such actions incur to the United States. This temptation was most vividly displayed during the Vietnam War, in the 2003 U.S. invasion of Iraq, the 2011 Arab Spring uprisings, and to some extent in the United States' inability to sufficiently stabilize and rebuild Afghanistan.

¹⁹ Mearsheimer, John J. "The Case For Offshore Balancing." *Foreign Affairs*, August 14, 2019. <https://www.foreignaffairs.com/articles/united-states/2016-06-13/case-offshore-balancing..>

Lured by overwhelming power, U.S. policymakers did not fully anticipate the counterforces to U.S. action abroad.

A focus on these two Vital Interests necessarily raises key concerns, many (if not most) of which can be distilled to a simple question: What role should morality play in U.S. foreign policy? As noted above, a central foreign policy question of our time is to what extent should foreign engagement and international agreements be driven by pillars of liberal democracy (human rights, gender equality, climate, anti-terrorism, etc.), as opposed to what might be called “Pillars of Survival,” namely, economics and security?

In developing its Grand Strategy towards China, the U.S. must accept and acknowledge an uncomfortable reality: We live in an “Economic Era” where all concerns – human rights, climate, anti-terror, even security – take secondary importance to and oftentimes must be framed or incentivized by economics (the main U.S. complaint about NATO? Not that other countries wouldn’t send troops, if required, but rather that too many members *don’t pay their fair share*). This is because economics underpins our interconnected world and, at its most basic level, economic might provides the foundation from which all national power is derived. After all, a state cannot afford any of the other instruments of power without the ability to pay for them. This 21st Century, economics-first approach is markedly different than that of the Cold War, where the primary battlefield was ideological. For the U.S., that meant fighting to spread democracy and contain the spread of Communism (of course economics played an important role there, too, but more as a cudgel to advance a goal than as the end goal itself; economics took a backseat to clashing worldviews). Today’s battlefield isn’t devoid of ideals. But unlike the post-WWII environment, they don’t represent a Battle Royale between, say, Capitalism and Communism. Instead, a less existential but still real ideological competition is emerging between multiple

modes of governance: liberal democracy, illiberal democracy, and China's techno-authoritarianism. The important difference between today's competition and the Cold War's is that, unlike the Cold War, today's ideologies are far more comfortable coexisting and do not rely upon the premise of the other ideology's complete destruction. As a result of today's Great Power Competition being less explicitly ideological, the new battle for primacy will be fought through more traditional modes of power – such as militarily or economically, with other factors such as Soft Power and ideological clash playing important but secondary roles. And given the low appetite for war among Great Powers – along with the deterrence of Mutually Assured Destruction – that gives an even higher value to strategy and discipline.

But what if that's not enough? What if the argument that “times have changed” – that we live in a post-ideological, post-modern age where, in the end, “economic and military might make right” – doesn't provide sufficient persuasion on how to design a Grand Strategy for the moment? What about the counter argument that America, a country built on ideals rather than birthright, must place ideology – specifically the advancement of liberal democracy – at the top of any list of vital interests?

No less a source than Harvard's Joseph S. Nye – University Distinguished Service Professor, Emeritus; former Dean of the Harvard's Kennedy School of Government; former Assistant Secretary of Defense for International Security Affairs; former Chair of the National Intelligence Council; and former Deputy Under Secretary of State for Security Assistance, Science and Technology — addressed this very question in his book *"Do Morals Matter? Presidents and Foreign Policy from FDR to Trump"* as well as a podcast on the topic.

Nye was asked: "Everyone knows that leaders sometimes have to make difficult choices given the complexity and constantly changing landscape of international relations. Where do you begin when evaluating the role of morality in presidential foreign policy?"²⁰

His response was unequivocal: "The most important thing is to realize that morals do matter. There's a conventional wisdom that everything just follows national interests. And then politicians come along and sprinkle a little morality on as icing on the cake, but interests bake the cake. That kind of cynical view I think is incorrect. And if you have the view, you're going to get history wrong. And so one of the things I tried to do in this book is to show there's some real cases where presidents acted differently. My favorite of these is Harry Truman. Truman famously dropped the atomic bomb on Hiroshima and Nagasaki to end World War II. But when Douglas MacArthur asked him to drop 25 atomic bombs on Chinese cities after the Korean war bogged down in 1950, Truman said, no, he wasn't going to do it. That was basically a moral decision."²¹

It goes without saying that the people of Hiroshima and Nagasaki likely would take strong exception to the idea that Truman acted morally by dropping atomic bombs only on their cities and nowhere else. But to further address the question, one need do nothing more than look to the Framers themselves.

The moral dilemma of when to support democratic uprisings and when to refrain has plagued U.S. foreign policy since the Founders' time. During George Washington's presidency, French Revolutionaries sought assistance from their American ideological counterparts in their own struggle for freedom against the Conservative European monarchs and the *ancien régime*.

²⁰ "Joseph S. Nye: How Do Past Presidents Rank in Foreign Policy?" Harvard Magazine, March 2, 2020. <https://harvardmagazine.com/podcast/2020/joseph-s-nye>.

²¹ Ibid.

The French, of course, had been a key U.S. ally in its battle for independence against British monarchy only two decades earlier. Yet even with this shared history and ideological fraternity, Washington declined to support his French counterparts. Washington's Treasury Secretary and fellow founder, Alexander Hamilton, famously distilled the administration's sentiment, claiming that the "obligation to assist the cause of liberty must be deduced from the merits of that cause and from the interest we have in its support."²²

Hamilton's statement touches on an important component of U.S. foreign policy: reconciling global democracy promotion with the national interest. This delicate balance – particularly during the Trump presidency – is now, to put it mildly, no longer much of a balance. But this new paradigm does not – indeed, should not – mean actively undermining liberal democracies globally, especially when those liberal democracies are staunch allies. Rather a new delicate balance must be struck that better fits the geopolitical realities of the time; for example, it is far easier to spread democracy (though still not easy) in an era of unipolar U.S. dominance than in a time of sustained Great Power Competition. As a result, today's United States should still seek and champion a world safe for democracy, but its foreign policy should not be viewed through the false choice "between moral principles and the national interest... but between one set of moral principles, divorced from political reality, and another set of moral principles, derived from political reality."²³ As the world faces "the return of history" some 25 years after Communism's fall, maintaining democracy at home must be held sacrosanct. But the zeal of spreading of democracy around the globe must be viewed within the parameters of the national interest.

²²Hamilton, Alexander. "The Federalist, On The New Constitution, Written In 1788." Google Books. Accessed January 3, 2020.

²³ Morgenthau, Hans J. "The Mainsprings of American Foreign Policy: The National Interest vs. Moral Abstractions." *Am Polit Sci Rev* 44, no. 4 (1950): 833–54. <https://doi.org/10.2307/1951286>.

The U.S. Grand Strategy in its competition with China must be derived from the United States' two vital interests and influenced by its democratic character. China is undoubtedly the nation most likely and most capable of becoming a regional hegemon in East Asia. As a result, the Chinese-U.S. relationship must be viewed through a balance of power calculus. Such a view necessitates a competitive mindset that seeks to maximize U.S. gains over China and minimize Chinese gains over the United States. This means the U.S. must act as a sustainable counterweight, in concert with local actors and stakeholders, to China's rise. This view does not mean all interactions with China have to be viewed through a zero-sum lens. There will be – and are – many opportunities for the world's two largest countries to cooperate, such as on non-proliferation, climate change, terrorism and more. This strategy also does not seek to explicitly contain China in Cold War terms. But the strategy certainly entails a competitive-oriented mindset that inevitably will lead to frictions between the two giants.

This approach constitutes a significant course correction for U.S. policy towards China. In the past, the “United States has historically sought to cooperate first and compete second with China,” whereas now U.S. policymakers must accept “competition as a condition to be managed rather than a problem to be solved.”²⁴ The end goal of U.S. policy under this approach will be a successfully balanced China in East Asia that cannot militarily coerce or threaten its neighbors and, ultimately, a *modus vivendi* that favors U.S. interests and values.

To attain these outcomes, the goal of U.S. foreign policy in an age of Sino-U.S. Great Power Competition should be:

²⁴ Campbell, Kurt M., and Ely Ratner. “The China Reckoning.” *Foreign Affairs*. *Foreign Affairs Magazine*, September 16, 2019. <https://www.foreignaffairs.com/articles/china/2018-02-13/china-reckoning>.

Build redefined, U.S.-led international and regional alliances based on economic incentives, shared values, and security assurances to generate positive, irreversible leverage that can simultaneously be deployed offensively and defensively to tame and repeal malicious Chinese ambitions.

Now that the Grand Strategy of U.S. foreign policy in an age of Sino-U.S. Great Power competition has been defined, the question becomes: What will such a policy look like in practice? In other words, what tactics either sit in the U.S. arsenal – or should be generated – to execute the strategy?

These tactics should be examined along today’s two “Pillars of Survival” – Economics and Security – as well as what connects them: Technology.

Section VI: The Technology Bridge

If there is a bridge that connects the two pillars of economics and military – the sinew that enables the bones to form a complete structure – it would be technology. And as a result, one can neither consider nor understand the extent of today’s Great Power competition without discussing its role.

The race for technological supremacy will turbocharge Sino-U.S. competition because of technology’s capability to increase a state’s economic and military potential. In its simplest terms, cutting edge technology ensures higher productivity for a country’s citizens (leading to a higher GDP), the ability for a country to set rules and standards for upcoming technological advancements, military superiority, and – more abstractly – promote the country’s values and

soft power. Consequently, maintaining technological supremacy carries immense importance. It is no surprise then that the United States and China have both awakened to vulnerabilities within their own systems and have doubled down on protecting their respective domestic industries.

China's goal of technological supremacy has deep, historical roots. And once again, understanding the integral role that China's recent history plays in maintaining the CCP's legitimacy and on the psyche of the Chinese nation at large is key.

The 100 Years of Humiliation created a drive for China to strive at all costs to regain Great Power status – a narrative the CCP has helped propagate. Technology has been a core component of that drive: “In the minds of China's leaders, from Mao Zedong to Xi Jinping, technological progress is not only a means to economic and military prowess, but also an ideological end in itself—offering final proof of China's restoration as a great power after decades of struggle.”²⁵ This sentiment has been expressed by Communist Party leaders in the expression “catch up and surpass” (*ganchao* in Chinese).²⁶ To achieve this “catch up and surpass” goal, China undertook an extensive, state-sponsored campaign to steal foreign technology, trade secrets, and intellectual property (IP). This campaign has been so successful for the Chinese – and cost American businesses hundreds of billions of dollars – that former U.S. National Security Agency Director Keith Alexander called it “the greatest transfer of wealth in history.”²⁷ China is now positioned to catch up to the United States in several domains and is even surpassing the U.S. in certain strategically significant sectors, such as “artificial intelligence (AI), robotics, energy storage, fifth-generation cellular networks (5G), quantum information

²⁵ Gewirtz, Julian Baird. “China's Long March to Technological Supremacy.” *Foreign Affairs*. *Foreign Affairs Magazine*, August 29, 2019. <https://www.foreignaffairs.com/articles/china/2019-08-27/chinas-long-march-technological-supremacy>.

²⁶ *Ibid.*

²⁷ Rogin, Josh. “NSA Chief: Cybercrime Constitutes The ‘Greatest Transfer Of Wealth In History.’” *Foreign Policy*, July 9, 2012. <https://foreignpolicy.com/2012/07/09/nsa-chief-cybercrime-constitutes-the-greatest-transfer-of-wealth-in-history/>.

systems, and possibly biotechnology,” according to a Council on Foreign Relations (CFR) report.²⁸

China’s goal is to establish technological self-sufficiency and establish market dominance of next-gen technologies (see Made in China 2025). To do this, the Chinese government has financially and politically backed “national champions” such as Huawei, Alibaba, Tencent, and ZTE, by providing low-interest loans or subsidies and restricting foreign competition. For example, the “government has committed \$150 billion over the next decade to improve China’s ability to design and manufacture advanced microprocessors.”²⁹ If successful, these initiatives will deliver immense benefits. China will be able to successfully move up the value chain (leading to higher earnings for its workers), become more self-sufficient and thus less vulnerable to outside coercion, and gain the ability to export its values system with its technologies. Additionally, China will be able to set technology standards going forward, allowing it to “ensure that its firms receive royalties and licensing profits as others develop products that plug into Chinese-owned platforms.”³⁰ China’s sprint to the technological forefront via state-sponsored means will result in immense geopolitical and economic benefits.

One example that sits at the forefront of the U.S.-China competition and shows how much is at stake: The race to 5G. The United States has rightfully become worried about foreign nations – particularly allies – adopting Chinese 5G technologies.³¹ Reasons include: 1) 5G technologies will serve as the backbone of future economic, personal, and military communications; 2) companies implementing a nation’s 5G system can install “backdoors” to

²⁸ “The U.S. Needs a New Strategy to Keep Its Edge in Innovation.” Council on Foreign Relations. Council on Foreign Relations. Accessed October 13, 2019. <https://www.cfr.org/report/keeping-our-edge/>.

²⁹ Segal, Adam. “When China Rules the Web.” Foreign Affairs. Foreign Affairs Magazine, October 11, 2019. <https://www.foreignaffairs.com/articles/china/2018-08-13/when-china-rules-web>.

³⁰ Ibid.

³¹ Woo, Stu, and Kate O’Keeffe. “Washington Asks Allies To Drop Huawei.” WSJ , November 23, 2018. <https://www.wsj.com/articles/washington-asks-allies-to-drop-huawei-1542965105>.

potentially access the communication and even harvest precious data; and 3) Americans fear that Chinese companies, beholden to the Chinese Communist Party, will share sensitive information – collected from the installed 5G – with the CCP if and when asked. As a result, the United States has lobbied partners and allies to blacklist Chinese firms – and Huawei in particular – from implementing 5G. The Trump administration’s aggressive lobbying, as well as its near fatal sanctions on ZTE and Huawei, served as a type of Sputnik moment for China.³² The sanctions highlighted the Chinese tech sector’s vulnerabilities with its substantial reliance on American parts; for example, in 2016 alone, “China imported \$228 billion worth of integrated circuits—more than it spent on imported oil.”³³ For Chinese policy makers, ZTE’s near death experience only solidified their belief that technological self-sufficiency is necessary for China’s security.

To that end, the Chinese government has taken a number of steps to propel its technological heft. China rapidly expanded investment in research and development, growing spending “by an average of 20 percent a year since 1999. It now stands at approximately \$233 billion, or 20 percent of total world R & D spending.”³⁴ In education, more “students graduate with science and engineering degrees in China than anywhere else in the world.”³⁵ These gains come in addition to the massive programs and subsidies that the Chinese government already provides to its technological national champions. In contrast, America’s spending in R&D has shrunk to less than 1% of GDP³⁶, and no U.S. friendly 5G company comes close to Huawei in raw market power or 5G development, as Huawei’s “revenues roughly equal to telecom

³² Yuan, Li. “ZTE’s Near-Collapse May Be China’s Sputnik Moment.” *The New York Times*. The New York Times, June 10, 2018. <https://www.nytimes.com/2018/06/10/technology/china-technology-zte-sputnik-moment.html>.

³³ Segal, Adam. “When China Rules the Web.” *Foreign Affairs*. *Foreign Affairs Magazine*, October 11, 2019. <https://www.foreignaffairs.com/articles/china/2018-08-13/when-china-rules-web>.

³⁴ *Ibid.*

³⁵ *Ibid.*

³⁶ “The U.S. Needs a New Strategy to Keep Its Edge in Innovation.” *Council on Foreign Relations*. Council on Foreign Relations. Accessed October 13, 2019. <https://www.cfr.org/report/keeping-our-edge/>.

competitors Nokia and Ericsson combined.”³⁷ China’s actions to “catch up and surpass” have been brazen, unapologetic, and dangerous. The U.S. and its allies will need to respond to this front of the China challenge.

To compete with China in innovation, the U.S. not only must recognize the scale of the problem, but also imagine the potentially-disastrous new reality should China dominate next-generation technologies. The U.S. has long taken technological supremacy for granted, and its shrinking R&D budget reflects that naiveté. During the Cold War, the government sponsored and led strategic initiatives that helped ensure the current age of American technological supremacy. Going forward, the United States government must adopt a similar role to successfully compete with China. Importantly, the U.S. government will need to increase investment within R&D and provide guidance and long-term foresight that near-term, profit driven corporations are not suited to undertake. Additionally, the United States must safeguard its current technological knowhow from both China’s legal and illegal means. At the least, this will entail a larger role for the Committee of Foreign Investment in the United States (CFIUS) and beefed up cybersecurity cooperation with strategically important firms. But these efforts face daunting political headwinds, particularly from leaders who would seek to defund many parts of government that sit outside the Defense Department. In fact, labeling such initiatives as a “security requirement” and placing them within the Defense Department – perhaps as part of the Defense Advanced Research Projects Agency (DARPA) or the proposed Space Force – may be the only way to secure bipartisan commitment. Finally, the United States must carefully look to minimize universities’ exposure to malicious Chinese students or researchers who will share cutting edge research with those in China. This must be done delicately, appropriately, and legally, as broad

³⁷ Gewirtz, Julian Baird. “China’s Long March to Technological Supremacy.” *Foreign Affairs*. *Foreign Affairs Magazine*, August 29, 2019. <https://www.foreignaffairs.com/articles/china/2019-08-27/chinas-long-march-technological-supremacy>.

anti-Chinese sentiment within universities risks harming legitimate joint research in which Chinese scientists assist and creating a hostile environment for non-U.S. students that could cause new applicants to apply to universities in other countries. Indeed, to remain competitive, the U.S. must stand as an attractive magnet to the world's best minds. The key to winning the upcoming technological competition will come from reinvesting in the United States itself and not from punitively attacking Chinese companies whenever possible.

With the understanding of technology's integral and connecting role between the two policy pillars of Economics and Security, a closer analysis of each becomes possible.

Section VII: Economic Policy

To ensure a favorable coexistence with China, the United States, with its allies, must maintain leadership of global commerce governance and acceptable economic practices.

The United States has long championed a market economy, the core components of which are the primacy of supply and demand (i.e. the market), the security of property rights, and clear, respect for the rule of law. Implemented on a global scale with the help of free trade pacts, each country develops specific competitive and comparative advantages that determine the types of goods and services that country provides. This economic regime has been called the Washington Consensus, supported by the former Bretton Woods Institutions such as the World Bank, IMF, and WTO (previously GATT). As the world's largest economy (in terms of MER), as well as its role as the global economic center, the U.S. gains tremendous benefits from a growing, open, and interconnected global economy.

From the U.S. perspective, China has taken advantage of the U.S.-led neoliberal economic regime by erecting barriers at home intended to prevent competition while benefiting from low market barriers abroad. This unequal bargain, struck when China more appropriately qualified as a developing economy, has helped facilitate China's unprecedented economic growth. China was allowed into organizations such as the WTO under the assumption that China would gradually liberalize its markets in return for favorable trading conditions.³⁸ While these anti-competitive barriers are allowed for developing countries seeking to develop domestic industry, they become threatening and dangerous when these nations develop and begin competing in high value products while still maintaining those same economic barriers. But, American restraint at confronting China's economic policies was derived from the pre-existing American desire to spread democracy. After all, while not part of the explicit deal, American policy makers assumed that "deepening commercial, diplomatic, and cultural ties would transform China's internal development and external behavior"³⁹ and lead the CCP to soften its grip on political power and eventually transform into a democracy.

Some 20 years into the experiment, it's hard to deny: Both China's explicit promises of market reform and U.S. hopes for Chinese political democratization have fallen far short. As former Assistant Secretary of State for East Asian and Pacific Affairs Kurt Campbell and former Deputy National Security Advisor to Vice President Joe Biden Ely Ratner note, "Contrary to Western expectations, Beijing has doubled down on its state capitalist model even as it has gotten richer. Rather than becoming a force for greater openness, consistent growth has served to legitimize the Chinese Communist Party and its state-led economic model."⁴⁰ China is now the

³⁸ Campbell, Kurt M., and Ely Ratner. "The China Reckoning." *Foreign Affairs*. *Foreign Affairs Magazine*, September 16, 2019. <https://www.foreignaffairs.com/articles/china/2018-02-13/china-reckoning>.

³⁹ *Ibid.*

⁴⁰ *Ibid.*

world's largest economy in terms of purchasing power parity and is expected surpass the United States in market terms within a decade.⁴¹

As discussed earlier, China's ambitions also extend into the technological domain; it aims to become the dominant player in the high-value components of the global supply chain – a position currently held by the world's advanced economies. China's initiative to move up the value chain towards high-value parts is predicated upon government-sponsored initiatives such as *Made in China 2025*. The initiatives seek to make China the global market leader of next-generation, high-value technologies such as microchips, artificial technology, clean energy vehicles, robotics, and aerospace⁴² on the back of significant government intervention – restricting market access and forcing “non-Chinese firms to sign on to joint ventures and share technology, while funneling investment and subsidies to state-backed domestic players.”⁴³ While the U.S. and others were willing to turn a blind eye to such practices when China was overwhelmingly poor and mainly producing low-value goods, advanced nations would be digging their own economic and geopolitical graves by allowing China to utilize those same abusive, state-led practices achieve dominance in high-value goods.

Tactics

Instead of forcing China to reform its economic model through coercion (a tactic unlikely to succeed), the United States should create and join multilateral institutions and trade deals that

⁴¹ “The World in 2050: Will the Shift in Global Economic Power Continue?” PWC. Accessed February 26, 2020. <https://www.pwc.com/gx/en/issues/the-economy/assets/world-in-2050-february-2015.pdf>.

⁴² Perlez, Jane, Mozur Jonathan, and Jonathan Ansfield. “China's Technology Ambitions Could Upset The Global Trade Order.” The New York Times, November 7, 2017. <https://www.nytimes.com/2017/11/07/business/made-in-china-technology-trade.html>.

⁴³ Campbell, Kurt M., and Ely Ratner. “The China Reckoning.” Foreign Affairs Magazine, September 16, 2019. <https://www.foreignaffairs.com/articles/china/2018-02-13/china-reckoning>.

give member states preferential trading terms and market access. An example of this is the Trans-Pacific Partnership (TPP). The TPP's strategic intent was to create an economic coalition of partners in the Pacific region that would pull the member states into the U.S. economic orbit and away from China's by setting standards for acceptable tariff and non-tariff barriers, IP protections, and implementing stringent environment and labor conditions standards. The Trans-Pacific Partnership would have comprised nearly 40% of global GDP.⁴⁴ Given the TPP's economic weight and its member nations' high economic importance to China, the Chinese government would have been forced to either enact the required structural market reforms to join the trade pact or have its companies compete under disadvantageous terms. Unfortunately, the TPP quickly became politically toxic during the 2016 U.S. Presidential campaign. Presidential nominee Trump seized on the treaty's labor provisions, arguing the treaty would lead to continued depletion of America's manufacturing base. Eventually, the treaty became so unpopular that even Democratic Presidential nominee Hillary Clinton was forced to oppose its ratification. Following the election, President Trump followed through on his campaign promise and withdrew the United States from the TPP. Fortunately, counter to global expectations, the TPP did not die upon the U.S. withdrawal, rather the remaining eleven members went forward to create the Comprehensive and *Progressive Agreement for Trans-Pacific Partnership* (CPTPP). The CPTPP is nearly identical to its TPP predecessor but has removed many U.S. advocated provisions in areas such as protections of intellectual property. But, without the U.S., the CPTPP only comprises around 15% of global GDP and consequently loses much of its geoeconomic weight. The U.S. withdrawal from the TPP was a strategic blessing for China.

⁴⁴ Kennedy, Simon. "China Will Overtake The U.S. Economy In Less Than 15 Years, Says HSBC, Challenging Trump's Claim." *Financial Post*, September 25, 2018. <https://business.financialpost.com/news/economy/china-will-overtake-the-u-s-in-less-than-15-years-hsbc-says>.

Of course, under the Trump Administration, the TPP is hardly the only multi-national pact from which the U.S. has withdrawn. Nor is it the only existing or burgeoning multi-national institution that the administration has denigrated (e.g., NAFTA, NATO, Paris Climate Accord, United Nations, World Bank, IMF, etc.). As has been widely noted, Trump's "America First" policy instead has become in practice "America Alone." While this approach may carry domestic political currency (though the 2020 jury is obviously still out), it represents too radical of a response to the very real challenges of globalization – lost jobs, perceived lost sovereignty, increased migration opportunities, etc. It also wastes a central part of any effective strategy: Leverage. Instead, to successfully win this century-defining Great Power Competition, the United States must generate actual leverage by participating in and leading multi-national trade pacts or institutions that reflect American values and interests. If the U.S. does not course correct and Trump continues to pull the U.S. out of multilateral trade agreements, other countries will not sit still. Rather, they will create new multilateral agreements that exclude the U.S. and do not consider American interests. Given enough time, America's role as a central node in the global economy will diminish. The result will be a new, post-American global economy with American influence severely diminished.

Such a reality is not preordained. Rather, going forward the United States should lead the creation of new multilateral treaties that adhere to established, immutable set of principles such as strong internal institutions that support free markets (courts, laws, low corruption rates), respect for intellectual property, and the reduction of trade barriers. These treaties and institutions should be created in coordination with other high GDP actors such as the E.U. and Japan. The purpose of these new institutions is to establish universal "rules of the game" for global economic competition. And given the global nature of these new institutions, every nation

will have the opportunity to join these new economic institutions if they adopt the necessary prerequisite standards. From there, the math is straightforward: If U.S.-led institutions become large enough and constitute a sufficiently large amount of global GDP, China and others will face a strategic dilemma: either enact the required reforms for admission into the institution or accept that your nation's companies will operate outside the institution, be economically disadvantaged compared to member states', and have little to no voice in its rule making. New U.S.-led economic institutions can either be created by using or updating existing pacts or institutions, such as the TPP, the IMF, World Bank, or the WTO – or it can create new institutions such as a World Trade Organization 2.0 that are more reflective of current economic and technological realities and excludes members such as China that abuse the system.⁴⁵

However, even under this strategy, China is unlikely to follow suit and join these U.S.-led economic institutions. Rather, based on the evidence of its own vital interests, it will seek to create its own competing institutions.

In fact, the Chinese have already adopted this approach. In the Pacific, China has worked to establish free trade agreements such as the Regional Comprehensive Economic Partnership (RCEP), a direct TPP competitor, which will include the 10 ASEAN members (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Vietnam), China, Japan, South Korea, Australia, and New Zealand (India dropped out at the last minute). Additionally, China has created the Asian Infrastructure Investment Bank (AIIB) – an attempt to fund Asia's infrastructure needs that will likely function as a World Bank competitor, particularly after the U.S. refusal to become a member.⁴⁶

⁴⁵ Mearsheimer, John J. "Bound to Fail: The Rise and Fall of the Liberal International Order." *International Security* 43, no. 4 (2019): 7–50. https://doi.org/10.1162/isec_a_00342.

⁴⁶ Ibid.

But while these China-led institutions are significant, most meaningful to its effort to reshape global institutions and the economic order is Xi Jinping's signature foreign policy project: The Belt and Road Initiative (BRI). A further discussion of BRI – how it counters the proposed U.S. strategy and how the U.S. should react – follows in the section on Risks & Concerns.

Section VIII: Military/Security Relationships

In a “Pillars of Survival” world, an economic approach is only half the battle. Creating security arrangements provides the other half. After all, particularly for small but strategic players within the Indo-Pacific region, economic connection with the United States will be beneficial only to the extent these countries don't suffer from China's military might. The boxer Mike Tyson, of course, summarized this reality: "Everybody has a plan until they get punched in the mouth."⁴⁷

To prevent China from establishing hegemony in East Asia, the United States must maintain a robust military presence in the region. This means the United States will need to form a coalition of willing nations to assist in balancing China's growing military heft. Such a policy would recognize the implausibility of establishing military dominance within the region – a reality the United States has not faced since the end of the Cold War – and instead would focus on deterring Chinese misbehavior and ensuring other significant interests remain intact, such as freedom of navigation.

⁴⁷ Berardino, Mike. “Mike Tyson Explains One of His Most Famous Quotes.” Sun, October 10, 2018. <https://www.sun-sentinel.com/sports/fl-xpm-2012-11-09-sfl-mike-tyson-explains-one-of-his-most-famous-quotes-20121109-story.html>.

While China currently does not possess the capability to militarily dominate its neighbors,⁴⁸ it has shown a willingness to intimidate them and take unilateral action when it finds international law unsatisfactory. Most brazenly, China has sought to establish a large security buffer zone through its nine-dash line territorial claims in the Southeastern Pacific. China has gone so far as to create artificial islands in the Paracel and the Spratlys to enforce its claims – and then went further, militarizing the islands after Xi’s explicit 2015 pledge in the White House Rose Garden against militarization and following The Hague’s Tribunal Court’s 2016 ruling that declared China’s territorial claims on the islands illegitimate. Instead, China has doubled down and now considers these South China Sea islands as its sovereign territory.⁴⁹ If China’s nine-dash line claims are realized, neighboring nations will be excluded from accessing resources within their exclusive economic zones (EEZ), have their freedom of navigation threatened, and be increasingly vulnerable to Chinese coercion. In recent years, Chinese threats have turned to action: China has sought to enforce its territorial claims by using its Coast Guard to harass – and sometimes even ram – foreign vessels operating in the South China Sea. Additionally, China has issued threats to countries in the region, such as Vietnam, when these countries attempt to extract natural resources such as oil, gas, or fish.⁵⁰ Understanding the enormous regional power imbalance, China has strategically enforced its territorial claims in the South China Sea. Such behavior, while rational, blatantly disregards international laws and norms and demonstrates the need for a U.S. counterweight in the region.

⁴⁸ “Full Text Of 2019 Defense White Paper: ‘China’s National Defense In The New Era’ (English & Chinese Versions) | Andrew S. Erickson.” Accessed January 3, 2020. <http://www.andrewerickson.com/2019/07/full-text-of-defense-white-paper-chinas-national-defense-in-the-new-era-english-chinese-versions/>.

⁴⁹ Ibid.

⁵⁰ Hayton, Bill. “Vietnam ‘Scraps New Offshore Oil Project.’” BBC News, March 23, 2018. <https://www.bbc.com/news/world-asia-43507448>.

Tactics

To create an effective counterweight in Asia, the U.S. must seek a coalition of partners with overlapping strategic interests. The U.S. simply does not have the resources or the political will to balance China by itself. The key members of this strategic partnership should be comprised of the “Quad”: India, Japan, Australia, and the United States.⁵¹ These nations each share various concerns about China’s rise and openly welcome a greater U.S. presence in the Indo-Pacific region. The strategic impetus for the Quad should be fairly obvious: Japan and Australia are long-time treaty allies that share concerns about China’s growing clout in the region and creeping territorial ambitions; India is the only country in the world comparable in population to China and consequently represents the most effective, long-term counterbalance to a strong China. India has watched with growing alarm as China has increased its presence in South Asia – historically India’s neighborhood – and greatly increased its strategic relationship with Pakistan, India’s primary rival; concerned about the prospect of Chinese encirclement, India has welcomed an increased U.S. presence. Simultaneously, the United States must also be highly aware of each nation’s unique strategic interests, politics, and histories, as these factors will guide their willingness to cooperate and will sometimes act as a hindrance to greater cooperation. This is particularly the case with India, which cherishes its strategic autonomy, as was demonstrated during its leadership role in the non-alignment movement during the Cold War – famously refusing to formally choose sides between the global Super Powers. India’s tradition of strategic autonomy has frustrated U.S. attempts to increase the two countries’ strategic

⁵¹ “U.S.-Australia-India-Japan Consultations (‘The Quad’) - United States Department Of State.” United States Department Of State. Accessed January 3, 2020. <https://www.state.gov/u-s-australia-india-japan-consultations-the-quad/>.

partnership through increased military and economic cooperation.⁵² Even with these obstacles, for each nation in the Quad, China represents each country's overwhelming strategic challenge in the coming decades. Because of this overlapping interest in preventing Chinese hegemony, the Quad should represent the core foundation of the United States' security infrastructure in Asia.

For the U.S. coalition's next layer, the United States should seek engagement with smaller regional players that also share concern about China's increasing clout but are more vulnerable to Chinese retaliation. These include countries such as the Philippines, Vietnam, and Indonesia. These three nations have encountered China's newfound assertiveness in the South China Sea and are worried about their growing power disparity with China. As a result, these nations will continue to hedge between the United States and China. However, if the United States fails to establish a credible deterrent against additional Chinese coercion in the region, these nations will fall into China's orbit.

Section IX: Demographics

For all countries, but especially Great Powers, population size and demographics play an integral role in determining current and future economic and military power of the country. This, of course, is not unique to our modern age, as Nicholas Eberstadt describes in *Foreign Affairs*, "For premodern empires and kingdoms, a larger population meant more people to tax and send off to war."⁵³ While contemporary states' power levers have become more complex than their premodern predecessors, demographics continue to play a fundamental role in defining and

⁵² Blackwill, Robert D. "The India Dividend." *Foreign Affairs*, August 30, 2019. <https://www.foreignaffairs.com/articles/india/2019-08-12/india-dividend>.

⁵³ Eberstadt, Nicholas. "With Great Demographics Comes Great Power." *Foreign Affairs*, July 9, 2019. <https://www.foreignaffairs.com/articles/world/2019-06-11/great-demographics-comes-great-power>.

determining a country's strength. For "each year of increased life expectancy today, for instance, a country sees a permanent increase in per capita income of about four percent. And for each additional year of schooling that a country's citizens obtain, the country sees, on average, a ten percent increase in per capita GDP."⁵⁴ But, the raw size of a nation's population matters too; consequently, small nations with high per capital incomes are unable to exert significant influence on the global stage. Luxembourg is the quintessential example a high income, low population country, with a GDP per capita of over \$113,000,⁵⁵ but a population of only 600,000. Even with Luxembourg's immense per capita wealth, the country does not play a decisive role in world affairs. Instead, states' strength in the international arena depends on a healthy balancing of a large, young, and wealthy population.

In the coming Great Power Competition age, demographics represents one of China's Achilles heels. A brief summary of China's demographic future begins with its enormous population: 1.41 billion as of 2017.⁵⁶ Such a large population is not easy to sustain; it carries enormous food, security, and healthcare needs. Prior to China's rise as an industrial powerhouse in the late 20th century, China experienced great challenges in its attempt to industrialize under Mao and Deng Xiaoping. From 1959-1961, under Mao's forced industrialization initiatives, China experienced the Great Famine, with estimates ranging from 20 million all the way up to 45+ million.⁵⁷ Concerns about China's large and growing population continued to plague CCP leadership, eventually prompting the One Child policy in the late 1970s to slow population growth by limiting families to one child (exceptions existed), including levying heavy fines on

⁵⁴ Eberstadt, Nicholas. "With Great Demographics Comes Great Power." *Foreign Affairs*, July 9, 2019. <https://www.foreignaffairs.com/articles/world/2019-06-11/great-demographics-comes-great-power>.

⁵⁵ "World Economic Outlook Database, October 2019". *World Economic Outlook*. October 2019.

⁵⁶ Brands, Hal. "America's Big Advantage Over China and Russia: Demographics." *Bloomberg*, March 24, 2019.

<https://www.bloomberg.com/opinion/articles/2019-03-24/america-s-big-advantage-over-china-and-russia-demographics>.

⁵⁷ Branigan, Tania. "China's Great Famine: The True Story." *The Guardian*, January 1, 2013.

<https://www.theguardian.com/world/2013/jan/01/china-great-famine-book-tombstone>.

families that had more than one child. Today, the CCP and China are victims of their own success. The one child policy successfully reversed China's population explosion; between the policy's enactment "and 2010, China's working-age population (those aged 15–64) nearly doubled"⁵⁸ but, in doing so, set up a ticking, demographic timebomb. Some numbers that demonstrate China's challenge:

1. "According to the UN Population Division, China's [total fertility rate (TFR)] now stands at 1.6" (TFR needed to maintain current population levels is 2.1);
2. China's "working-age population has already been shrinking for the past five years, and it is set to decrease by at least 100 million between 2015 and 2040";
3. "By 2040, China could have twice as many elderly people as children under the age of 15, and the median age of China's population could rise to 48, up from 37 in 2015 and less than 25 in 1990. No country has ever gone gray at a faster pace."⁵⁹

What does China's rapid aging mean for the country? Simply, China is in a time crunch. China will find it harder to maintain a growing economy, as fewer working age individuals will need to support a larger number of retirees. While many nations, including Japan and European countries, face similar demographic concerns, the key difference is that almost all of those countries are developed with high per-capita GDPs. For those developed nations, while their demographic decline is still highly problematic, they have the comparative benefit of "excess" wealth to support their elderly. China, on the other hand, has a per capita GDP of \$10,100.⁶⁰ It

⁵⁸ Eberstadt, Nicholas. "With Great Demographics Comes Great Power." *Foreign Affairs*, July 9, 2019. <https://www.foreignaffairs.com/articles/world/2019-06-11/great-demographics-comes-great-power>.

⁵⁹ *Ibid.*

⁶⁰ "World Economic Outlook Database, October 2019". *World Economic Outlook*. International Monetary Fund. October 2019.

lacks the “excess capital” per citizen to extensively support such a large elderly population.

Nearly all China watchers wonder whether China will become rich (i.e. drastically increase its GDP per capita) before it becomes old to save itself from its self-inflicted demographic wound.

China’s demographic challenge also has domestic political implications. Domestically, the rising economic burden on China’s middle class has significant potential to foment mass discontent and social disorder. One of the main ways social disorder could occur is if China fails to navigate its large national and private debt. Here, China’s aging population puts a larger strain on the CCP’s ability to navigate these financial concerns. This is because an older population forces “social expenditures rise and austerity becomes more politically difficult to pursue.”⁶¹ As a result, China will have less capital available to deal with its large debt. If China mishandles this debt burden, the consequences will range from relatively minor to potentially devastating. On the minor end, increased defaults will likely chill FDI into China, slowing economic growth; but the result could also be devastating, with complete social collapse if China experiences a severe economic depression and mishandles the subsequent social unrest. These worries are particularly acute for the CCP, which derives so much of its legitimacy from its successful economic stewardship. As discussed earlier, if economic growth slows, the CCP will need to either increase repression at home or find new ways to establish legitimacy. The biggest threat to the CCP’s power may end up being the result of its own successful population management policy.

China’s demographic squeeze will also limit its capacity for ambitious foreign policy initiatives. That’s because China’s obligation to provide for its growing elderly population will force the state to dedicate additional resources towards social programs rather than geopolitical goals: China “will face agonizing guns-versus-butter tradeoffs that make it harder to undertake

⁶¹ Brands, Hal. “America’s Big Advantage Over China and Russia: Demographics.” Bloomberg, March 24, 2019. <https://www.bloomberg.com/opinion/articles/2019-03-24/america-s-big-advantage-over-china-and-russia-demographics>.

bold geopolitical ventures.”⁶² In practical terms, this means the “Chinese government will have fewer resources with which to continue its military buildup and implement major geo-economic projects like the Belt and Road Initiative.”⁶³ China’s demographic squeeze is a self-inflicted wound that will drastically handicap China’s ability to expend resources abroad.

By contrast, the United States has a relatively healthy demographic outlook – especially when compared to China or even European countries and Japanese. While U.S. birthrates have run below replacement levels since 1971 and reached a low in 2018 of 1.7 (replacement level is 2.1), the United States maintains unique advantages compared to its counterparts, namely immigration. Over the last century the United States has been a hub for immigrants who provide a significant boost to the nation’s population, “between 1950 and 2015, close to 50 million people immigrated to the United States, accounting for nearly half of the developed world’s net immigration over that time period.”⁶⁴ While U.S. political discourse on immigration has become highly partisan, immigrants indisputably play an essential role in maintaining the U.S.’s demographic advantage. Assuming current levels of U.S. immigration remain constant (by no means certain under Trump) “demographers project that by 2040, the United States will have a population of around 380 million. It will have a younger population than almost any other rich democracy, and its working-age population will still be expanding.”⁶⁵ It’s hard to overstate the strategic significance of the U.S.’s favorable demographic trends. At a period where all other major economies will be combatting the challenges of an aging population and spending more resources internally as a result, the United States will have far fewer financial pressures, leaving

⁶² Brands, Hal. “America’s Big Advantage Over China and Russia: Demographics.” Bloomberg, March 24, 2019. <https://www.bloomberg.com/opinion/articles/2019-03-24/america-s-big-advantage-over-china-and-russia-demographics>.

⁶³ Ibid.

⁶⁴ Eberstadt, Nicholas. “With Great Demographics Comes Great Power.” Foreign Affairs, July 9, 2019. <https://www.foreignaffairs.com/articles/world/2019-06-11/great-demographics-comes-great-power>.

⁶⁵ Ibid.

it free to expand its footprint abroad. The U.S. demographic advantage over the coming decades is one of its greatest geostrategic assets.

Section X: Risks/Concerns

Of course, any strategy contains risk and concerns, and this Grand Strategy is no exception.

We address three of them:

- Chinese Communist Party's History
- Economics
- Military/Security

Chinese Communist Party's History

The major factor that U.S. and other global policymakers must consider when dealing with China – addressed earlier but explained more here – is the underlying nature of the Chinese Communist Party and its grip on power. Simply stated, Beijing's core political interest is “the Chinese Communist Party itself and its overriding interest to remain in power.”⁶⁶ This core goal permeates all decisions made by the Party.

One of the main pillars currently underpinning the CCP's current legitimacy is continuous economic growth and competent economic stewardship. The CCP's reliance upon economic growth for legitimacy has increased as collective memory of China's Civil War fades and adherence to its revolutionary ideals diminishes. After all, the Communist Party's original

⁶⁶ Rudd, Kevin. “How Xi Jinping Views the World.” *Foreign Affairs*. *Foreign Affairs Magazine*, August 14, 2019. <https://www.foreignaffairs.com/articles/china/2018-05-10/how-xi-jinping-views-world>.

leadership who fought in the Civil War have passed away (as have their followers), and a new generation of leaders have taken their place. No longer do the Civil War heroes who defended China lead the country, but rather technocratic Party members born after the Communist's victory in 1949 carry the mantle. As a result, the CCP has had to find new ways to justify its tight control on power. It chose economics – an inherently fragile, volatile claim to power. Even the causes of the Communist Party's most precarious moment, the 1989 Tiananmen Square incident, can be traced to the economic slowdown in the prior years, which led political dissidents to openly question the Chinese regime's legitimacy and even inspired some to call for democracy. The CCP could no longer champion Mao's revolutionary ideals as most had been rejected by the Party during Deng Xiaoping's second revolution with its focus on pragmatism and economic growth.⁶⁷ The democratic protesters laid bare an uncomfortable truth at the heart of the regime: the CCP "had neither a moral order nor the benefit of a political process to provide it with legitimacy."⁶⁸ Understanding the gravity of the moment and the existential threat to the party's survival, CCP leadership responded brutally, and the military violently shut down the protests and restored order. The incident exposed the delicate nature of the CCP's claim to power and "Tiananmen has become the universally acknowledged code word for repression in the search for legitimacy."⁶⁹ Two years later, the demise and dissolution of the Soviet Union in 1991 taught CCP leadership a similarly valuable lesson surrounding the dangers of political liberalization: the Soviet Communist Party's failure to dominate the institutions underpinning its power, such as the military, spelled its doom.⁷⁰ Understanding the fragile nature of its rule, the Party lives in an

⁶⁷ "China's Second Revolution." CIA. Accessed January 19, 2020. <https://www.cia.gov/library/readingroom/docs/CIA-RDP90T00155R001000060008-9.pdf>.

⁶⁸ Pye, Lucian W. "China: Erratic State, Frustrated Society." *Foreign Affairs*. January 28, 2009. Accessed December 11, 2018. https://www.foreignaffairs.com/articles/asia/1990-09-01/china-erratic-state-frustrated-society?fa_anthology=1113996.

⁶⁹ *Ibid.*

⁷⁰ Frisch, Nick. "The Bolsheviks in Beijing." *Foreign Affairs*. November 02, 2017. Accessed December 11, 2018. <https://www.foreignaffairs.com/articles/china/2017-10-18/bolsheviks-beijing>.

eternal state of pseudo-crisis, as the CCP – by its very design – must be permanently paranoid about challenges to its questionable legitimacy and, by extension, grip on power.

Such lessons are why Xi Jinping has sought to reinvigorate the role of the Party in Chinese society. When Xi became CCP General Secretary in 2013, he was deeply worried about the CCP's weakening role in China's economy and the growing role of the free market. "[Xi] understood that removing the party as an institution from continued structural relevance to the country's real policy decision-making process would lead to [the CCP's] power fading."⁷¹ The CCP finds itself in an uncomfortable bind. It must maintain firm control of the economy's commanding heights, but this risks slowing economic growth and development – the Party's other pillar of legitimacy. Consequently, Xi and the CCP leadership are deeply afraid of market liberalization – the heart of the current U.S.-China trade spat – as, they believe, "greater [economic] openness would threaten both domestic stability and the regime's survival."⁷² Such existential concerns about the Party's ability to retain power if Chinese markets were to fully liberalize means that significant structural reforms are unlikely to happen in the near term – especially with economic growth already slowing and, even more so, if it appears that an outside power such as the United States is coercing China to act.

Another required component to undergird CCP legitimacy is the Party's need to project strength and stand up to "exploitative" outsiders. It's a need borne from the outsized role that China's "Century of Humiliation" plays in legitimizing the CCP. The Chinese "Century of Humiliation" began with the 1839 Opium War against the British and continued until the CCP's 1949 victory in the Chinese Civil War. During this 100+ year period, China's self-conception as

⁷¹ Rudd, Kevin. "How Xi Jinping Views the World." *Foreign Affairs*. *Foreign Affairs Magazine*, August 14, 2019. <https://www.foreignaffairs.com/articles/china/2018-05-10/how-xi-jinping-views-world>.

⁷² Campbell, Kurt M., and Ely Ratner. "The China Reckoning." *Foreign Affairs*. *Foreign Affairs Magazine*, September 16, 2019. <https://www.foreignaffairs.com/articles/china/2018-02-13/china-reckoning>.

“The Middle Kingdom” and most powerful nation on earth was shattered as foreign powers (mainly the Europeans, United States, and eventually Japan) exploited Chinese weakness and subjected it to unfavorable trade terms (called “unequal treaties”), carving out spheres of influence with China. It was only once Mao recaptured and reunified China in 1949 that the foreign imperialist powers ended. As a result, the Chinese Communist Party has built its legitimacy on making China a strong and powerful country – one that stands up to and holds its own against “imperialist powers.” Current Chinese ideas of a national rejuvenation are a direct reference to this humiliating past. The “Century of Humiliation” and its lasting role in sustaining CCP legitimacy means that foreign attempts at coercing China to enact reforms implicitly threatens the CCP’s grip on power and forces the Party to respond forcefully.

This political reality makes a U.S. multilateral approach to confronting China’s multitude of unfair economic practices essential. A unilateral approach – as demonstrated by the U.S. trade war – risks not inflicting sufficient damage on Chinese interests to force capitulation. After all, China’s interests are not only economic, but also deeply political.

The Communist Party’s delicate claim to power helps explain why the Party views recent Hong Kong events with existential fear. The protests cut to the heart of the CCP’s legitimacy narrative. In the Hong Kong protests, Chinese leaders see the legacy of China’s exploitation by foreigners (the British took over Hong Kong following China’s loss in the Opium War in 1842). Weakness in confronting the protesters would show China is still beholden to its humiliating past. Further, Hong Kong’s calls for democracy directly question the extreme control and repression the CCP exerts in mainland China. As the Hong Kong protests have increased in size, duration, and demands, so, too, has the CCP response. Live ammunition has been used against at least one protester, and many domestic and international China watchers wonder whether the

Chinese army will use deadly force in a repeat of Tiananmen Square. The long term question remains: Will Hong Kong maintain its status as an international economic hub, part of China but operating under separate and more liberal freedoms? As of now, China has decided on an approach of strategic patience, hoping to wait out the protests. But the situation is dangerous, and one easily could see circumstances where its patience quickly wears thin. Hong Kong's future remains unclear, but the current turmoil and eventual resolution will serve as an important canary in the coal mine that signals Beijing's tolerance for political dissent.

Economics

China's Belt and Road Initiative represents Xi's grandest and most impactful foreign policy initiative – and it presents a formidable challenge to the U.S. in its Great Power Competition.

Viewed benignly, the goal of the Belt and Road Initiative is to establish “a more connected world brought together by a web of Chinese-funded physical and digital infrastructure.”⁷³ But, viewed in terms of Great Power politics, BRI is Beijing's double-barreled attempt to achieve Superpower status by expanding its economic footprint and projecting “Chinese military and political power around the globe.”⁷⁴ To this end, Beijing spent a jaw-dropping \$340 billion between 2014-2017 on investments under the BRI and, in total, is planning to spend “more than \$1 trillion in infrastructure and spanning more than 60 countries.”⁷⁵ For

⁷³ Kliman, Daniel, and Abigail Grace. “POWER PLAY Addressing China's Belt and Road Strategy,” September 2018. <https://s3.amazonaws.com/files.cnas.org/documents/CNASReport-Power-Play-Addressing-Chinas-Belt-and-Road-Strategy.pdf?mtime=20180920093003>.

⁷⁴ Mearsheimer, John J. “Bound to Fail: The Rise and Fall of the Liberal International Order.” *International Security* 43, no. 4 (2019): 7–50. https://doi.org/10.1162/isec_a_00342.

⁷⁵ Perlez, Jane, and Yufan Huang. “Behind China's \$1 Trillion Plan To Shake Up The Economic Order.” *The New York Times*, May 13, 2017. <https://www.nytimes.com/2017/05/13/business/china-railway-one-belt-one-road-1-trillion-plan.html>.

perspective, the only comparable program in sheer size and scope was America's Marshall Plan following World War II – more than 70 years ago –when the U.S. government spent \$515 billion to rebuild a broken, post-war Western Europe in order to prevent Communist uprisings.⁷⁶ The Belt and Road Initiative is China's 21st Century attempt to connect itself to the resources of the Eurasian and African landmass.

The Belt and Road Initiative is, at its heart, a geopolitical power play that combines all instruments of power and statecraft to reshape parts of the global order and place Beijing at its new center. To understand its implications and synergies, one must view its combined economic, military, and diplomatic components, the first of which is to understand why countries take China's investments in the first place.

As one would expect, many nations have legitimate infrastructure needs. Many of those countries are highly responsive to China's offering of loans and investment without the environmental and human rights strings that Western institutions often attach. But, China's willingness to engage with these unattractive borrowers comes with the same concern that faces any subprime lender: Unsecured risk. China's lack of oversight has bred intense corruption in many recipient countries and has led some of them to default on their debt obligations.⁷⁷ One example: Sri Lanka, which defaulted on its loans and, in return for debt forgiveness, "handed over [a] port and 15,000 acres of land around it for 99 years."⁷⁸ This was no ordinary port. It was built by benefit of the BRI Initiative. Further, because of its size and location, it has the not-insignificant ability to host naval ships and be used by the Chinese to project power into the Indian Ocean.⁷⁹ And that's just one example. Many countries, such as Malaysia, have had to

⁷⁶ "The Marshall Plan - George C. Marshall." Accessed January 3, 2020. <https://www.marshallfoundation.org/marshall/the-marshall-plan/>.

⁷⁷ Abi-habib, Maria. "How China Got Sri Lanka to Cough Up a Port." *The New York Times*. The New York Times, June 25, 2018. <https://www.nytimes.com/2018/06/25/world/asia/china-sri-lanka-port.html>.

⁷⁸ *Ibid.*

⁷⁹ *Ibid.*

cancel projects and renegotiate overbearing loans because of mismanagement and corruption associated with the BRI.⁸⁰ In the face of negative publicity, China has consequently attempted course corrections – at least publicly. But these Chinese loans, sometimes predatory loans, will continue to advance China’s interests.

The Belt and Road Initiative advances China’s geopolitical interests other ways as well. A Center for New American Security in-depth evaluation of the BRI’s implications outlines several key interests that Beijing seeks to achieve:⁸¹

- 1) Additional energy security by securing transportation over land routes that reduce China’s vulnerability of American blockades of maritime chokepoints during potential conflict;
- 2) Creating a more global People’s Liberation Army (PLA) by gaining military footholds in recipient countries;
- 3) Creation of a Digital Silk road that will enable China to export its surveillance capabilities and information technologies – also enabling it to possibly compromise networks and communications between the United States and its partners;
- 4) Gaining long-term diplomatic leverage over recipient countries that are indebted to Beijing;
- 5) Creating divisions amongst partners and allies (e.g. the European Union) where smaller, poorer members aggressively seek Chinese investment, accepting the political foothold that gives Beijing in that country’s politics; and

⁸⁰ Mitchell, Tom. “Malaysia Renegotiated China-Backed Rail Project To Avoid \$5bn Fee.” Financial Times, April 15, 2019. <https://www.ft.com/content/660ce336-5f38-11e9-b285-3acd5d43599e>.

⁸¹ Kliman, Daniel, and Abigail Grace. “POWER PLAY Addressing China’s Belt and Road Strategy,” September 2018. <https://s3.amazonaws.com/files.cnas.org/documents/CNASReport-Power-Play-Addressing-Chinas-Belt-and-Road-Strategy.pdf?mtime=20180920093003>

- 6) Reshuffling of global supply chains to accommodate China's economic and security concerns.

If successful, the BRI will reshape the geopolitical landscape in Beijing's favor. For the U.S. and partners to compete, it is important first understand that for many, the infrastructure projects funded by Beijing fill legitimate infrastructural and developmental needs. Then, the United States and its partners must coordinate assistance to strategically important nations that would otherwise go to Beijing for loans. The U.S. does not need to match Beijing dollar for dollar to compete, rather it should focus on quality over quantity and seek to get the most bang for its buck in strategically important countries. U.S. have begun to recognize this reality and consequently revitalized the International Development Finance Corp. (IDFC). But, more needs to be done as the IDFC's portfolio is limited to \$60 billion— a far cry from BRI's \$1 trillion. Going forward, additional resources – either from the U.S. or partners – will need to be dedicated to challenge China's BRI and establish new global norms (such as financing transparency) for infrastructural development – a tactic to ensure Beijing's investments are as politically neutral as possible.

Military/Security

On the security front, the U.S. faces different risks. To counter China's regional influence – particularly China's attempt to establish military dominance in its near abroad – the United States should seek engagement with smaller regional players that also share concern about China's increasing clout but are highly vulnerable to Chinese retaliation. This includes the

Philippines, Vietnam, and Indonesia. Each of these three nations have faced China's assertiveness in the South China Sea and are worried about their growing power disparity with China. But, importantly, each nation has responded differently to China's provocations. And these potential responses introduce the potential risks to a U.S. strategy.

For example: The Philippines, a U.S. treaty ally and a participant in the 2016 Hague Tribunal ruling, has taken a deferential stance towards Chinese assertiveness. This accommodative strategy has been spearheaded by Philippine President Rodrigo Duterte, who took office in 2016. With an illiberal domestic approach to governing and an attempt to receive Chinese investment, Duterte has sought to reorient the Philippines foreign policy closer to China.⁸² In doing so, Duterte has publicly criticized the decline of America's relative power and declared a policy of separation with the U.S. For all the tough talk, Duterte has encountered resistance within the Philippines Armed Forces for his stance vis-à-vis China and the U.S., as his military establishment tends to lean towards America. Additionally, Chinese investment promises have fallen short and the uncomfortable realities of submitting to Beijing have become clearer, Duterte has felt some pressure to move closer to the United States. Following the recent incident of Chinese harassment of Filipino ships in the South China Sea (culminating in a Filipino boat being sunk and its crew left to drown after being rammed by a Chinese vessel) and underwhelming economic developments by China, Duterte began reiterating the importance of the U.S.- Philippines Mutual Defense Treaty.⁸³ More recently, the Philippines Minister of Defense publicly sought clarification surrounding the conditions under which the Americans would come to the defense of the Philippines (i.e. what determines when Mutual Defense Treaty

⁸² Blanchard, Ben. "Duterte Aligns Philippines With China, Says U.S. Has Lost." Reuters, October 20, 2016. <https://www.reuters.com/article/us-china-philippines/duterte-aligns-philippines-with-china-says-u-s-has-lost-idUSKCN12K0AS>.

⁸³ Lockie, Alex. "Philippines' President Calls On US Defense Pact To Back Him In A Naval Fight With Beijing In The South China Sea." Reuters, July 17, 2019. <https://www.businessinsider.com/philippines-president-duterte-naval-clash-with-china-2019-7>.

is triggered). The United States' response has been ambiguous, both because it does not want to start a war with China over a spat with the Philippines and because keeping its commitments ambiguous helps deter greater Chinese action, as the Chinese also worry about crossing the unknown red line that would trigger the treaty.

However, Duterte seems bent to keep his lot with Beijing. In February 2020, Duterte gave notice that he was ending the Philippines' Visiting Forces Agreement with the United States (VFA). The agreement "governs the presence of U.S. troops on Philippine soil."⁸⁴ While the VFA is different than the mutual defense treaty (which remains intact), the agreement "underlies the ability of the U.S. military to operate in the country"⁸⁵ and constitutes the largest blow to any of America's relationships in Asia. The VFA does, however, have a 180-day grace period before the agreement is officially terminated. Given the nature of Duterte and Trump, it is entirely possible that Duterte is looking to use the termination of the VFA as a negotiating chip to get more economic or security assistance from the United States and will ultimately rescind the order. As of this paper's publishing, it remains hard to know the future of the VFA in particular and the Filipino-U.S. relationship at large. But, even with the Anti-American Duterte in power, the East Asia's geopolitical realities make the United States a convincing partner for Filipino security vis-à-vis China.

Still, even beyond the single VFA decision, the Philippines will remain a strategically important player in the future. By 2040 the Filipino population is expected to reach 140 million⁸⁶ – up from today's 105 million – providing key manpower for a growing economy and for a potential conflict with China. Consequently, the United States will want to maintain a delicate

⁸⁴ Panda, Ankit. "Duterte's Gamble On The US-Philippines Alliance," February 21, 2020. <https://thediplomat.com/2020/02/dutertes-gamble-on-the-us-philippines-alliance/>.

⁸⁵ Ibid.

⁸⁶ Eberstadt, Nicholas. "With Great Demographics Comes Great Power." *Foreign Affairs*, July 9, 2019. <https://www.foreignaffairs.com/articles/world/2019-06-11/great-demographics-comes-great-power>.

balance of strategic ambiguity in its relations with the Philippines; only coming to their defense if the country and its vital interests are truly under attack and providing sufficient assurances of American credibility that Chinese misbehavior is deterred. Because Chinese assertiveness and bullying will continue into the future as the country becomes stronger, the Philippines will find it within their national interest to continue their security cooperation with the United States so long as American security guarantees remain credible.

A similar dynamic will play out in the rest of the Southeastern Pacific with countries like Vietnam and Indonesia. Both have large populations, growing economies, and remain wary of China's potential to dominate the region. And both nations (but especially Vietnam) are poised to reap benefits from the United States-China economic decoupling as U.S. companies seek to relocate their supply chains in more geopolitically neutral countries.⁸⁷ Additionally, Vietnam and Indonesia will be looking to hedge against China's rising status, but will require the United States to show its regional commitment through deployment of military assets and expanding economic relations. Without U.S. assistance, countries in the region will be forced to either accede to Chinese ambitions or face Chinese coercion. The United States risks losing these nations to Chinese spheres of influence and economic blocs – a blow to the regional countries' national interests as well as the United States'. As noted, the United States will not have to shoulder this burden alone. Other members of the Quad will play varying roles to counterbalance Chinese initiatives in the region, but the United States will be vital in its regional leadership given its immense resources. If executed properly, the United States can facilitate the rise of East Asia's sleeping giants (Indonesia, Vietnam, and the Philippines), enabling them to become

⁸⁷ Shoulberg, Warren. "Vietnam Is Becoming The Big Winner In The China Trade Wars." *Forbes*, October 16, 2019. <https://www.forbes.com/sites/warrenshoulberg/2019/10/16/us-finally-succeeds-in-vietnam-as-more-companies-move-sourcing-there/#580a722b4a4e>.

global economic engines, militarily self-sufficient, and protectors of the regional – even global – order.

Each country Indo-Pacific region presents an opportunity and challenge for the U.S. to consider in its Grand Strategy to counter China. Because so many variables exist, so too do great risks to the strategy.

Section XI: Conclusion

The world is once again experiencing a generational power shift – a tectonic restacking of the World Order that marks an end to the post-Cold War Unipolar Moment. China’s unprecedented rise has come on the back of the U.S. led rules-based international order – an order into which China gained entry by virtue of its own economic restructuring, coupled with international hopes that economic integration into the global marketplace would be met by social and political integration into the western marketplace of ideals. But that international hope of Chinese liberalization – both market-based and political – was sorely misplaced. Instead, China has become the United States’ greatest strategic competitor and represents the largest threat to its security and social-economic interests since the Soviet Union. This paper calls for a fundamental shift not only in the way the U.S. views China and its growing engagement with the world, but also how it acts within this reality. As former U.S. Ambassador to the UN Nikki Haley said, “[China’s] strategic ambitions are unfriendly, far-reaching, and deeply rooted in an authoritarian worldview.”⁸⁸ China’s actions seek to undercut U.S. influence and replace the U.S. as hegemon

⁸⁸ Haley, Nikki. “How To Confront An Advancing Threat From China.” *Foreign Affairs*, July 22, 2019. <https://www.foreignaffairs.com/articles/china/2019-07-18/how-confront-advancing-threat-china>.

in Asia at the least and, likely, globally. The U.S. can no longer act naïvely to the challenge; the consequences are simply too high.

Going forward the U.S. must first view the Chinese-U.S. relationship through a competitive lens that seeks to maximize U.S. gains over China and minimize Chinese gains over the United States. This view is not a zero-sum view mindset, as the U.S. should simultaneously identify areas where U.S. and Chinese cooperation are intensely needed. These areas of cooperation could include climate change, non-proliferation, terrorism, cyber warfare, global economic growth, and much more. This U.S. approach will inevitably cause friction with China. But U.S. policymakers should seek to manage this friction rather than avoid it. After all, the United States and China simply have different, and oftentimes competing, interests; consequently, following a policy that prioritizes minimizing frictions rather than managing them is just another way to say “appeasement.” The U.S. would do better by embracing and managing newfound frictions rather than avoiding them, as a strategic, assertive United States demonstrates the country’s resolve to stand by its commitments and interests rather than surrender them. The U.S. must be clear-eyed about its own strategic interests and the potential threat that China can pose to global and U.S. security.

Additionally, for the U.S. to act strategically, the United States must determine the end goals of its Great Power competition with China. Those end goals should be neither domination nor humiliation. Rather the U.S. should aim for a peaceful coexistence with China that favors U.S. interests, values, and power. Such a world would not seek to overthrow the CCP or build a new Iron Curtain that again divides the world into two blocs. Instead, the U.S. should act to ensure fair competition within the global economy, a robust military arrangement in the Pacific to successfully balance Chinese hegemonic aims, and the upholding of certain standards for

human rights and corruption. However, by definition, a peaceful coexistence requires both parties to function within an agreed upon framework; it takes, as the saying goes, two to tango. If China continues to act in ways that threaten the global or Asian balance of power – and continues to undermine U.S. standing in the world – then the United States should seek to punish and ostracize China, ideally with the assistance of allies. During these twilight years of its unipolar position and unrivaled power, the United States should lock in its gains now and prepare for a multipolar world of diminished influence.

Managing the China challenge will be the overarching struggle of the 21st century. The United States must be awake to and brave towards the challenges it faces. It must take advantage of its extraordinarily privileged position in the status quo. And it must invest in its future, both to enhance current competitive advantages and to mitigate the more worrying trends. Importantly, the United States should remember that the values of freedom and democracy are values worth fighting for. Americans may have become disillusioned by the failures of a post-Cold War America, but with a thoughtful, well-executed Grand Strategy, the U.S. can retain primacy in era of Great Power Competition with China and a rising multipolar world.

SIDEBAR***What About The Rest? How Russia, India, Europe Will Fare in a Multipolar World***

In the 1990s, as the Cold War ended and a connected, globalized, though unipolar world emerged, a small home furnishings company from Sweden sought to make its move. After all, with supply chains growing and cross-border trade opening, why should Scandinavians be the only group to benefit from stylish, inexpensive self-assemble dressers, futons and bedframes?

So IKEA went global and announced its ambitions with a bold slogan: “It’s a big world. Someone’s got to furnish it.”

Indeed, it remains a big world. But, from a foreign policy point of view, not much else is the same as it was 25 years ago. As noted in the first part of this series – *The Real Game of Thrones: How the U.S. Can Retain Primacy Over China in New Era of Great Power Competition* – as a result of spectacular, meteoric, and tectonic power shifts, a new Great Power Competition is underway between the U.S. and China.

However, while these two giants are set to dominate the next century – and have already begun their Battle Royale for primacy – they are hardly the only countries that will influence what happens next. Indeed, if foreign policy strategists were to adopt IKEA’s previous slogan, they might change it to: “It’s a big world. Other countries matter, too.”

But how? In what ways? Will these other key countries take sides in a U.S.-China battle? Will they perhaps take all sides, hedging between the two super powers? Of course, to some extent, every country will matter. Each sovereignty will have something to offer the competition, from natural resources to military strength to consumer goods and more. But of all the countries

(and regions), three will play outsized roles in determining how this Grand Strategy plays out: Russia, India, and Europe.

Russia

At first glance, Russia only meets the threshold of Great Power in a few, select military criteria and looks to be a second or even third rate power in most other relevant domains. This is because in market exchange rate terms, Russia's GDP is a mere \$1.65 trillion⁸⁹ – nearly one-fifteenth of U.S. GDP and smaller even than Italy's \$1.9 trillion GDP. Even in terms of purchasing power parity, Russia's economy only comes out to \$4.35 trillion⁹⁰, not the behemoth one would expect from a Great Power capable of projecting power across the globe. Yet, Russia has cemented itself as a formidable contender on the world stage, becoming an indispensable nation in the Middle East through its successful foray into the Syrian Civil War, maintaining a globally competitive arms manufacturing industry, and hosting one of the world's largest nuclear arsenals. Given this contradictory picture of Russia's decaying on the inside but presenting remarkable power on the outside, determining what role Russia will play in our new multipolar world is of immense importance.

Within this new multipolar world, Russia will occupy a niche role due to its unique geographic positioning and its sizable hard power capabilities. To make this determination, one must look beyond mere quantitative metrics and understand the Russian worldview, as well as its

⁸⁹ "GDP (Current US\$) - Russian Federation | Data." Accessed January 3, 2020.
<https://data.worldbank.org/indicator/ny.gdp.mktp.cd?locations=ru>.

⁹⁰ "World Economic Outlook Database, 2019". *IMF.org*. International Monetary Fund.

sense of self. Such a framing enables observers to better grasp how and why Russia deploys its scarce resources as it does.

The uniquely Russian area to consider is its long-held belief in its own exceptionalism, uniqueness – and its desire to be a Great Power. While Russian exceptionalism may be hard to reconcile given the country’s lackluster economic and demographic fortunes, such national pride is common in countries with imperial pasts such as the United States, China, Britain, and France. And for Russia, this belief in “having a special mission has contributed to [its] paucity of formal alliances and reluctance to join international bodies except as an exceptional or dominant member.”⁹¹ In fact, this view of Russian exceptionalism leads directly to a central pillar of Russia’s vital interests: To be an autonomous player, to uphold its identity of a great power which is strategically independent.⁹² Attempts to subscribe the Russian populace to notions of a Liberal worldview – like the U.S. has attempted for the past two decades – are likely to fall on deaf ears. Rather, “Moscow operates within a familiar great-power school of international relations, one that prioritizes room for maneuver over morality and assumes the inevitability of conflict, the supremacy of hard power, and the cynicism of others’ motives.”⁹³ The Russian worldview revolves around its own sense of greatness and autonomy. It will invest (and has invested) every available resource to portray itself as a Great Power.

But why? Russia shed its imperial past more than a century ago. It since has undergone massive political, economic, and social shifts. Why then does the Russian worldview take painstaking lengths to lionize its strategic independence and its Great Power identity? Russian

⁹¹ Kotkin, Stephen. “Russia’s Perpetual Geopolitics.” *Foreign Affairs*, April 2016. <https://www.foreignaffairs.com/articles/ukraine/2016-04-18/russias-perpetual-geopolitics>.

⁹² Topol, Sarah A. “What Does Putin Really Want?” *The New York Times*, June 25, 2019. <https://www.nytimes.com/2019/06/25/magazine/russia-united-states-world-politics.html>.

⁹³ Kotkin, Stephen. “Russia’s Perpetual Geopolitics.” *Foreign Affairs*, April 2016. <https://www.foreignaffairs.com/articles/ukraine/2016-04-18/russias-perpetual-geopolitics>.

history provides valuable insights into the nation's psyche, within which, Russia has contended with two distinct but central impulses. The first has been how to reconcile its European and Eurasian identities. On the European side, Russia has been a key player in many of Europe's defining events over the two centuries, such as the defeat of Napoleon and the creation of the Concert of Europe, World War I, World II, and the Cold War. Even domestically, Russian Tsars such as Peter the Great sought to Westernize Russia in the 18th Century through a remarkable cultural revolution and the creation of Saint Petersburg as the nation's capital. Simultaneously however, Western Europeans viewed Russia as a Slavic "other" and historically viewed the country as inferior because of "its relative backwardness, particularly in the military and industrial spheres."⁹⁴ The big Russian bear in fact is something of a European black sheep. This tension of near-European identity and comparative backwardness runs deep in Russian history. As a result of its unique geographical placement between Europe and Asia – with one foot in both worlds, but both feet in neither – Russia has sought to develop a unique identity separate from Europe and Asia, an identity that Russia believes is worthy of immense respect.

The second significant development in Russia's history has been the centrality of the Russian state in securing domestic order and prosperity. Time and again, a strong, dominant state is necessary to repel foreign invaders and maintain its vast territorial integrity. Conversely, when the State runs weak, the Russian empire fractures and declines – such as during World War I and, most recently, following in the dissolution of the Soviet Union. The importance of a strong central government stems from many factors, of course, not least among them: geography. Russia "relies solely on the relatively inhospitable climate and its forests for defense"⁹⁵ not

⁹⁴ Kotkin, Stephen. "Russia's Perpetual Geopolitics." *Foreign Affairs*, April 2016. <https://www.foreignaffairs.com/articles/ukraine/2016-04-18/russias-perpetual-geopolitics>.

⁹⁵ "The Geopolitics Of Russia: Permanent Struggle." *Stratfor*, April 15, 2012. <https://worldview.stratfor.com/article/geopolitics-russia-permanent-struggle>.

mountains or oceans. No shortage of would-be conquerors have sought to take advantage of Russia's exposure to invasion, among them the Mongols, Napoleon, and Hitler. Consequently, the best way to repel Russian enemies has been "a powerful state willing and able to act aggressively in its own interests."⁹⁶ In practice, the state pursued territorial expansion as a way to defend its borders. Here, too, the role of a strong central state was key to maintaining a unified Russian territory, and the creation of buffer states alongside Russia's borders were vital to its defense. Conversely, when the state was weak, enemies pounced. Following the fall of the Tsarist regime after World War I, a swarm of international parties sent troops against the Bolsheviks during the Russian Civil War. More recently, Russian leaders see the dissolution of the Soviet Union as proof that Russian territories will fracture when not reinforced by military might and a strong state. Putin has played on this belief to bely his own legitimacy, pointing to Russia's internal decay and humiliation during the 1990's when the state was weak and its contemporary return to Great Power status under his leadership. Russian history is clear: Russia is only great when it has a strong, central state and will be preyed upon by outsiders when the state falters.

This context helps divine Russia's role and behavior in a newly multipolar world? First, Russia greatly prefers the upcoming multipolar world to the unipolar world that the United States dominated for the last three decades. Moscow's version of the tale is well-known: The United States took full (and unjust) advantage of a weakened Russia following the Soviet collapse, expanding NATO into territories traditionally under Russia's sphere of influence. NATO overextensions have, in Moscow's mind, been highly threatening and forced military retaliation, including Russia's invasions of Georgia (2008) and Ukraine (2014). Even heavy U.S. and E.U.

⁹⁶ "The Geopolitics Of Russia: Permanent Struggle." Stratfor, April 15, 2012. <https://worldview.stratfor.com/article/geopolitics-russia-permanent-struggle>.

sanctions have not inspired Russian retreat. Additionally, the liberal hegemony that the United States has promoted since the end of the Cold War poses a direct threat to the legitimacy of the Putin regime, a kleptocratic regime that came to power following – and bases its legitimacy on – the disastrous, democratic decade of 1990’s Russia. For Putin’s Russia, a successful spreading of liberal democracy by Western countries would challenge the regime’s narrative as to why Russian’s need an autocratic, corrupt government. As a result, for Putin and his oligarchs, demonstrating Western democracies’ moral hypocrisies and failings is vital to convincing his people that the current regime is desirable; after all, the argument goes, every government is corrupt, and that Russian’s don’t have it that bad.

That’s why Russia’s foreign policy under Putin plays spoiler against U.S. attempts to spread liberal hegemony in areas such as Europe (Ukraine) and the Middle East (supporting President Bashar Hafez al-Assad in Syria), and of course, in America itself (see: 2016 elections and the Mueller Report). Russia has also endeavored to facilitate China’s rise – a country whose government is more similar to Russia’s – as a Great Power competitor to the United States to push back against liberal hegemony .

China’s rise to near Super Power status is consequently beneficial to Russian interests. While such a statement may seem nonsensical given the two nations’ enormous population disparity, their close geographic proximity (sharing a 2,615-mile border) and history of near-disastrous competition for leadership within the Communist bloc in the latter parts of the Cold War, mean both countries have overriding interests in escaping the unipolar world of overwhelming U.S. power. Russia and China seek their own regional spheres of influence, as well as to overhaul “international rule-making with the intention of gaining greater influence in multilateral institutions, securing vetoes over military interventions, increasing global

governance of the internet (albeit for their own self-interest), ending U.S. pressure regarding democracy and human rights, dethroning the reigning dollar and accounting for their interests in the design of the global security order.”⁹⁷ With these significant overlapping interests, the Russia-China strategic partnership will continue to develop – to the United States’ detriment – until the cost-benefit analysis for one of the countries changes.

Given that paradigm, it’s worth noting the potential costs, because for Russia, significant costs to its China partnership exist – and in these costs lies American strategic opportunity. Russia has taken the junior role in the bilateral relationship and given Beijing favorable trade terms, “More than three-quarters of Russia’s exports to China are raw materials, specifically crude oil, wood, and coal. China’s sales to Russia are 45 percent consumer goods and 38 percent electronics and machinery.”⁹⁸ Additionally, Russia relies far more on its trade relationship with China than the converse, “China is Russia’s second-largest trading partner (after the EU) and Russia’s largest individual partner in both exports and imports, for China the Russian market is at best second-rate. Russia ranks tenth in Chinese exports and does not make it into the top ten in either imports or total trade.”⁹⁹ Taken together, Russia has subjugated itself to second fiddle in its relationship with China. This outcome surely does not represent Russia’s preference (Russia sees itself as a Great Power, and Great Powers prefer to play top fiddle), but it shows the depth of Moscow’s antipathy towards the U.S.: The secondary role is preferential to submitting to U.S. power, while also offering China ways to diversify its economic relationships away from what it sees as a hostile West.

⁹⁷ “The Rise Of A Not-So-New World Order.” Stratfor, November 15, 2017. <https://worldview.stratfor.com/article/rise-not-so-new-world-order>.

⁹⁸ Aron, Leon. “Are Russia And China Really Forming An Alliance?” Foreign Affairs, April 4, 2019. <https://www.foreignaffairs.com/articles/china/2019-04-04/are-russia-and-china-really-forming-alliance>.

⁹⁹ Ibid.

Another potential cost: Russia's traditional backyard of Central Asia is likely to become an area of competition between Russia and China. Central Asia poses an interesting flashpoint within the Russian-Chinese relationship due to the region's history, close geographical proximity to both Russia and China, and budding economic relationship with China. In other words, Russia and China are likely to compete in Central Asia given their incompatible, long-term interests in the region. For Russia, Central Asia is an important part of Russia's conception of itself as a great power; Central Asia's security benefits as a buffer zone, and it offers abundant natural resources. To understand Russia's historical attachment to the region, one must recall that "Russia has been the dominant external player in Central Asia since the 19th century, when the Russian Empire conquered the region to protect itself from foreign rivals."¹⁰⁰ After the Russian Civil War, Central Asia continued to play a vital role in maintaining Soviet power by acting as a buffer zone to the Soviet heartland, providing a land route to the Middle East and South Asia, and economically supplying substantial natural resources that bolstered the Soviet economy. Even after the Soviet collapse, the newly formed Central Asian states continued to act as understudies to their larger, northern neighbor. From an economic and military view, they were dependent upon and, consequently, vulnerable to Russia. To extend primacy over the region, Russia launched the Eurasian Economic Union (EEU), establishing a single market between Russia and the Central Asian signatories (Armenia, Belarus, Kazakhstan, and Kyrgyzstan). Russia's overwhelming economic dominance within the EEU has allowed Russia to treat the EEU as an extension of Russian power. However, as China expands its economic influence in the region through bilateral agreements and through its Belt and Road Initiative, Chinese and Russian interests will clash. As these interests clash, it is possible Russia intervenes in Central

¹⁰⁰ "Central Asia's Economic Evolution From Russia To China." Stratfor, April 5, 2018. <https://worldview.stratfor.com/article/central-asia-china-russia-trade-kyrgyzstan-kazakhstan-turkmenistan-tajikistan-uzbekistan>.

Asian countries similar to its 2014 intervention in Ukraine to prevent an undue amount of Chinese influence in the region.

So how does Russia play in the U.S.-China Great Power Competition? What should the U.S. strategy towards Russia look like within that frame? What might success look like? From the Russia point of view, given its long-term and more recent history, Russia is unlikely to be lured from China and toward the Western camp. Similarly, from the U.S. point of view – at least the point of view of nearly every governmental and think tank operative outside President Trump and Secretary of State Mike Pompeo – Russia is no friend. Indeed, the new U.S. National Defense Strategy and U.S. National Security Strategy specifically name Russia as a malign competitor in this Great Power Competition era.¹⁰¹

And yet, through purely a Great Power politics prism, Russia holds great value to the U.S., and intelligent U.S. policy towards Russia should be more clear-eyed about possible areas of cooperation. The school yard definition of this strategy would be “my enemy’s enemy is my friend.” The goal is straightforward: Increase Russia’s leverage with China and decrease its dependence on it. As noted earlier, Russia and China maintain many natural areas of competition, yet it is the two countries’ shared disdain of U.S.-led, liberal hegemony that girds their relationship. This means that the time has come for U.S. policymakers to stop their attempts at reforming Moscow to become a liberal ally and instead deal with Russia in realpolitik terms of national interest. Complete volumes of analysis could unpack that strategy, but the outlines are clear: In practice, this means using U.S. power to coax Russia into embracing “different balance of power in Northeast Asia that would serve U.S. purposes.”¹⁰² It means rethinking trade to offer

¹⁰¹Trump, Donald J. “National Security Strategy,” December 2017. <https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>.

¹⁰²Graham, Thomas. “Let Russia Be Russia.” *Foreign Affairs*, November 23, 2019. <https://www.foreignaffairs.com/articles/russia-fsu/2019-10-15/let-russia-be-russia>.

Russia better trade and economic incentives. Will Russia play ball? A balancing of China is in both Russia's and the United States' long-term geopolitical interests as "an increasingly powerful China is the greater threat to Russia, given [the two countries] geographical proximity"¹⁰³ and for the U.S. a stronger, independent Russia is a useful check on Chinese ambitions.

Russia is an extraordinary, unique nation with significant power. It boasts an enormous military arsenal, territory that spans nine time zones, and a seat on the U.N. Security Council. It also holds tight its national identity as a Great Power and values significant freedom to act autonomously within foreign affairs. However, Russia has recently aligned itself with Beijing to create a counter-coalition of nations that seek to challenge and possibly undermine U.S.-led, liberal hegemony. This Russian-Chinese partnership is by no means foreordained. Strategic U.S. foreign policy would be wise to capitalize on the two countries' multiple divergent interests and assist Russia in what will be its long-term quest to balance a newly powerful China.

India

China's rise as the dominant Asian power has reshaped South Asia's traditional geopolitical landscape. India, long used to playing the role of regional hegemon in South Asia, now fears the possibility of Chinese encirclement. China has invested significantly in India's archrival Pakistan, even placing one of the Belt and Road Initiative's vital infrastructure projects inside the country. The Chinese-Pakistan Economic Corridor (CPEC) is estimated to cost "\$75 billion, out of which \$45 billion plus will ensure that the corridor becomes operational by

¹⁰³ Mearsheimer, John J. "Bound to Fail: The Rise and Fall of the Liberal International Order." *International Security* 43, no. 4 (2019): 7–50. https://doi.org/10.1162/isec_a_00342.

2020.”¹⁰⁴ China’s interests in Pakistan and CPEC are threefold: “To demonstrate China’s attractiveness as a partner; to prove that China’s development model can be exported; and to use Pakistan as an element of its strategic competition with the United States and India.”¹⁰⁵ Chinese investment has also crept into other South Asian countries, perhaps most famously with Sri Lanka (see above section for context). In extending its influence into South Asia, China has now taken on the role as India’s primary geopolitical threat as it attempts to maintain primacy within the region.

India’s resulting geopolitical dilemma vis-à-vis China has created a strategic alignment with the U.S., which also has clear interest in preventing Chinese regional domination. But the U.S.-India relationship – despite India’s status as the world’s largest democracy – remains fairly transactional, as Robert Blackwill and Ashley Tellis state in *Foreign Affairs*: “The U.S.-Indian partnership was built on a careful calculation by each side: Washington, unsettled by the prospect of an ascendant China, sought to build up new power centers in Asia. New Delhi, meanwhile, hoped to balance China by shoring up its own national power, with the United States acting both as a source of support and, more broadly, as a guardian of the liberal international order.”¹⁰⁶ India’s rise, in Washington’s thinking, helps create a more favorable balance of power for U.S. interests. But the converging interests between the two powers has not led to a more deep-seated relationship between the two powers.

In the U.S. vision of a favorable Asian balance of power, India plays a unique role. As is not hard to guess, this special role significantly rests on India’s gargantuan population – the only

¹⁰⁴ “How Will CPEC Boost Pakistan Economy?” Deloitte. Accessed January 3, 2020.

<https://www2.deloitte.com/content/dam/Deloitte/pk/Documents/risk/pak-china-eco-corridor-deloittepk-noexp.pdf>.

¹⁰⁵ Schwemlein, James. “Strategic Implications of the China- Pakistan Economic Corridor.” UNITED STATES INSTITUTE OF PEACE, December 2019. https://www.usip.org/sites/default/files/2019-12/sr_459-strategic_implications_of_the_china_pakistan_economic_corridor.pdf.

¹⁰⁶ Blackwill, Robert D. “The India Dividend.” *Foreign Affairs*, August 30, 2019. <https://www.foreignaffairs.com/articles/india/2019-08-12/india-dividend>.

in the world comparable to China's. Additionally, unlike China, India has a healthy demographic outlook with a growing young population. In fact, "India is on track to overtake China as the world's most populous country within the next decade, and by 2040, India's working-age population may exceed China's by 200 million."¹⁰⁷ India's advantageous demographics increase its appeal and potency.

However, it would be a mistake to assume that the overlapping U.S.-India strategic interests will translate into a frictionless alliance or even relationship. History, economics, and now even current events may play spoiler to such a romantic notion. The historical roots can be traced to the foreign policy legacy of modern India's founding father, Jawaharlal Nehru. Nehru took power in 1947 during the start of the Cold War. Seeing the construction of the international order's bipolar structure, Nehru concluded that it would be against India's interest to align itself with either of the world's two Super Powers. Nehru believed that attaching India to one of the blocs would oblige the country to take actions counter to its national interest, ultimately creating harm. As a result, Nehru attempted to establish a third pole in the effectively bipolar Cold War world. This third pole represented the "Non-alignment" movement and sought to maximize each country's autonomy to secure an independent foreign policy. The non-alignment policy would become a pillar of India's foreign policy strategy. Following the Cold War, India's non-alignment framework simply transitioned into a foreign policy of strategic autonomy – a policy still predicated upon the inviolability of India's foreign policy independence but updated to reflect the new post-Cold War world. This deeply ingrained prioritization of Indian autonomy means that any American attempt to establish a formal alliance between the two countries – with India as the inevitable junior partner – is bound to encounter harsh resistance at the least, if not

¹⁰⁷Eberstadt, Nicholas. "With Great Demographics Comes Great Power." *Foreign Affairs*, July 9, 2019. <https://www.foreignaffairs.com/articles/world/2019-06-11/great-demographics-comes-great-power>.

outright failure. American policy makers will have to become accustomed to piecemeal measures that, over the long-term, will strengthen Indian-U.S. balancing of China.

Another area of contention that hinders deepening U.S.-India relations is India's economic protectionism. Following India's near economic collapse in the early 1990's, India embarked on free market reforms to revitalize its economy.¹⁰⁸ Yet, even today India's domestic firms are too weak to compete against international competitors. As a result, India has been hesitant to reduce tariffs on international products. India's high barriers and reluctance to liberalize economically continues to frustrate U.S. businesses and policymakers who see India as an attractive market with much more opportunity to offer. The Trump administration has been frustrated by India's reluctance to liberalize its markets and retaliated by rescinding India's privileged access under the Generalized System of Preferences, which had allowed preferential duty-free imports of up to \$5.6 billion a year.¹⁰⁹ India's protectionist stance is likely to remain for the foreseeable future as India has not shown confidence in its market's ability to compete with foreign competition. This was demonstrated most recently when India even pulled out at the last minute of RCEP. Here, India was concerned that entering into a free trade pact with China would lead to a flood of Chinese goods into India and exacerbate India's already politically sensitive trade deficit with China. Taken together, India's protectionist tendencies will continue to hamper its relations with other countries.

And most recently, a new potential issue is emerging: India's domestic illiberalism. The rise of Indian illiberalism in the form of Hindutva (Hindu nationalism) has been the initiative of Indian Prime Minister Narendra Modi and his political party, the BJP. After surging to power in

¹⁰⁸ Anklesaria Aiyar, Swaminathan. "Twenty-Five Years Of Indian Economic Reform." Cato Institute, October 26, 2016. <https://www.cato.org/publications/policy-analysis/twenty-five-years-indian-economic-reform>.

¹⁰⁹ Dasgupta, Neha. "India Plays Down Trump Decision To Remove U.S. Trade Privileges." U.S. , n.d. <https://www.reuters.com/article/us-usa-india-trade/india-plays-down-trump-decision-to-remove-us-trade-privileges-idUSKCN1T2300>.

2014 and again in 2019, Modi and his party have sought to shift the country away from its secular roots and instead remake India as a Hindu nation. In his first term, Modi primarily focused on growing India's developing economy. But as India's economy slowed in the run up to the 2019 elections and became a political liability, Modi strategically ran a more populist campaign focusing on the Hindu character of India.¹¹⁰ Modi won the 2019 reelection handily and began delivering on his Hindutva promises. In August 2019, Modi "unilaterally wiped out the autonomy of the restive Kashmir region, sending in thousands of army troops to quell any possible unrest the move would bring in a disputed territory fought over by India and Pakistan."¹¹¹ To do so, Modi and the Indian government "severed internet connections, mobile phone lines and even land lines"¹¹² to create an information black out in the region. Such draconian measures were thought to be reserved for autocratic nations. In Kashmir, Modi's goal is clear: He hopes Indian Hindus will move to Kashmir, reshaping its demographic makeup to become majority Hindu (it is currently majority Muslim) and integrate the region politically and economically into India proper. His push to reshape India's secular character did not stop in Kashmir. In December 2019, Modi passed a citizenship law that "would give migrants of all of South Asia's major religions a clear path to Indian citizenship — except Islam."¹¹³ Simultaneously, has begun giving citizenship exams in the Indian region of Assam, asking residents to provide "documents that showed he or his ancestors had lived in India before midnight on March 24, 1971, when Bangladesh split from Pakistan and became its own nation."¹¹⁴ While both Hindus and Muslims may lose citizenship status, it is clear the citizenship

¹¹⁰Bremmer, Ian. "I Argued That Narendra Modi Was India's Best Hope for Economic Reform. Things Have Changed." Time, December 20, 2019. <https://time.com/5753624/india-narendra-modi-nationalism/>.

¹¹¹Gettleman, Jeffrey, Raj Kai, and Kai Schultz. "India Revokes Kashmir's Special Status, Raising Fears Of Unrest." The New York Times, August 5, 2019. <https://www.nytimes.com/2019/08/05/world/asia/india-pakistan-kashmir-jammu.html>.

¹¹² Ibid.

¹¹³ Ibid.

¹¹⁴ Raj, Suhasini, and Jeffrey Gettleman. "A Mass Citizenship Check In India Leaves 2 Million People In Limbo." The New York Times, August 31, 2019. <https://www.nytimes.com/2019/08/31/world/asia/india-muslim-citizen-list.html>.

test is meant to target Muslims. After all, the citizenship law provides Hindus and all other major South Asian religions other than Muslims a path to citizenship. Additionally, Hindu politicians are stating their support for vulnerable Hindus as “several politicians have said they will make sure that Hindu Bengalis can stay.”¹¹⁵ If Hindu nationalists are successful in Assam, it is not inconceivable that nationwide efforts at redefining citizenship – with the intention of making Indian Muslims stateless – could occur. While Modi’s actions have generated fierce resistance and protests by Indian Muslims and Indians who value the secular nature of contemporary India, India (like much of the world) is currently undergoing an intense fight about the nature of what it means to be Indian. While geopolitically India will remain focused on combatting China as its largest strategic threat, the United States must delicately approach India’s domestic political challenges to prevent the rise of an ethno-authoritarian India. The demise of a liberal democratic India would make any deepening of the U.S.-Indian political partnership significantly more challenging and would deal a damaging blow to the appeal and image of liberal democracies across the globe.

Even with the political difficulties, in the upcoming Great Power competition India inevitably will play a pivotal role. India recognizes the real possibility of Chinese encirclement in South Asia and the Indian Ocean. To prevent such an outcome, India will be pragmatic and look for allies to support its development; the natural and main ally for this effort will be the United States. Not only does the U.S. share similar concerns about Chinese domination of Asia, it also has the technological know-how to facilitate India’s rise. This Indian-U.S. partnership will become a cornerstone in both countries security strategies. Still, it would be shortsighted to

¹¹⁵ Raj, Suhasini, and Jeffrey Gettleman. “A Mass Citizenship Check In India Leaves 2 Million People In Limbo.” The New York Times, August 31, 2019. <https://www.nytimes.com/2019/08/31/world/asia/india-muslim-citizen-list.html>.

believe India and the U.S.'s shared interests will seamlessly develop into a formal alliance. India's historical attachment to strategic autonomy, insecurity about the competitiveness of its market, and its slow shift to illiberalism – combined with U.S. insistence on playing senior partner in any relationship – likely will cause significant frictions and prevent deep integration. But even with these shortcomings, U.S. policymakers should remain focused: Facilitating India's growth as a Great Power is necessary to ensure a favorable balance of power in Asia.

Europe

For the past five centuries, since Columbus' discovery of the Americas, Europe has played a center role in dictating world affairs. Such a role has taken the form of European powers competing for colonies across the globe, becoming the birthplace of the industrial revolution, and instigating two disastrous world wars that set the pretense for the global ideological battle of the Cold War. In short, what occurred in Europe was felt around the world.

And now, with Brexit completed, NATO's existence questioned, and illiberalism finding a home within the European Union, it's hardly a stretch to note that any answers to the important questions of the 21st Century will surround the future of the Europe.

The European project was created to combat Europe's violent and nationalistic tendencies and facilitate peaceful economic growth on the continent. To do so, the European project functioned as an ultra-national tool, encouraging economic integration among Europe's main players – namely France and Germany. The initial ambition was to create sufficient economic incentives to make warring against one's neighbors counter to that nation's economic self-interest. The European Project has been remarkably successful and expanded past its

original members, now boasting a total of 28 countries (including Britain), and 19 of those 28 members using the same currency – the Euro. Most importantly, the European Project has prevented the outbreak of great power war and has spread liberal values into Eastern Europe (though those values may be in retreat in locations like Hungary and Poland). In terms of raw power, the European Union has a population of nearly 513 million¹¹⁶ and a GDP of \$18.7 trillion¹¹⁷ - the second highest globally behind the United States. As a single actor, Europe is without a doubt a Great Power and a significant pole in our multipolar world. But its decentralized structure and the lack of consensus among member states often lead to paralysis and prevent Europe from acting as a single actor on the world stage and displaying its true power.

Today, the European Union faces its most significant challenges since its founding. A myriad of crises from the uneven economic gains amongst its members to the deluge of migrants stemming from the Syrian crisis to the popular disdain for the distant, unaccountable technocrats in Brussels has led to the revival of far-right populism within Europe. These populists view the E.U. as an out of touch, unaccountable bureaucracy, limiting their country's sovereignty by executive fiat. The far-right populist ideology advocates the primacy of the nation-state and seeks to free their respective nation-states from the perceived handcuffs of E.U. rules and regulations. To release themselves from Brussels shackles, few populists currently advocate a formal exiting of the European Union; after seeing the disaster of Brexit, these populist leaders have recognized the immense costs and time exiting the E.U. would entail. Instead, these far-right populists now seek to dismantle the European Project from within. They do so by electing

¹¹⁶ "EU In Figures | European Union." European Union. Accessed January 3, 2020. https://europa.eu/european-union/about-eu/figures/living_en.

¹¹⁷ "World Economic Outlook Database, April 2019". [IMF.org](https://www.imf.org). International Monetary Fund.

Euro-skeptic members to the European parliament and then pursuing policies that decentralize the E.U. with the hope of paralyzing and neutering the supranational body. The rise of Euro-skeptic, far-right populists poses an enormous challenge to any hopes of increased European integration.

Outside of the populist politics realm, the future of the European project is also uncertain. Another economic or financial crisis similar to the Recession of 2008 could be the death blow to the E.U.'s monetary union.¹¹⁸ Indeed, as of this publishing, such an economic blow resulting from COVID-19-related shutdowns could be underway. The competing interests of states inside of the European Union will inhibit and weaken the ability of Europe to fully exercise its power and inevitably means other great powers will seek to divide the European Union to paralyze decision making.

As with other countries and regions, China's rise poses challenges and opportunities for Europe. First, China represents a massive, growing market for European goods. China has become the E.U.'s second largest trading partner, behind the United States, with total trade between the two countries reaching €604.6 billion 2018¹¹⁹. Additionally, many Eastern and Central European countries are looking to boost their own economies by receiving Chinese foreign investment through China's Belt and Road Initiative. But Euro-China tensions have begun to rise. Europe's fears can be broken down in to three camps: economic, technological, and values. Economically, many Europeans are frustrated at the slow pace of Chinese market reform and the barriers European companies continue to face when competing in the Chinese market. Under Xi, Europeans have "lost hope that China will reform its economy or allow

¹¹⁸ Samuelson, Robert. "The Euro Is Still Vulnerable. Can It Survive?," January 6, 2019. https://www.washingtonpost.com/opinions/the-euro-is-still-vulnerable-can-it-survive/2019/01/06/48566014-1047-11e9-84fc-d58c33d6e8c7_story.html.

¹¹⁹ "China-EU - International Trade In Goods Statistics - Statistics Explained." Accessed January 3, 2020. https://ec.europa.eu/eurostat/statistics-explained/index.php/China-EU_-_international_trade_in_goods_statistics.

greater access to its markets, and at the same time, China's state-backed and state-subsidized actors have advanced in sectors that Europe considers critical to its economic future."¹²⁰ Technologically, Europe's fears are similar to the U.S.'s. China's state-led technological ambition threatens to displace Europe's current place in the global value chain. In fact, in March 2019, "European heads of state debated a new European Commission strategy paper that describes China as an 'economic competitor in the pursuit of technological leadership, and a systemic rival promoting alternative models of governance.'"¹²¹ As a result, Europe has belatedly begun introducing barriers to Chinese investment in certain strategic sectors.¹²² And then there is values. Europe – particularly Western Europe – carries a strong liberal tradition. This liberal tradition extends to the European Union, which itself was founded upon the liberal principles of respect for the dignity of all people and the recognition universal human rights. China, of course, has made abundantly clear its opposition to liberalism and, in a demeaning tone, calls them "Western values" – challenging the universal nature of liberalism. No recent event has shown China's disregard for human rights more than its mass incarceration of Uighurs in Xinjiang. China has taken the brute force approach of systematically interning Uighurs and "reeducating" them in an effort to – in benign terms – promote the adoption of Chinese culture and to minimize the region's potential for Islamic terrorism or potential independence/separatist movements. Taken together, China's rise clearly presents challenges economically, technologically, and morally for Europe.

And yet Europe's most important relationship remains with the United States. Today, the U.S.-E.U. relationship is deeply one-sided, with the United States in near complete control. One

¹²⁰ Small, Andrew. "Why Europe Is Getting Tough On China." *Foreign Affairs*, April 3, 2019. <https://www.foreignaffairs.com/articles/china/2019-04-03/why-europe-getting-tough-china>.

¹²¹ *Ibid.*

¹²² Le Corre, Philippe. "On China's Expanding Influence In Europe And Eurasia." *Carnegie Endowment For International Peace*. Accessed January 7, 2020. <https://carnegieendowment.org/2019/05/09/on-china-s-expanding-influence-in-europe-and-eurasia-pub-79094>.

need only look at America's recent unilateral imposition of sanctions on Iran and Europe's impotence to find ways around them.¹²³ Instead, European companies have largely complied out of fear that they will be shut out of the U.S. market and its financial system.

The history of this unequal relationship, of course, can be traced back to the beginnings of the Cold War, when Europe's security architecture was underpinned by the U.S. military power that fueled NATO – the bulwark against potential Soviet (Communist) expansion with the purpose of keeping “the Soviet Union out, the Americans in, and the Germans down.”¹²⁴ Following the Cold War, with the Russian expansionism threat essentially non-existent, many European nations faced a moral hazard: a U.S. security guarantee paired with no plausible existential threats. As a result, many European nations decreased their military spending and simply relied upon the U.S. security guarantee. In the unipolar, post-Cold War world, European nations had no reason to change the arrangement and take their security into their own hands. The American security umbrella – hard military assets, defense manufacturing, and logistical support – played and plays a vital role in Europe's defense. Even with no lasting justification for complete European reliance on the United States for security, the subsequent post-Cold War inertia extended the unequal relationship. Only the shock of Russia's 2014 invasion of Crimea spurred a new urge to rebuild Europe's decaying military capabilities, but even then under the U.S. dominated security architecture. It took all the way until 2016 (and arguably after), with Trump's election and his open skepticism of NATO, for Europe to actively reevaluate its overwhelming dependence on the United States.

¹²³ Rosenberg, Elizabeth. “The EU Can't Avoid U.S. Sanctions On Iran.” *Foreign Affairs*, n.d. <https://www.foreignaffairs.com/articles/europe/2018-10-10/eu-cant-avoid-us-sanctions-iran>.

¹²⁴ NATO. “Lord Ismay, 1952 - 1957.” NATO. Accessed January 3, 2020. https://www.nato.int/cps/en/natohq/declassified_137930.htm.

What does that mean for the European-U.S. relationship today? Europe has profoundly tied itself militarily and economically to the United States. Current talk of Europe creating institutions independent from the United States currently remain just that – talk. In seeking to establish European institutions, member countries will run into the same problem regarding individual nations’ competing strategic interests. One example: Eastern European countries’ hesitation (such as the Baltics and Poland) to support policies that might anger the U.S. because of their overwhelming reliance on the United States for protection against Russian aggression. These Eastern European countries, correctly, do not believe that Europe’s current powers of (mainly) France and (to some extent) Germany have the capabilities (not to mention the will) to protect them from foreign invasion. Any European attempts to establish independence from the U.S. will take substantial time and political will.

While strategically, Europe would prefer to hedge against a prolonged U.S.-China competition by playing to both sides, Europe’s overwhelming security reliance on the United States can be expected to push most of Europe into the American camp. This is because of the shared history, values, and institutions between Europe and the United States, the need for protection from a revived, newly assertive Russia, and the lack of territorial threat that China poses to European countries; the geographical distance between the two territories is just too great. But this distance and consequent low fear of Chinese conquest will minimize European desires to build large contra-Sino military capabilities. Instead, Europe like will pass the buck to America and its Asian partners to contain China’s military ambitions, instead focusing on maintaining European defenses to the east and protecting its shipping lanes. Of course, Europe’s reliance on the U.S. security umbrella will give the United States substantial leverage to dictate parts of Europe’s economic policy towards China. Specifically, the United States would be smart

to “keep European countries from selling dual-use technologies to China and to help put economic pressure on Beijing when necessary.”¹²⁵ With Chinese and U.S. economic allure running about equal, one might expect that Europe will remain in the U.S.-led bloc because of the enormous security between the two powers.

But that outcome is not guaranteed. The extent to which Europe follows anti-China U.S. policy initiatives depends upon U.S. credibility to stand behind Europe when China inevitably retaliates. Currently, under the Trump administration, European faith in the trans-Atlantic relationship is at a many-decades low. Many Europeans believe “that if they take a hard public stance on [Chinese issues], Trump will end up cutting a deal with Beijing and leave them exposed to Chinese retaliation.”¹²⁶ This loss of faith has reinforced Europe’s instinct to hedge between the United States and China, “[Europe] cannot afford to weaken a trade relationship with China worth well over \$1 billion a day. Europe is walking a fine line by nominally resisting China’s predatory trade and investment practices but not issuing any meaningful threats.”¹²⁷ A similar trend can be seen in the Trump administration’s push for Europe to ban Huawei in its 5G development, where European concern about being “sold out” by the Trump administration makes them hesitant to ban Huawei and makes hedging – by integrating Huawei into their 5G network – a safer option.¹²⁸ To sufficiently engage Europe in the new era of Great Power competition, American policymakers must put a premium on maintaining American credibility and consistency. Trump’s seeming reluctance to engage in long-term planning and the policy process sacrifices predictable behavior and leads to real world harms to U.S. interests. Most

¹²⁵ Mearsheimer, John J. “Bound to Fail: The Rise and Fall of the Liberal International Order.” *International Security* 43, no. 4 (2019): 7–50. https://doi.org/10.1162/isec_a_00342.

¹²⁶ Small, Andrew. “Why Europe Is Getting Tough On China.” *Foreign Affairs*, April 3, 2019. <https://www.foreignaffairs.com/articles/china/2019-04-03/why-europe-getting-tough-china>.

¹²⁷ Smith, Julianne. “The Old World And The Middle Kingdom.” *Foreign Affairs*, August 30, 2019. <https://www.foreignaffairs.com/articles/china/2019-08-12/old-world-and-middle-kingdom>.

¹²⁸ Small, Andrew. “Why Europe Is Getting Tough On China.” *Foreign Affairs*, April 3, 2019. <https://www.foreignaffairs.com/articles/china/2019-04-03/why-europe-getting-tough-china>.

devastating to U.S. interests, it makes allies such as Europe less likely to trust the United States and more likely to hedge in the Sino-U.S. competition.

One notable example of this is Italy. Not only have Italian-Sino industrial relations involved cross-border trade, joint ventures and infrastructure builds dating back to the mid-1980s, but also in March 2019, Italy became part of China's BRI through a memorandum of understanding.¹²⁹ The move presented a big win for China, marking the first G7 country to join the BRI. In return, that partnership appears to be paying off for the Italians as they struggle with their rampant COVID-19 crisis; on March 12, a Chinese medical team arrived in Italy with approximately 30 metric tons of medical supplies, including masks and respirators – while previously “Italy’s partners in the European Union... refused Rome’s requests for help with medical supplies”¹³⁰ and, simultaneously, the U.S. shutdown air travel from Europe.

Of course, history is full of surprises. Policymakers would be wise to consider Europe's wider realm of possible futures in more abstract terms rather than through a relatively narrow U.S.-Sino competition. Here U.S. policymakers must entertain a significant range of possibilities, including the potential for the E.U. to effectively dissolve and resume the historical norm of European inter-state competition. Under such a scenario, a nationalistic Germany would likely emerge, looking to regain its place in Europe as independent player on the world stage. Another long-term possibility is a European-Russian détente that stems from a shared desire to create a third pole in the multipolar world largely dominated by the U.S. and China. Predicting Europe's future is perhaps the most difficult because of the inherent competition between its

¹²⁹ Bindi, Federiga. “Why Did Italy Embrace The Belt And Road Initiative?” Carnegie Endowment For International Peace, May 20, 2019. <https://carnegieendowment.org/2019/05/20/why-did-italy-embrace-belt-and-road-initiative-pub-79149>.

¹³⁰ Balmer, Crispian. “China Sends Medical Supplies, Experts To Help Italy Battle Coronavirus.” Reuters, March 13, 2020. <https://www.reuters.com/article/us-health-coronavirus-italy-respirators/china-sends-medical-supplies-experts-to-help-italy-battle-coronavirus-idUSKBN2101IM>

supranational structure and individual countries' strategic interests. Because of Europe's enormous geopolitical heft, U.S. policymakers must be prepared for any European future – and must be prepared to guide the continent in ways that remain consistent with U.S. interests.

Russia, India, and Europe represent three poles that will greatly influence the nature and direction of the U.S.-Sino competition. While it may be argued that other nations may deserve inclusion on this list, none (other than Japan, which will be discussed separately in future writings) will play such integral roles in determining the nature of the coming World Order and Great Power competition. Today, each of these three poles faces its own unique domestic and international challenges that result from changing geopolitical, technological, and economic realities. How they handle those challenges – and how their actions fit into the U.S.-Sino competition – will be of the highest priority to U.S. policymakers.