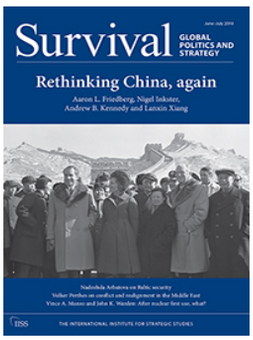

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Competing with China

Aaron L. Friedberg

There appears to be a growing consensus in Washington, and in the capitals of many other advanced industrial democracies, that prevailing policies towards China have failed and that an alternative approach is now urgently required. In a recent, widely read article in *Foreign Affairs*, two former Obama-administration officials conclude that, after years of 'hopeful thinking' about China's future, the United States finds itself confronting 'its most dynamic and formidable competitor in modern history'.[1] Republican Senator Marco Rubio describes the challenge in similar terms, noting that in the 240 years since its founding, the United States has never before 'faced an adversary of this scale, scope, and capacity'.[2] 'Decades of optimism about China's rise have been discarded', declares *The Economist*.[3] 'We got China wrong', writes an editorialist for the *Washington Post*. 'Now what?'[4]

The answer is by no means obvious. To put the matter in medical terms, while there may be increasingly widespread agreement about the existence of certain troubling symptoms, there is much less regarding a diagnosis of underlying causes, and virtually none at all on the appropriate prescription. Despite the evident severity of the challenge, debate on how to respond remains nascent and fragmentary.

For its part, in its formal statements the Trump administration has adopted an unprecedentedly combative stance towards China, describing it as a 'revisionist power … that seeks to displace the United States in the

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Indo-Pacific region',[5] and 'a strategic competitor' that is using 'predatory economics', as well as its growing military capabilities, 'to intimidate its neighbors'.[6] These harsh words are offset, to a degree, by the president's own odd expressions of personal admiration and affection for his opposite number in Beijing.[7] Notwithstanding these effusions, however, the administration's general stance, at least for the moment, seems clear enough: the United States must shed its illusions and gird for a 'long-term strategic competition' with China, one that will require 'the seamless integration of multiple elements of national power', including 'diplomacy, information, economics … and military' capabilities.[8]

But why is such a competition necessary, and what are its stakes? What are China's aims in this intensifying rivalry, and how do its leaders intend to achieve them?[9] And how should the United States redefine its goals and reshape its strategy in response? The purpose of this essay is to provide one possible set of answers to these questions.

If there is a single theme that unifies much of what follows, it is the often underestimated importance of political beliefs and ideology. America's post-Cold War strategy for dealing with China was rooted in prevailing liberal ideas about the linkages between trade, economic growth and democracy, and a faith in the presumed universality and irresistible power of the human desire for freedom. The strategy pursued by China's leaders, on the other hand, was, and still is, motivated first and foremost by their commitment to preserving the Chinese Communist Party's monopoly on domestic political power. The CCP's use of militant nationalism, its cultivation of historic claims and grievances against foreign powers, and its rejection of the idea that there are, in fact, universal human values are essential pieces of its programme for mobilising popular support and bolstering regime legitimacy. It is impossible to make sense of the ambitions, fears, strategy and tactics of China's present regime without reference to its authoritarian, illiberal character and distinctive, Leninist roots.

The intensifying competition between the United States and China is thus driven not only by the traditional dynamics of power politics – that is, by the narrowing gap between a preponderant hegemon and a fast-rising challenger – but also by a wide and deep divergence in values between

their respective regimes. The resulting rivalry is more intense, the stakes are higher, and the likelihood of a lasting *entente* is lower than would otherwise be the case. The two powers are separated not only by divergent interests, some of which could conceivably be reconciled, but by incompatible visions for the future of Asia and the world. China's current rulers may not be trying actively to spread their own unique blend of repressive politics and semi-market economics, but as they have become richer and stronger they have begun to act in ways that inspire and strengthen other authoritarian regimes, while potentially weakening the institutions of young and developing democracies. Beijing is also using its new-found clout to reach out into the world, including into the societies, economies and political systems of the advanced industrial democracies, to try to influence the perceptions and policies of their people and governments, and to suppress information and discourage the expression of opinions seen as threatening to the CCP.

The stakes are higher

If they wish to respond effectively to these new realities, American and allied policymakers cannot afford to downplay the ideological dimension in their own strategy. Beijing's obsessive desire to squelch dissent, block the inward flow of unfavourable news and discredit 'so-called universal values' bespeaks an insecurity that is, in itself, a form of strategic vulnerability. China's rulers clearly believe the ideological realm to be a crucially important domain of competition, one that they would be only too happy to see the United States and the other Western nations ignore or abandon.

Assuming that China's power continues to grow, the United States will need to cooperate even more closely with its friends and allies, mobilising a coalition of like-minded countries to check Beijing's predatory economic practices, oppose its attempts to close off portions of the global commons, deter Chinese aggression and keep the peace. With only a handful of exceptions, the members of this coalition, which must include European as well as Asian nations, will be liberal democracies. Whatever their differences over trade, climate change or other issues, and notwithstanding the temporary frustrations caused by elected leaders who appear indifferent to these facts, the nations of the liberal-democratic West continue to have far more in common with one another than they do with the authoritarian powers.

Like it or not, if they do not wish to hang separately, they are going to have to hang together.

Last but not least, the experience of the past century suggests that, if America's leaders are serious about mobilising and sustaining the bureaucratic focus, domestic political support and economic resources necessary to wage a protracted strategic competition against a powerful and determined rival, they are going to have to cast the challenge, at least in part, in ideological terms. Geopolitical abstractions and economic statistics may be important, but historically what has moved and motivated the American people is a recognition that the principles on which their system is founded are under threat. There is an undeniable risk here of fear-mongering and overreaction, but at this point excessive caution and a continuing refusal to face facts may be an even greater danger. What is needed instead is a sober assessment of the challenge in all its dimensions, a clear articulation of the measures necessary to meet it, and leaders in Congress, the executive branch and the private sector who are capable of conveying both to the public.

America's failed China strategy

For almost a quarter-century after the end of the Cold War, the United States had a broadly stable, two-part strategy for dealing with China. On the one hand, in a continuation of a process that began with the Nixon/Kissinger 'opening' in the late 1960s, the United States sought to engage China across a wide variety of fronts: diplomatic, cultural, scientific, educational and, above all, economic. These efforts grew broader and deeper over time, and from the early 1990s onwards, after a brief period of uncertainty and debate in the wake of the 1989 Tiananmen Square massacre, the economic element of engagement, in particular, expanded at a rapid pace.

Contrary to what some recent commentary might suggest, however, the United States did not simply throw caution to the wind and embrace China without restraint. At the same time as it pressed ahead with engagement, from the mid-1990s onwards Washington also began to work harder to preserve a favourable balance of power in the Asia-Pacific region. The balancing part of US strategy had several subsidiary components. In addition to maintaining its own forward-based forces, the United States sought to

strengthen its traditional alliance partnerships with Japan, Australia, South Korea and, albeit with more limited success, Thailand, the Philippines and New Zealand. Successive presidents restated the long-standing US commitment to Taiwan, and Washington also began to build new, quasi-alliance partnerships with other countries in the region to which it did not extend security guarantees, but which shared with the US a concern over the implications of China's growing power, including Singapore, India and, more tentatively, Vietnam.

The goal of balancing was to preserve stability and deter attempts at coercion or overt aggression while waiting for engagement to work its magic. Engagement, in turn, had three interlocking objectives. By welcoming Beijing into the existing, largely US-built and -led international order, Washington hoped that it could persuade China's leaders that their interests lay in preserving that order rather than seeking its overthrow or substantial modification. In the words of George W. Bush administration official Robert Zoellick, the United States wanted China to become a 'responsible stakeholder' in the existing international system.[10] It was expected that the process of inclusion, most notably China's 2001 admission into the World Trade Organization (WTO), would accelerate its transition away from state-directed economic planning and towards a more open, market-driven model of development. Finally, although they were blunter in saying this in the 1990s and early 2000s than in the years that followed, US policymakers continued to hope that engagement would promote tendencies – including the growth of a middle class, the spread of liberal ideas, and the development of the rule of law and the institutions of civil society – that would lead eventually to democratising political reforms.[11]

As it was in Europe, so too in Asia at the end of the Cold War was the ultimate aim of US policy to build a region 'whole and free', filled with democracies tied together by trade, investment and regional institutions, and integrated into a global system built along similar lines – a free and open region in a free and open world. The incorporation and eventual transformation of China were central to this ambitious vision.

Since the turn of the century, and especially in the past ten years, it has become increasingly evident that US strategy has thus far failed to achieve

its objectives. Thanks in large measure to its rapid integration into the global economy, China has grown richer and stronger far faster than would otherwise have been possible. Rather than loosen its grip, however, the CCP regime has become even more repressive and more militantly nationalistic. In the economic domain, instead of shifting towards greater reliance on market forces, as had been expected after 2001, the party-state has maintained and, in certain respects, expanded its use of mercantilist policy tools. As regards its external behaviour, instead of evolving into a mellow, satisfied, 'responsible' status quo power, Beijing has grown more assertive and, at times, aggressive. The sustained build-up of China's armed forces is making it increasingly difficult for the United States and its allies to maintain a favourable balance of power in the Western Pacific. Meanwhile, China's leaders have become more open about their intention to use their growing military strength, new-found economic clout and expanding repertoire of 'soft' and 'sharp' power tools to try to reshape the existing Asian regional system and some aspects of the wider international order.[12]

Why did US strategy fail? And why were American and other Western policymakers so slow to acknowledge reality and to adjust their policies accordingly?

At the deepest level, the failure of America's China strategy is a grim tribute to the resilience, resourcefulness and ruthlessness of the Chinese Communist Party and the determination of its leaders to retain their monopoly on domestic political power. Even as it opened China to the West, the CCP found ways to maintain control over the direction of the national economy, while preserving its hold on the population through an evolving mixture of surveillance, coercion, co-option and ideological indoctrination. During the early stages of the process of 'reform and opening up', initiated by Deng Xiaoping in 1978, there may have been some in the top ranks of the Party who favoured political liberalisation, but these figures and their followers were purged after Tiananmen, never to re-emerge.[13]

Like the Sovietologists who debated whether Lenin led inevitably to Stalin, future generations of China specialists will no doubt argue over whether Xi Jinping was the natural heir to Deng, or perhaps to Mao Zedong

himself.[14] Whatever the verdict of history, there is certainly a strong case to be made that, from the early 1990s onwards, China was launched on a trajectory that would lead toward increasing authoritarianism, as the regime redoubled its efforts to contain and neutralise the potentially disruptive effects of rapid economic growth and societal development. This was not immediately obvious at the time. Nonetheless, despite the mea culpas of some former officials, it is simply not the case that everyone 'got China wrong'. As early as the turn of the century, a number of observers had begun to write of what they described as China's 'authoritarian resilience',[15] noting that instead of making steady progress towards democracy and markets, China appeared 'trapped' in a form of 'developmental autocracy',[16] and arguing that visions of imminent liberalisation were, in fact, a 'fantasy'.[17] But these voices remained discordant exceptions in a general chorus of optimism.

Both sides believed that time was on their side

American and other Western leaders gambled that engagement would tame and transform China, even as it enabled the country to get richer and more powerful, thereby obviating the need for endless and increasingly costly balancing. China's leaders, on the other hand, calculated that they could continue to enjoy the fruits of engagement, growing stronger and less vulnerable to what they saw as Western pressure and attempts at ideological subversion without having to fundamentally alter the character of their system or abandon their broader ambitions. Both sides believed that time was on their side. It would appear, at least for now, that Beijing got the better of that bet.

Despite accumulating evidence that its initial wager was not paying off, Washington continued to double down on engagement without pausing periodically to reassess the costs and potential risks. While they did make some adjustments, successive US administrations also neglected to hedge adequately against the possibility of failure by investing sufficient resources in balancing. This pattern reflects the relative strengths of the bureaucratic and domestic political coalitions favouring the two halves of America's mixed strategy.

Throughout the 1990s and into the 2000s, even as they began to focus more attention on the problem, US intelligence agencies tended to underestimate the pace and scope of China's military build-up and to understate the true nature and extent of its revisionist aims.[18] Defence planners generally acknowledged the importance of the balancing mission, but they held varying views about the extent to which the locus of national strategy should shift towards the Asia-Pacific. Even within the US Navy and Air Force, the services that would naturally have the greatest role to play in that theatre, there was an inclination to regard the emerging challenge as relatively distant and most likely manageable with weapons systems and concepts of operation that were already on the books. To a surprising degree, many professional military officers also seem to have internalised the hopeful conventional wisdom of the day regarding the transformative effects of engagement and the danger that, by appearing to treat China as an enemy, they might cause it to become one.[19]

Things began to change after the turn of the century, as the Bush administration took a series of steps intended to start what one top official described as a 'long-term shift in focus' towards the Asia-Pacific.[20] By bolstering the US military posture in the region and strengthening defence ties with and among local friends and allies, the administration hoped to preserve a balance of power so overwhelmingly favourable that it would dissuade China from trying to mount a serious challenge for many years to come.

Many of these initiatives continued throughout the 2000s, laying the ground for the Obama administration's subsequent 'pivot' to Asia. But the 9/11 attacks, and the protracted, wasteful conflicts in Afghanistan and Iraq that followed, deflected money, intelligence resources and organisational energy away from the task of waging a long-term military competition with China and towards the more immediate problems of counter-terrorism and counter-insurgency. The Obama administration's efforts to pick up where its predecessor had left off and redirect America's strategic attention back to Asia were stymied by a variety of factors, including the persistence of fiscal constraints (made worse in some respects by the aftermath of the 2008 financial crisis) and the re-emergence of challenges in other regions, including the Middle East and Eastern Europe.

Support for investing more in the balancing portion of the American strategic portfolio was thus intermittent, divided and, in some periods, strikingly weak. By contrast, at least until quite recently, the coalition favouring ever more engagement was broad but largely unified, and consistently influential.

Starting in the 1980s, engagement accumulated a widening circle of supporters that quickly grew to include business executives, economists, China experts at universities and think tanks, politicians, former government officials, and most members of the foreign- and defence-policy establishments of both political parties. These people were motivated by varying mixtures of material self-interest (including the prospect of trade, investment, employment and professional advancement), combined in many cases with a sincere belief that deeper engagement with China would be good for all involved and that it would promote peace as well as prosperity. Keenly aware of the potential economic and strategic benefits of deepening engagement, Chinese interlocutors, including organs of the party-state, worked hard to encourage and reinforce such tendencies in the United States and other Western countries.

The pro-engagement coalition lobbied actively

In addition to making the case for expanding economic and societal openness, the pro-engagement coalition also lobbied actively against policies that its members saw as threatening to disrupt the overall political relationship between China and the West. It was in part for this reason that the US, and other Western governments, became more circumspect about voicing criticism of China's human-rights policies, and chose not to apply more pressure on trade issues. Efforts at enhanced balancing, including proposals for new military capabilities, more aggressive operational concepts, or closer strategic cooperation with friends and allies, also typically had to overcome objections that such measures were unnecessary and wasteful at best, if not provocative, dangerous and destabilising.[21] Even certain words and phrases were barred from the official lexicon on grounds that they might appear offensive or unnecessarily combative to Beijing.[22] Although they were supposed to go hand in hand, the West's

enthusiasm for engagement tended over time to undercut its commitment to balancing.

Rather than being the result of a single decisive event, the current crisis of strategic confidence in the United States and across the West is the product of disturbing developments on a wide range of fronts. For the first time since the start of the post-Cold War era, these have begun to raise widespread doubts about the continuing efficacy of engagement, as well as adding to concerns over the eroding balance of power. As a result, the pro-engagement coalition has begun to fragment, even as the balancing coalition gains in strength. In addition to the testing of new weapons and the construction of artificial islands in the South China Sea, the past decade has seen a brutal crackdown on lawyers, dissidents, foreign media and non-governmental organisations, the roll-out of a massive, Orwellian national-surveillance system, a steadily worsening climate for foreign firms seeking to do business in China, and a growing chorus of complaints about intellectual-property theft, cyber espionage and political-influence operations.

The list is long and it continues to grow. Some experienced observers speculate that, by highlighting the anti-democratic character of the Chinese regime, the March 2018 constitutional revision that enables Xi Jinping to serve as president for life could have 'a stunning effect on the American public comparable to the Soviet Union's successful launching of Sputnik'.[23] Whether or not this turns out to be the case, recent events have helped spark the most serious debate over China policy in more than a generation.

The sources of Chinese conduct

While novel in certain respects, the policies now being pursued by Xi Jinping are a response to the same forces, and to a similar blend of ambition and anxiety, as those that shaped the policies of his predecessors. Indeed, rather than being a radical departure from the past, Xi's approach is actually a lineal descendant of the one put in place under Deng in the early 1990s. Before turning to a brief description of current Chinese strategy and the process through which it evolved, it is important to identify the underlying factors that have been central in shaping it. Three, in particular, stand out.

Geopolitics

Like virtually every other fast-rising power in history (including the United States), China seeks to reshape the international environment, starting with its immediate neighbourhood, in ways that better reflect its strength and serve its interests. The nation's rulers want to secure China's 'place in the sun': they aim to alter geographical boundaries, institutional structures, rules, norms and hierarchies of prestige that were put in place when their country was relatively weak, and which they therefore regard as illegitimate and, in certain respects, threatening.

History

China is not just any rising power; it is a nation with a long and proud history as the leading centre of East Asian civilisation and a more recent, inglorious experience of domination and humiliation at the hands of foreign intruders. China's leaders see their country as not merely *rising*, but rather *returning* to a position of regional pre-eminence that it once held and which they (and many of their people) regard as natural and appropriate.

Regime

China is ruled by a one-party authoritarian regime that is determined at all costs to retain its exclusive grip on political power, and which feels itself to be constantly under threat from enemies, foreign and domestic. These facts have a profound impact on every aspect of policy, internal and external. A democratic China would no doubt have its differences with other countries, including the United States. But the illiberal character of the current regime shapes how it perceives threats, and how it defines its interests and goes about pursuing them.

CCP leaders believe that the United States and its liberal-democratic allies are implacably opposed to them on ideological grounds and that the US, in particular, seeks not only to encircle and contain China but to undermine its current regime by promoting 'splitism' (that is, separatist movements in Tibet, Xinjiang and Taiwan) and 'peaceful evolution' (that is, the spread of liberal-democratic beliefs among the Chinese population).[24] Warding off these threats requires that Beijing exert greater control over events around

China's periphery and in the international system as a whole, while continuously refining its capabilities for domestic surveillance and repression.

In addition to coercion, the regime has sought to guard against ideological subversion and to bolster domestic political support; it has done this by managing the national economy in ways intended to sustain growth and employment, and by promulgating a distinctive, state-manufactured form of popular nationalism. China's pervasive (and still expanding) system of domestic propaganda and 'patriotic education' emphasises the wrongs done to China by foreign powers during the 'century of humiliation' and the essential (and as yet unfinished) role of the CCP in righting those wrongs. Together with the promise of continuing improvements in living standards, nationalism is the primary prop on which the regime relies for its legitimacy.

In recent years Beijing has also made increasing use of crises and confrontations over issues of history, territorial control and national pride to mobilise popular sentiment and deflect the frustrations of the Chinese people outwards, toward alleged foreign enemies, including Japan and the United States. Especially if economic growth falters, militant nationalism and 'standing up' to foreign enemies are likely to become increasingly important parts of the CCP's strategy for retaining its hold on power. Insecure about their own legitimacy, China's rulers believe that the stronger their country appears abroad, the stronger the regime will be at home.

The evolution of Chinese strategy

Shaped by these forces, China's post-Cold War strategy has evolved through three phases: a foundational period extending from 1991 to 2008, a period of transition between 2008 and 2012, and a new and distinctly more aggressive stage that began in 2013.

Founding

Just as the United States pursued a consistent set of policies towards China, so also, for the better part of two decades after 1989, did China have a broadly stable strategy for dealing with the United States. The essential theme of China's approach during this period was expressed in Deng's '24 Character Strategy' formulated in the aftermath of Tiananmen and shortly before the

final collapse and disintegration of the Soviet Union. Here Deng advised that, in light of its relative weakness, diplomatic isolation and potential susceptibility to economic pressure, China should 'hide its capabilities and bide its time'.[25]

Adhering to this dictum, throughout the 1990s and into the early 2000s Deng, and his successors Jiang Zemin and Hu Jintao, worked to avoid conflict and improve relations with the United States and the other major advanced industrial nations, while at the same time strengthening ties to virtually all of China's neighbours. At home, despite the objections of some Party elders, the CCP regime resumed its pursuit of reform and opening up, but it also took care to preserve control over key sectors of the economy, as well as the overall process of development.[26] Economic growth raised incomes and helped to revive popular support for the regime, while providing the resources necessary to build every element of China's 'comprehensive national power'.[27] Beginning in the mid-1990s, Beijing launched a major military build-up aimed at improving its ability to coerce, deter and, if necessary, defeat any potential opponent. It also expanded its capacities for maintaining social control, including by bolstering the People's Armed Police (a second army dedicated to preserving domestic security), strengthening all elements of the public-security apparatus and launching the nationwide programme of patriotic education.[28]

China's leaders during this period saw themselves as being on the defensive in relation to the United States, which was nearing the apogee of its 'unipolar moment'. Having dispatched the Soviet Union, it seemed only a matter of time before the Americans turned the full weight of their attention to destroying the last bastion of socialism.[29] Chinese strategists comforted themselves with the thought that long-term historical trends would eventually promote the 'democratisation' of the international system, as other nations (most notably China) grew more rapidly and began to close the gap with the United States. But that did not mean that they could afford to remain passive. Instead, they sought to advance incrementally towards their long-term goals, holding Washington close by highlighting the mutual benefits of engagement and encouraging the belief that political liberalisation might, in fact, be imminent, while at the same time working quietly to weaken and constrict the American position in Asia.

Transition

By the turn of the century, China was markedly stronger in virtually every respect than it had been only a decade before. Growth, fuelled by trade, had reached unprecedented levels and, thanks to Beijing's entry into the WTO, the prospects for further rapid and uninterrupted progress seemed assured. China had broken out of its post-Tiananmen diplomatic isolation and enjoyed good relations with most of its neighbours and all the major powers. After a period during which it seemed that the Americans might be gearing up for an intensified strategic rivalry, the 9/11 attacks fortuitously diverted Washington's attention to other problems and other parts of the world. As Hu Jintao prepared to take office in 2002, the situation appeared so favourable that the regime officially endorsed the view that China could expect to enjoy a 20-year 'period of strategic opportunity' during which it was unlikely to face major conflict and would be free to concentrate on further enhancing its comprehensive national power.[30]

The global financial crisis of 2008 marked the beginning of a decisive shift in the tone and substance of Chinese strategy, a trend that would be consolidated and accelerated after Xi replaced Hu at the end of 2012. Coming on the heels of America's deepening difficulties in Iraq, and the seeming erosion of its stature as a global leader, the crisis and its aftermath convinced many Chinese analysts and policymakers that the relative power of the United States was declining more rapidly than had been expected. It stood to reason that China should seize the opportunity to expand its influence and advance more rapidly towards its long-term goals.[31]

Along with its beneficial effects, however, the crisis also raised the prospect of slower domestic growth, rising unemployment and an increasing risk of social unrest. This was both an immediate worry (due to an expected collapse in global demand for Chinese exports) and a longer-term concern, reflecting a deepening awareness that China's existing growth model was, in the words of premier Wen Jiabao, 'unsteady, unbalanced, uncoordinated and unsustainable'.[32] In the wake of the financial crisis, the spectre of stagnation and the potential consequences of economic failure were never far from the minds of China's rulers.[33]

Beijing's increasing assertiveness, first visible in its more aggressive prosecution of long-standing maritime disputes in the East and South China seas starting in 2009–10, was fuelled by this potent blend of ambition and fear. On the one hand, China's leaders hoped to exploit what they perceived to be a period of American weakness and preoccupation in order to create facts on the ground and improve China's relative position. At the same time, Beijing also sought to use increased tensions with other countries, including Japan, the Philippines, Vietnam and, indirectly, the United States, to stir nationalist sentiments, mobilise public support and bolster popular backing for the regime.[34]

The start of a 'new era'

The tendencies that emerged during the latter years of Hu's second term have been amplified and institutionalised under Xi Jinping. Like those who came before them, Xi and his colleagues are driven by a mixture of anxiety and optimism. They appear to be even more confident than were their predecessors a decade ago that America is in decline, that their own national power is on the rise and that the moment has come for China to reclaim its rightful place on the world stage. What they see as the recent mismanagement by the United States of the global economy, its difficulties in following through on the pivot, the intensifying division and dysfunction of its political system and its apparent inclination to turn inward under the presidency of Donald Trump have only served to reinforce these convictions.

And yet, this long-term confidence is still tinged with uncertainty and a sense of urgency. Xi and those in his inner circle know that they face serious difficulties of their own in sustaining growth, dealing with debt and corruption, addressing the needs of an ageing population and ameliorating the harmful effects of a severely polluted natural environment, among other pressing problems. Despite their increasingly open expressions of contempt for democracy, they likely also retain a healthy respect for the resilience of the United States and for its ability to mobilise resources and generate power once its leaders and people recognise that they are being challenged. As predicted by the Party's theorists, the window of strategic opportunity will not remain open forever, and may already be starting to close.

In order to seize the moment, and in keeping with this assessment of the overall configuration of forces, Xi has launched an integrated set of policies and programmes designed to strengthen his own authority and that of the CCP at home, sustaining and if possible accelerating the growth of China's comprehensive national power and applying it more boldly and more effectively to achieve the nation's objectives in Asia and beyond.

Xi's signature domestic initiatives – the anti-corruption and stepped-up patriotic-education campaigns,[35] the crackdown on dissidents and the internet,[36] the issuance of new ideological guidelines calling for increased vigilance against corrupting Western ideas[37] – are all intended to enhance his own power over the CCP, and the Party's control over the state, the military, the economy and all segments of society.

As regards China's external objectives, Hu Jintao may have harboured the hope that his country would one day be able to re-emerge as the leading power in Asia and perhaps the wider world. But he remained extremely careful not even to hint at such a possibility, and refused to dispense with Deng's 'hide and bide' as the guiding principle of Chinese strategy.

By contrast, soon after Xi's accession to power, Deng's directive was finally eased into retirement and high-ranking officials began to use the phrase 'striving for achievement' to characterise their new and distinctive approach to strategy.[38] Beyond this general statement of intent, from his earliest days in office, Xi has said that his goal is to achieve the 'China Dream' of the 'great rejuvenation of the Chinese nation', and to do so no later than the 100th anniversary of the founding of the People's Republic in 2049. While these words too are subject to interpretation, many Chinese as well as Western observers agree that, at a minimum, they imply the restoration of China to its 'rightful' place at the centre of Asia.[39] As one senior academic and government adviser explains:

> President Xi Jinping is very ambitious to increase China's growing power and even for China to take on a dominant role in the Asia and Western Pacific area. Over the long term, this power and influence will undoubtedly weaken and ultimately abolish U.S. dominance in the region.[40]

From the start of his first term in office, Xi's forward-leaning inclinations have been visible across Eurasia. Picking up where Hu left off, in his first speech on foreign policy Xi signalled a tougher stance in China's ongoing maritime disputes, warning other claimants that Beijing would 'never bargain over our core national interests'.[41] Within a matter of months, in late 2013, he authorised a series of steps that Hu had reportedly rejected as overly aggressive, including declaring an air defence identification zone (ADIZ) over the East China Sea and beginning construction of artificial islands in the South China Sea.[42]

Xi's strategic activism has not been directed exclusively to the east. Coincident with these more assertive measures in the maritime domain, he also announced what would eventually come to be known as the Belt and Road Initiative, a hugely ambitious set of proposals for investment and infrastructure development designed to stretch, over land, across Central Asia to Europe and the Middle East and, by sea, down through the South China Sea and the Indian Ocean all the way to the Persian Gulf and the Mediterranean.[43]

Accompanying all of this was a stepped-up campaign of 'peripheral diplomacy' intended in part to offset and neutralise the American pivot while enhancing Beijing's own standing and influence. Instead of being portrayed merely as relics of the Cold War that had outlived their usefulness, Chinese spokesmen began to denounce America's alliances as a source of instability and an obstacle to regional peace.[44] In place of the existing, divisive 'Cold War … zero-sum' concepts and structures, in 2014 Xi called for a new pan-Asian system to provide 'common, comprehensive, cooperative and sustainable security' for the entire region. Although he did not say so in as many words, the United States would evidently have little or no role to play in such a system. After all, as Xi told his listeners, 'in the final analysis, it is for the people of Asia to run the affairs of Asia, solve the problems of Asia and uphold the security of Asia'.[45]

Under Xi, China has intensified its use of all the instruments of national power, including military coercion, diplomatic suasion, economic leverage and 'political warfare' or influence operations to advance towards its long-standing goal of regaining a preponderant position in eastern

Eurasia. While it remains shrouded in soothing rhetoric and is still, in some respects, a work in progress even in the minds of its architects, the contours of that objective have also become increasingly evident in the past five years. What Beijing has in mind when it speaks of a 'community of common destiny' appears in fact to be a new regional sub-system, insulated to a degree from the larger and still Western-dominated global system, joined together by economic exchange, physical infrastructure, agreed rules and institutions for consultation and the coordination of policy, all with China at the centre and with the United States pushed to the periphery, if not out of the region altogether.[46]

Nor is this the limit of Xi's ambitions. Whereas previous generations of Chinese leaders went out of their way to foreswear any intention of attempting to match, still less overtake, the United States in terms of overall power and influence, Xi has made clear that he already regards what he describes as a 'new type great power relationship' as a coming together of equals.[47] As the vice-president of an intelligence-community-linked think tank explains, the 'shrinking discrepancy' between the US and China means that the relationship between them has 'graduated from superpower/major power to world's Number 1/Number 2'.[48] Left unspoken for the moment is the obvious possibility that, at some point, these rankings will be reversed.

In time, as Xi told the 19th Party Congress, China will 'move closer to centre stage', taking on a greater role as a world leader. Senior officials now openly express dissatisfaction with the 'existing world order' which they describe as 'built and led by the US', rooted in 'American or western values', and operating to Washington's 'great benefit' but to the detriment of other nations.[49] In part because change has come more quickly than expected, by their own admission, Chinese theorists have not yet advanced anything resembling a fully developed vision for what they would like a new and more 'democratic' world order to look like.[50] For the time being, Beijing will continue to take an à la carte approach to the existing system, supporting those international institutions that serve its interests (including the WTO and the UN Security Council), ignoring those that do not (such as the International Tribunal for the Law of the Sea), turning others (like INTERPOL) to its own purposes, and weakening or subverting those (like

the UN Commission on Human Rights) that might otherwise pose a challenge to its legitimacy. In some areas, China has also begun to develop new institutions (like the New Development Bank) and to promote new norms (like the idea of 'internet sovereignty') that aim to circumvent those favoured by the West. Finally, instead of shying away, as it has done in the past, Beijing has embraced the idea of ideological competition, offering China's mixture of market-driven economics and authoritarian politics as 'a new option for other countries … who want to speed up their development while preserving their independence'.[51]

At home, in Asia and in the world at large, Xi is pursuing policies that, despite their evident diversity and complexity, have a strong unifying theme. Xi's strategy may not succeed, and could fail catastrophically, but the momentum and sense of purpose that drives it, and the resources being mobilised to support it, are undeniably impressive. Just as at the turn of the twentieth century American policymakers set out to 'make the world safe for democracy', so, at the start of the twenty-first century, their Chinese counterparts are attempting to make it safe for authoritarianism.

A countervailing strategy

At the end of the Cold War, the United States shifted from containment to what Bill Clinton's national-security advisor Anthony Lake labelled a policy of 'enlargement'.[52] The ultimate aim of this strategy was to hasten the transformation of China, Russia and other former communist regimes into liberal democracies by incorporating them as fully as possible into the open, liberal system that the Western powers had built for themselves in the years following the end of the Second World War. Instead of transforming them, however, incorporation made it easier for the two authoritarian great powers to gain in strength while granting them essentially unrestricted access to the economies and societies of the democracies.

The failure of their ambitious, optimistic post-Cold War strategy requires the United States and its allies to revert to a more defensive posture, protecting themselves more effectively both from external coercion or aggression and from internal exploitation or subversion. To a certain extent, the objectives of a new US China strategy can be defined in traditional terms:

- As it has done since the early part of the nineteenth century, the United States must oppose attempts by foreign powers to deny free use of the global commons. If permitted to succeed, such efforts could damage the prosperity of the United States and the other advanced industrial democracies.
- As it has done since the early part of the twentieth century, the United States must seek to prevent the direct, physical or indirect, economic and geopolitical domination of either end of the Eurasian landmass by a hostile power or coalition. A hostile regional hegemon might be able to aggregate the resources of its neighbours and could use its preponderant position as a base from which to project power in ways threatening to the United States and its interests and allies in other regions.
- As it has done since the end of the Second World War, the United States must continue to assist its treaty allies and, to the extent possible, non-allied, friendly nations in defending themselves against attack or coercion. Upholding alliance commitments is both a means to the larger end of preventing regional domination by a hostile power and, because virtually all US allies are fellow democracies, an end desirable in itself.
- As it has done since the 1960s, the United States must also continue to work to prevent the further spread of weapons of mass destruction including, for the time being, discouraging its regional friends and allies from acquiring nuclear weapons despite the fact that, in Asia, they feel increasingly threatened by the growing capabilities of China and its ally North Korea.

In addition to these more familiar, outward-looking goals, a new strategy must also look inward. Without entirely excluding the authoritarian powers, the United States and its allies will have to find ways to respond to the threats to their economies, societies and political systems that have arisen as a result of a prolonged period of excessive and imprudent openness. As regards China this will require:

- Working to neutralise Beijing's attempts to use economic leverage, political warfare and other techniques to alter the perceptions and policies of democratic countries, including the United States.
- Defending against practices, including massive state subsidies, formal and informal barriers to foreign imports and investment, and the theft or forced extraction of technology and intellectual property that could damage the long-term prospects of US and other Western economies relative to China's.

Although this aspect of the challenge is still in its early stages, Beijing's increasing activism and ambition necessitate the addition of a final, global dimension to any new strategy:

- Together with like-minded friends and allies, the United States must work to counter Chinese efforts to exploit or weaken global rules and institutions rooted in liberal principles of political and economic openness, and its attempts to encourage the consolidation and spread of illiberal norms and authoritarian regimes.

As they pursue these defensive aims, the United States and its allies should continue to seek the best possible relationship with Beijing, cooperating where possible on issues of convergent interest and doing whatever they can to avoid a conflict that would be catastrophic for all concerned. But they must do so with a clear-eyed appreciation of the likely limits on such cooperation, without backing away from their other objectives or compromising their values, and without giving up on efforts, however indirect, to encourage tendencies within China that may someday result in its transition to a more liberal and democratic form of government.

Engagement in its current form has obviously failed to promote this shift, but that does not mean it should be abandoned as an objective. Without a fundamental change in the character of its domestic regime, a lasting, trusting and mutually beneficial relationship between China, the United States and the other democracies will prove impossible to attain. Such a relationship may someday be within reach, but, to paraphrase George Kennan, it

will have to await 'either the break-up or the gradual mellowing' of the power of the Chinese Communist Party.[53]

Alternatives

To achieve these ends, the United States need not abandon altogether the mixed strategy it has been pursuing since the end of the Cold War. But, together with its allies, it must modify substantially the mixture of elements which that strategy contains. In sum, the United States and its strategic partners should increase and better integrate their investments in balancing, while at the same time regulating more carefully – and in certain respects constricting – their present posture of open and still largely unconstrained engagement with China.

Before turning to a detailed description of the various elements of this strategy, it may be helpful to bracket it between two conceivable alternatives.[54] At one end of the spectrum of possibilities is an approach that would effectively abandon engagement in favour of a return to Cold War-style containment. The United States did, of course, pursue such policies toward China from the late 1940s to the late 1960s, cutting off virtually all trade and investment, providing armed support to separatists in Tibet, attempting to destabilise, and refusing even to recognise, the government in Beijing. Nothing of the sort is suggested here. Such a course would carry extraordinary costs and risks, and, even if it were desirable from a strategic standpoint, it could not at present win the support necessary to sustain it, either from the American public or from the people and governments of its allies.

Inverting the emphasis of containment, under a strategy of accommodation Washington would back away from balancing in favour of seeking a 'grand bargain' with Beijing, perhaps involving the delineation of spheres of influence between the two Pacific powers. But of what would such a deal consist? The notion advanced by some scholars that China might be willing to settle for a preponderant position in continental Eurasia, leaving the United States and its allies to dominate the maritime domain, is belied by Beijing's recent activism in the East and South China seas, to say nothing of the ongoing expansion in its naval capabilities.[55] Putting aside the obvious moral objections, even permitting the mainland to absorb Taiwan, as a few

analysts have suggested, would probably prove insufficient to head off an accelerating strategic rivalry.[56] To the contrary, because it would enhance China's ability to project military power into the Western Pacific while shaking the confidence of America's allies, such a gesture would likely feed Beijing's appetite for further gains.

For as long as they believe that long-term trends are running in their favour, China's leaders are unlikely to be satisfied even with substantial concessions from the United States or its allies. The things that they most want, however – including not only an end to the US commitment to Taiwan, but control over the East and South China seas, the withdrawal of America's forward-based forces, the dissolution of its alliances and perhaps the eventual creation of a new Sino-centric order in eastern Eurasia – are (or should be) unacceptable to their counterparts in Washington. While it is possible that some kind of new regional modus vivendi could emerge, it is more likely to take the form of a stalemate, following a period of vigorous competition, than a coolly negotiated *entente*.

Objections

The strategy outlined here is susceptible to numerous potential objections, of which two warrant particular attention. As has happened so often in the past, some will no doubt argue that taking steps to increase balancing or constrain engagement risks triggering an arms race, a trade war, a new Cold War and perhaps even a real, hot war. While there is every reason to proceed with caution and to avoid unnecessary provocation, the fact remains that in virtually every realm an intense rivalry is already well under way. The difficulty is that, until quite recently, these competitions have been excessively one-sided. To take the most obvious examples: for more than two decades, China's defence-research and -procurement programmes have been aimed at matching or neutralising US and Western military advantages, while its state-directed economic programmes used every available method to help Chinese firms gain an edge over their foreign competitors. What has been lacking thus far is a serious, focused and coordinated Western response. Failure to react effectively now will result in a further erosion of the position of the United States and its allies, weakening their ability to protect their

interests and potentially increasing the danger of future miscalculation and possible conflict. The most important thing the democracies can do to keep the peace is to look to their own defences.

A second objection to the course of action described below is that, especially in the military domain, it could prove difficult to sustain. Given the size and dynamism of the Chinese economy, and the slower growth rates and already substantial claims on the fiscal resources of the democracies, in the long run it may simply be impossible for the United States and its allies to compete effectively with Beijing. Perhaps Chinese hegemony truly is inevitable, at least in Asia, and the most prudent course for other powers is to strike the best deal they can.

Despite Beijing's efforts to promote them, such projections are premature, at best. As its leaders are well aware, China's rate of growth has already slowed substantially from a peak of over 14% on the eve of the financial crisis to under 7% today, and it could fall further in the years ahead.[57] The fact that this will be happening as the population ages means that Beijing too will face competing budgetary demands.[58] Even if present trends continue, the United States and its strategic partners (including India, as well as Japan, South Korea and Australia, among others) will still command sufficient aggregate wealth to enable them to defend their interests and preserve a favourable balance of power, should they choose to do so.[59]

The final clause is key. While it is not yet clear what level of effort will be required over the long run, and while many of the necessary measures will not be costly in monetary terms, engaging in an intense, sustained strategic competition with China will undoubtedly require the democracies to devote more money to defence. That, in turn, will demand difficult and contentious decisions about spending, taxation and debt.[60] Such choices could result from a process of informed debate guided by wise and far-sighted leaders able to mould a national consensus on the need to compete more effectively against China; or they may emerge from a severe crisis or sudden setback. The former path would certainly be preferable, but if American history is any guide, the second may be more likely.

To meet the challenge China now poses, the United States and its allies will have to craft a countervailing strategy, an approach that seeks to blunt

the momentum of Beijing's recent initiatives, mobilising resources and pushing back, over a period of years and possibly decades, by matching the enduring strengths and advantages of a diverse coalition made up mostly of maritime democracies against the weaknesses and vulnerabilities of their continental, authoritarian rival. The next two sections will discuss how this might best be done.

Enhanced balancing

The two primary elements of a mixed strategy are balancing and engagement, each of which comprises two components: diplomacy and military policy, in the first instance, and economic policy and information operations (or political warfare) in the second. These can be thought of as four instruments of national power, but it is more useful to think of them as four distinct but interlocking domains of competition.

Diplomacy

The diplomatic dimension of the US–China rivalry involves a competition in alliance-making and alliance-breaking. As has been true since the early 1990s, the United States seeks to strengthen and extend its network of alliance and quasi-alliance ties in order to maintain a favourable balance of power in Asia. For its part, China is attempting to weaken those ties, fragmenting a nascent US-led coalition so that it can establish itself as the preponderant regional power.

Thanks to China's growing power and increasing assertiveness, there are now strong balancing tendencies at work across Asia. It would be a serious mistake, however, to assume that a stable balance of power will form automatically, or that it can be sustained over the long run without active US involvement and leadership. Beijing seeks to delay and diminish the responses of individual countries, as well as attempting to exploit and widen possible differences among them. Divide-and-conquer tactics can work, especially where the members of an erstwhile countervailing coalition are geographically dispersed, have little prior experience of cooperation, and are not joined together by formal collective-security commitments or institutions. In part for these reasons, some analysts have suggested that

Asia, unlike Europe, may be a region in which other states are more likely to 'bandwagon' with a rising power than to balance against it.[61]

While this could turn out eventually to be the case, the last several years have instead seen a marked uptick in strategic consultation and cooperation, not only between Washington and each of its traditional allies and new-found friends, but among the regional states. Japan has been especially active in this regard, strengthening its own bilateral ties with India, Australia, Vietnam and Europe, while India, for its part, has moved to do the same with Japan, Vietnam and Australia.[62] The United States should do what it can to encourage and enable these linkages, as well as working to give real substance to new and still relatively loose multilateral groupings in which it is actively engaged, like the US–India–Japan–Australia 'Quad'. It is possible to exaggerate the utility of such arrangements; occasional summits, exercises and even arms sales do not come close to approximating the level of coordination found in a functioning alliance.[63] But the aim of this element of US strategy should be to promote the growth of an increasingly dense, overlapping network of ties. These can ease policy consultation and coordination, build familiarity and habits of cooperation and could, if necessary, harden quickly into a true, multilateral defensive coalition.[64]

China is a permanent presence

The scope of the diplomatic competition between the US and China is no longer limited to Asia. Beijing is now trying to use its growing economic clout (and increasing uncertainty over the direction of US policy) to promote divisions within Europe, and between Europe and the United States. For its part, the United States should be doing more to mobilise the support of its European allies in pursuit of common objectives in Asia. The fact that many European governments now share US concerns over the direction of Chinese policy on a variety of fronts should make this easier than might have been the case only a few years ago. If its members can work together, a unified global coalition of democracies could exert considerable pressure on China on freedom of navigation, human rights, trade, cyber security, political-influence operations and the protection of intellectual property, among other issues.[65]

In the diplomatic realm, the most important task confronting the United States is to find ways to reassure its Asian allies and strategic partners about the depth and permanence of its commitments. This is a challenge in part because of geography: China's proximity makes it a threat, but it is also undeniably a permanent presence. The United States, by contrast, is far away, and could choose at some point to pull back from the region. In recent years Chinese diplomats have also advanced the view that America's commitments are unreliable because it is a declining power, with an increasingly narrow view of its own interests.[66]

In addition to adjustments in military and economic policy that will be discussed more fully below, Washington can help to counter this narrative by highlighting the common values that link it with most of its major regional allies and strategic partners, including Taiwan and India, as well as Japan, Australia and South Korea. Aside from commercial interests or purely geopolitical concerns, these shared beliefs provide an enduring foundation for cooperation. They also make it extremely unlikely that Washington would ever willingly cede regional preponderance to an authoritarian China. As the last 75 years make clear, the United States has a history of helping its fellow liberal democracies to preserve their open social, political and economic systems, even at some cost to itself, and even at the risk of war.

To date the Trump administration's track record in this domain of competition has been mixed, at best. Saying that the United States seeks a 'free and open Indo-Pacific' is a step in the right direction, but it should be clear that what is at stake here is not only freedom of navigation and open markets, but the continuing security and prosperity of free and open (that is, liberal-democratic) *societies* along China's maritime periphery.[67] Unfortunately, the impact of this slogan is further weakened by the president's reluctance to use the language of principle to describe America's commitments to its allies (or the failings of its authoritarian rivals) and his insistence on discussing alliance relationships primarily in transactional, monetary terms.

As it bolsters its own alliances and partnerships, the United States should also be looking for ways to exploit the problems and complications that will arise as China diversifies its own commitments. As Beijing seeks to advance and defend its far-flung interests across Central Asia and into

the Middle East, Africa and Latin America, it will become more enmeshed in the internal affairs of an assortment of developing countries. China's dubious financial dealings with some of the nations along the Belt and Road are raising questions about its intentions, and ironically risk casting it in the role of a twenty-first-century neo-imperialist power.[68] It is already supporting an array of regimes with poor human-rights records, and in future it is likely to be drawn more deeply into local conflicts, possibly resulting in significant material and reputational costs.

Beijing's westward thrust is also causing it to intrude further into areas still considered by Moscow to lie within its sphere of influence, including Central Asia and parts of Eastern Europe. The Sino-Russian axis remains strong, thanks in part to the Western response to Russia's intervention in Ukraine, as well as Moscow and Beijing's shared fear of liberal democracy. In the long run, however, a continuing alignment between the two nations is not inevitable as China's growing wealth, power, influence and presence cause resentment and anxiety in Russia. Even as they oppose Vladimir Putin's attempts to bully and destabilise them, the nations of the West should not foreclose the possibility that they may one day be able to draw Russia back towards them, providing it with options other than deepening subservience to China.

Military

The Sino-American military rivalry pits a global power attempting to defend its dominant position in the Asia-Pacific against a fast-rising challenger that seeks regional preponderance and is in the early stages of projecting its own power on a wider scale. The United States seeks to preserve its ability to project power into the Western Pacific in order to support its allies and ensure freedom of navigation. For its part, China is working to neutralise US advantages in order to deter and, if necessary, to defeat any attempt at intervention. Beijing's intention is not to wage war but rather to 'win without fighting', undermining the US position by raising doubts about the viability of its security guarantees, while driving the military competition in directions that make it increasingly difficult to sustain by imposing disproportionate costs on America and its allies. This complex competition can be broken down into three parts:

US power projection versus China's anti-access/area denial (A2/AD). At the end of the Cold War, the United States had a virtually unchallenged ability to project and sustain overwhelming conventional air and naval power in the Western Pacific using local ports and airfields, surface and undersea naval platforms, and assets based in space and deployed from facilities outside the region. In the last two decades, China has developed and is in the process of expanding its capabilities to strike at all elements of the US power-projection system. Among other weapons, Beijing has deployed conventional ballistic missiles targeted against fixed facilities and ships at sea, and large numbers of anti-ship and land-attack cruise missiles launched from air, sea, undersea and land.[69]

The Obama administration highlighted these troubling trends in the regional military balance and proposed to meet them, first in 2011 by announcing development of the so-called Air–Sea Battle operational concept (later renamed the 'Joint Concept for Operational Access and Maneuver in the Global Commons') and then in 2014 by pursuing a set of technological counters under what came to be known as the Third Offset Strategy.[70] Neither of these initiatives was brought fully to fruition, and it is not yet clear whether and, if so, in what form they will continue.[71] But the problems they were meant to address remain and have only grown more intense.

Having called attention to the challenge posed by China's A2/AD capabilities, American strategists and their allied counterparts now need to develop a credible response to them, one that can be discussed publicly in at least general terms. Whatever label is attached to it, the purpose of this response must be to bolster deterrence by eroding the confidence of Chinese planners that they could ever hope to carry out a disarming conventional first strike at the outset of any future war. In the first instance, this will require taking steps to reduce the vulnerability of US and allied forces and bases through some combination of active and passive defences, cover and deception, in-theatre dispersal, and improved capabilities for defending, reconstituting or replacing damaged satellites, cyber networks and other C4ISR assets.

Because modern wars are not won (or deterred) by adopting a purely defensive posture, the United States will also need to enhance its capabili-

ties for conducting long-range conventional precision strikes against a large number of widely dispersed targets, including some inside China. This will require deploying more sea- and air-launched cruise missiles; developing and deploying new aircraft, both manned and unmanned, capable of penetrating Chinese air defences; and developing conventionally armed ballistic missiles, possibly including hypersonic delivery vehicles as well as more traditional intermediate-range missiles.[72] These offensive capabilities can contribute to deterrence by making clear to Chinese leaders that conventional strikes on US and allied forces and bases would be met with a prompt, proportionate response.[73]

Finally, the US and its allies should further develop their already existing capacity to respond to a large-scale use of force by China in the Western Pacific with some form of naval blockade.[74] Preparing for such a contingency might require deploying more attack submarines and more air- and submarine-launched anti-ship cruise missiles, procuring more mines and developing sophisticated unmanned underwater vehicles capable of autonomous operations. Even if it is left largely implicit, the threat of a blockade should enhance deterrence by making clear that aggression would likely result in a disruption in China's ability to use the seas to export its products or import the energy, natural resources and food it needs to keep its economy running. Beijing's anxiety over maritime interdiction is already helping drive investment in costly and potentially problematic projects designed to improve energy security, including overland pipelines. From the perspective of the long-term military competition, it would be preferable if China increased spending on these activities, rather than investing even more in its offensive aerospace and naval capabilities.

Extended nuclear deterrence versus counter-deterrence. In Asia, as in other parts of the world, America's security guarantees are backed by the promise that, if necessary, it will use nuclear weapons to defend its allies. Throughout the Cold War and into the early post-Cold War period, this promise was highly credible vis-à-vis China because, in addition to its conventional advantages, the United States enjoyed a massive margin of nuclear superiority. Although it did develop significant capabilities for striking US allies, for most of this period Beijing had little or no capacity to

deliver nuclear weapons against targets on American soil. When it began to deploy intercontinental ballistic missiles (ICBMs) in the 1980s and 1990s, they were few in number and, because of their technical characteristics (fixed, liquid-fuelled), potentially vulnerable to US pre-emption.

In the past decade this situation has started to shift, as China has begun to modernise and modestly expand the size of its long-range missile forces, adding land-mobile and submarine-launched ballistic missiles and developing multiple warheads.[75] These developments may be motivated in part by a desire to maintain China's ability to threaten the United States with nuclear attack in the face of ongoing improvements in US conventional precision-strike and missile-defence capabilities. However, China's modernisation programmes (together with the ongoing development of North Korea's nuclear capabilities) are also raising questions about the continued viability of US extended-deterrent nuclear guarantees. America's allies may fear (and Chinese planners might hope) that, if they cannot do anything to prevent dozens of nuclear weapons from being detonated on their own territory, US decision-makers would hesitate to escalate to nuclear use if necessary to stop an overwhelming conventional assault, or perhaps even to retaliate against Chinese nuclear strikes on US allies.

In order to reassure its allies and deter potential opponents, the United States should maintain significant, survivable nuclear forces that can be deployed forward into the Indo-Pacific. American policymakers should also make clear that they have the ability, if necessary, to conduct limited nuclear operations and the intention to maintain intercontinental-range forces that remain larger by several orders of magnitude than their Chinese counterparts.[76] The Department of Defense should also continue to fund research and development programmes that might permit deployment of an expanded national missile-defence system in the event of an accelerating strategic nuclear competition with China.

Chinese power projection versus US (and allied) A2/AD. In addition to attempting to counter US power projection, China is beginning to develop the capacity to project military power at increasing distances from its shores. Within the First Island Chain, Beijing is working to establish a zone of effective control, using a combination of land- (and eventually carrier-)

based aircraft, surface naval vessels, submarines, maritime-patrol craft, commercial vessels and forward bases on man-made islands. If it succeeds, China will be able to dominate exploitation of the mineral, energy and food resources that these waters contain, and to regulate transit through them by the ships of other nations. Looking further afield, China is in the early stages of acquiring truly blue-water naval vessels, long-range air- and maritime-support capabilities and a network of overseas facilities that will eventually enable it to project power in and around the Indian Ocean, the Persian Gulf and off the coasts of Africa, including into the waters of the Atlantic.

Countering Beijing's efforts to enclose and control the use of its 'near seas' requires a combination of enhanced US and allied presence in peacetime, and intensified preparations for engaging and defeating Chinese power-projection forces in the event of war.[77] In peacetime, the United States and its local friends and allies, as well as countries from outside the region, need to defy any attempt by Beijing to establish air or maritime exclusion zones by operating continuously wherever international law permits.[78] This will require greater coordination of effort and would be made easier by enhanced US access to facilities close to disputed areas.

To counter China's evolving power-projection forces, the US should help its regional partners enhance their own A2/AD capabilities. This would allow them to better defend their own waters and airspace, but it would also create a significant new problem for China's military planners, one that could be very costly for them to solve.[79]

As with its expansion across continental Eurasia, China's efforts to become a truly global military power will present strategic opportunities as well as challenges for other countries. Much time and money will be required to develop long-range air and naval forces and the skills and facilities necessary to operate them effectively. In the event of war, China's overseas bases would be extremely vulnerable and, without indigenous air and anti-submarine-warfare defences, its surface ships in distant waters would be hard-pressed to survive. If it chooses to compete in global power-projection capabilities, China will be entering an arena in which the United States has some very substantial advantages.

Constrained engagement

Stepped-up balancing entails costs and carries risks, but it does not present any deep conceptual challenges. The United States and its allies know how to increase their defence capabilities and intensify their diplomatic cooperation; for the most part what is required is simply to do more of what they are already doing, and have been doing for some time.

Constraining engagement is another matter altogether. Doing so will require the democracies to re-examine their assumptions about the unalloyed virtues of openness, and to find ways to protect their economies and societies without damaging their foundational principles or lessening the vitality that comes from the freest possible exchange of goods and ideas. In practical terms this will mean recalibrating relations with China, making them less open than has been the case for most of the past quarter-century while avoiding, if at all possible, the degree of closure that characterised the early stages of the Cold War. Whether a new equilibrium can be found will depend not only on what the democracies do to defend themselves, but on how hard and in what ways Beijing tries to preserve the advantages it derives from the status quo.

Economics

Economic engagement with the West has enabled China to grow richer and stronger without compelling its rulers to liberalise politically or, beyond a certain point, economically. As a result, China today remains an authoritarian country in which the party-state exercises a high degree of control over the direction of national economic development and now has vast resources with which to pursue its external objectives.

The twin challenges that China poses in the economic domain follow directly from these features of its domestic system. For Beijing, growth and prosperity are not ends in themselves, nor are they expected to emerge from the workings of freely functioning markets. Like the mercantilists of earlier eras, China's leaders believe that wealth begets power and power begets wealth. Rather than abandoning their own liberal principles, the United States and its allies must respond with policies that offset the effects of China's economic statecraft while minimising the harms done by its industrial policies.

Economic statecraft. China's explosive growth has transformed it into the leading trading partner, and biggest export destination, for most of its Asian neighbours, as well as other countries further afield. Beijing evidently hopes that, in the long run, the desire to maintain access to its market will shape the policy preferences, diplomatic postures and perhaps even the strategic alignments of its trading partners. Regional free-trade agreements that exclude the United States could help to accelerate these tendencies, in effect amplifying the already substantial gravitational pull of the Chinese economy.

While generally cautious about drawing too direct a connection, Chinese spokesmen have become blunter in suggesting that other nations, including US allies, will have to put more distance between themselves and Washington if they want to continue to enjoy the benefits of close economic relations with China.[80] In the last several years, Beijing has also sought on a number of occasions to wield access to its market more directly in order to punish other governments for actions deemed hostile to China's interests. Without ever acknowledging the political reasons for what it was doing, the Chinese government suspended imports of salmon from Norway in 2010 to punish it for granting the Nobel Peace Prize to dissident Liu Xiaobo, stopped buying bananas from the Philippines in 2012 during its continuing maritime dispute with Manila and, among other measures, in 2017 closed down a network of South Korean department stores to discipline Seoul for permitting the deployment of American missile-defence radars on its soil.[81] None of these actions caused the target country to reverse course, but that was not really their purpose. By demonstrating its ability to impose costs, Beijing aims to shape future behaviour, discouraging repeat offences and gradually altering the strategic calculations of its trading partners, many of whom happen also to be US allies.[82]

Beijing aims to shape future behaviour

In order to prevent its Asian friends and allies from being drawn ever more tightly into a China-centred Eurasian 'co-prosperity sphere', Washington should take steps to encourage the widest possible flows of trade and investment among them, with the other advanced industrial

democracies and with the United States itself.[83] For this purpose, the recently signed Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP or TPP-11) and the Japan–EU Economic Partnership Agreement represent important steps in the right direction. The inclusion of the United States in a revitalised Trans-Pacific Partnership would provide further advantages, as would an eventual transatlantic trade deal between the US and the EU. Such agreements would help to limit members' dependence on the Chinese market, increasing their growth rates and creating a liberal trading bloc made up almost entirely of democratic countries whose combined GDPs could account for as much as 60% of total world output.[84] Unfortunately, despite the potential economic and strategic benefits of new multilateral trade pacts, the Trump administration remains opposed.

Along with its growing importance as a market for imports, in the past decade China has become a major exporter of capital, investing in acquiring technology from the advanced industrial countries while building infrastructure and extracting raw materials across the developing world. As has become evident especially along both axes of its Belt and Road Initiative, Beijing's role as an investor has given it another tool with which to pursue its strategic ambitions as well as its economic interests. At the same time as it buys up resources and builds roads, rail lines, ports and pipelines to bring them back to China, Beijing is using money to penetrate the societies and political systems of its partners, increasing its influence and, in some cases, gaining leverage over them.[85]

Instead of giving grants, or funding its projects directly, Beijing often lends money to foreign governments who then use it to pay Chinese companies to do the necessary work. Because the loans come without the sorts of conditions often attached to Western aid, they may be appealing to local authorities wishing to avoid outside oversight, even if the terms and conditions are relatively onerous. If the host government is unable to repay its debts, Beijing stands ready to take control of valuable assets, including ports and natural resources.[86]

Aside from the fact that in many cases they serve to strengthen corrupt and illiberal regimes, while doing relatively little to aid the development of local economies, China's investments are meant to extend its influence

across a large swath of continental Eurasia, binding other countries more tightly to it while enhancing its ability to project power into the maritime domain.[87] Western governments cannot prevent all of this from happening, nor should they try; but they should resist Beijing's entreaties that they lend legitimacy by endorsing the Belt and Road Initiative or, better yet, take part in funding projects from which China will derive the great bulk of the benefits. Along with some striking successes, Beijing's massive, hasty infrastructure push is likely to result in failed projects, wasted resources and, in some places, a significant measure of political backlash.[88] This is unfortunate in many respects, but in terms of the larger strategic competition it will be a detriment to China rather than the United States and its allies.

Where it makes economic sense to do so, and where the local authorities may be receptive, democratic governments and international aid agencies should be prepared to offer a healthy alternative to Chinese loans, reinvigorating their own efforts to promote infrastructure development and providing an option to those who wish to avoid being drawn too tightly into Beijing's orbit.[89] Rather than remaining silent, or giving in to requests for their approval, the United States and its allies should also be highlighting the risks and costs that often accompany China's money (including a potential loss of control over sovereign territory) and encouraging NGOs, journalists and political leaders in target countries to do the same.[90]

Industrial policy. Even after its entry into the WTO, China continued to use a mixture of subsidies, tariffs, non-tariff barriers and other measures to protect domestically based companies and to promote their fortunes in global markets. These practices caused some grumbling, but, with China continuing to lag technologically, and supposedly transitioning towards a more market-driven model of economic growth, they were not widely seen as threatening. Now even many previously optimistic observers have concluded that this is no longer the case.[91] Beijing evidently has no intention of willingly abandoning practices that it credits for its success. And its latest trade and industrial programmes are intended to catapult it from perennial follower to a position of leadership across an array of cutting-edge technologies. The fact that many of these, including semiconductors, artificial intelligence, robots and new materials, have both military and commercial

applications is fuelling concerns about the implications for the security, as well as the future prosperity, of the advanced industrial countries.[92]

China's ability to achieve its objectives will depend on whether it can continue to exploit a marked disparity in the openness of its own economy relative to that of its Western trading partners. Because they continue to lag behind in most of the sectors they hope eventually to dominate, Chinese firms, at the direction and with the assistance of the party-state, have for some time been seeking to acquire the necessary technology from foreign sources. The methods for doing this include buying up companies overseas, investing in innovative start-ups in the US and other countries, compelling foreign firms to transfer core technologies in return for access to the Chinese market, and simply stealing intellectual property in massive quantities from companies, research labs and universities using cyber intrusions and other, more traditional methods.[93] With a few scattered exceptions, the United States and its major trade and security partners have thus far done very little to close off any of these avenues of access.

Having acquired the technology it needs, China intends to build up 'national champions' in key sectors, using low-cost loans and subsidies to fund capacity expansion, and limiting competition in the domestic market with procurement regulations, tariffs and non-tariff barriers. As it has already done in older industries like steel and aluminium, Beijing aims both to achieve a high degree of self-sufficiency and to capture a significant share of the global market for a wide array of advanced products and components.[94] Chinese planners have also initiated a series of 'mega-projects' to focus research, ensure funding and stimulate the more rapid development of technologies that are expected to have military as well as commercial applications, including quantum computing, high-end chips and next-generation wireless broadband communication.[95]

Even if they are less than completely successful, the impact of China's ambitious technology-transfer and industrial policies are likely to be far-reaching. If it can gain an edge in what has been described as a fourth industrial revolution in manufacturing, while reducing its dependence on high-tech imports, China may be able to boost its own prospects for long-term growth while diminishing those of its competitors.

China's increasing level of performance in science and technology, and its growing capacity for indigenous innovation, will also yield more direct military benefits. At a minimum, the qualitative edge that the United States and its allies continue to enjoy in many areas of capability is likely to erode, and in some, China could gain a strategically significant advantage.[96] Because future products and military systems will build on them, breakthroughs in technologies such as artificial intelligence could also yield enduring advantages. As a recent report for the US Department of Defense explains, 'what is at risk is not only losing an edge in the foundational technology, but also in successive generations of uses, applications and products'.[97]

The Trump administration, and especially the office of the US Trade Representative, deserves considerable credit for raising the salience of these issues, and its decision to impose punitive tariffs on companies in sectors believed to have profited from forced technology transfer has certainly gotten Beijing's attention. What remains to be determined is whether, and if so how, the resulting stand-off can be resolved so as to produce lasting benefits for the United States and the other advanced industrial democracies.

Broadly speaking, there are three possible scenarios for the future economic relationship between China and the West. In the first, the United States and its partners remain largely open and China becomes more closed. In the second, China reciprocates Western openness by reducing its barriers to trade and investment and by forgoing the predatory practices that have provoked the current crisis. In the third, Beijing continues on its present course and the United States and other Western nations respond by imposing protective measures of their own.

The first scenario could result from a decision by the White House to accept superficial concessions that improve access for American companies in certain sectors and perhaps commit China to purchase more goods and services from the United States. This could lower the bilateral trade deficit, at least for a time (thereby addressing a major presidential preoccupation), but it would do little to resolve the underlying problems caused by China's industrial policies.[98]

The second scenario could result from a period of negotiation in which the United States, perhaps joined by its industrial allies, brought pressure to

bear on Beijing, eventually compelling it to accede to a number of demands. These might include eliminating technology-transfer requirements, cutting back on subsidies and liberalising government-procurement regulations to allow greater access for foreign firms.[99] This is the course of action, and the outcome, that most economists and business analysts would probably prefer. But a number of obstacles stand in the way. Fearful of Chinese retaliation and frustrated by the Trump administration's insistence on putting 'America First', including in its dealings with them over tariffs on metals and other trade issues, US allies might choose to remain aloof. In light of its deep commitment to existing plans and policies, Beijing could well prove unwilling, or effectively unable, to change course.[100] Indeed, some observers have suggested that China may already be 'signaling that it does not want to change',[101] and that its leaders could see the current confrontation with the US as 'an opportunity to remove any and all shackles from its industrial policy machine'.[102] Finally, even a deal that levelled the commercial playing field would not alleviate concerns over the possible strategic implications of continuing to allow a military competitor and geopolitical rival ready access to advanced technologies being developed in the West.

Beijing could prove unwilling to change course

For these reasons, the third scenario is probably the most likely; indeed, there are reasons to believe that it has already started to unfold. The United States and a number of its allies have begun to tighten restrictions on Chinese investment in sensitive sectors of their economies, and China is moving to further strengthen its own restrictions.[103] Congress is considering legislation that would strengthen and expand the role of the Committee on Foreign Investment in the United States, making it easier to block proposed transactions involving Chinese entities.[104] Other bills would bar federal agencies from buying telecommunication equipment from Chinese companies,[105] and make it more difficult for private companies providing internet service in rural areas to use federal funds for the same purpose.[106] Although it has yet to take action, in its recent National Security Strategy statement the Trump administration indicated that it might restrict visas for foreign science and

engineering students from unnamed countries in order 'to ensure that intellectual property is not transferred to our competitors'.[107]

One way or another, China and the United States (together with at least some of the other advanced economies) appear to be headed, if not for a complete divorce, then at least for a degree of disentanglement and separation. This outcome could take the form of a negotiated 'peaceful disengagement', in which the two sides maintain ties in many areas, but pull back in others where they perceive security risks.[108] But separation seems more likely to result from a sequence of move, counter-move and angry mutual recrimination in which China refuses to alter course and the US and its partners respond by taking steps to 'defend their companies, technology, and institutions'.[109]

If it wants to maintain a meaningful measure of advantage, the United States cannot be content simply to try to slow the diffusion of strategically relevant technologies to China. It will need to do more to boost its own capacity for innovation, running faster to stay ahead. Among other things, this will require policies that reward productive investment, promote education, fund basic scientific research and attract skilled immigrants.[110]

Political warfare

The Sino-American rivalry is ultimately a war of ideas, or, put differently, a contest between two contending visions of the future. Because neither side has sufficient power to impose its will through coercion, both are constrained to use less direct means. Much of the current rivalry between the US and China therefore involves efforts by each to influence the perceptions and beliefs, and thus the policies, of the other side's leaders, elites and wider population, as well as those of other countries.

At least until quite recently, China's rulers have tended to see themselves as being on the defensive in this aspect of their wider struggle with the United States and its Western allies, bombarded by messages calling into question the legitimacy and likely longevity of their political and economic systems, and surrounded by a structure of international institutions, norms and rules that, at least in theory, reflect liberal principles inimical to their own. It is precisely in order to counteract and neutralise what it sees as

an existential threat that the CCP regime has adopted a highly aggressive posture in conducting political warfare against the United States, its allies and other nations.

For their part, by contrast, American and other Western leaders have at times seemed oblivious to the mortal challenge that their insistence on the existence of universal values, the importance of human rights and the virtues of democracy poses to their opposite numbers in Beijing.[111] Believing in the self-evident superiority of the ideas they espouse, Western leaders have tended to assume that these would spread largely of their own accord. Confident that greater openness would inevitably work to their benefit, they have also done shockingly little to defend themselves against penetration, manipulation and subversion. Both the defensive and the offensive aspects of this relaxed, laissez-faire approach to political warfare are in urgent need of change.

Since its days as a conspiratorial revolutionary party, the CCP has had a highly developed doctrine and extensive organisational machinery for conducting united-front campaigns to divide and defeat both domestic and foreign opponents.[112] At times of perceived vulnerability, China's leaders have been especially attentive to the possible compensatory uses of what chairman Mao once described as the 'magic weapon' of political warfare. More recently, however, expanded influence operations have accompanied the growth and more aggressive use of all the other instruments of Chinese power.[113] Political warfare is now being used not only to push back against a Western ideological threat, but to ease the way for the rapid outward expansion of China's power and influence.

Beijing's stepped-up political-warfare campaign presently targets a wide array of countries, including but not limited to the United States, its friends and allies. Especially as regards the US and its fellow advanced industrial democracies, these operations are intended to help gain or maintain access to foreign markets, technology, ideas, information and capital deemed essential to China's continued economic success, while at the same time discouraging foreign governments, acting separately or in concert, from adopting policies that might impede its rise or interfere with the achievement of its strategic objectives. Beijing seeks to dull the competitive reflexes of its rivals, delaying or rendering ineffective their efforts to balance against its growing power.

Towards these ends the CCP works to shape the narrative about China, encouraging views that it sees as favourable to its interests and, to the extent possible, suppressing those that are not. The regime's methods for doing this vary according to local conditions, but China's new-found wealth has given it an increasingly wide array of options for influencing the thoughts, words and deeds of foreign actors. While some of these involve activities that violate the laws of the target countries, most do not, and in many cases there is also no direct or readily visible link between the organs of the party-state and the wealthy individuals, corporations or foundations (whether Chinese or foreign) who dispense funds and favours.

Democracies have been slow to respond

Included among the CCP's current united-front tactics are offers of lucrative employment to former government officials who have demonstrated that they are reliable 'friends of China'; funding of chairs, institutes and research programmes on China-related issues at major universities and think tanks that generally do not support work on topics deemed controversial (and the threatened cancellation of funding for institutions that invite dissidents to speak or otherwise offend Beijing); expelling journalists accused of presenting an unfavourable view of China to overseas audiences; and putting pressure on movie studios, news organisations and media companies to ensure continued access to the vast Chinese market by avoiding politically sensitive content that might be subject to censorship.[114]

CCP influence operations (like those conducted by Russia) pose a particular challenge to liberal democracies because they exploit the values of openness, freedom of expression and the free exchange of ideas on which those societies are based in order to shape and distort their deliberative and decision-making processes. The democracies have been slow to respond to this threat, in part because they have been unable to come to a consensus on whether it even exists, still less how to address it without violating their own principles.

In the US, as in the other democratic countries, an adequate defence against Chinese political warfare will require action from government and, perhaps even more importantly, from the private sector. Among other

measures, the federal government should boost spending on domestic counter-intelligence and tighten enforcement of regulations requiring registration by citizens acting as agents of a foreign government.[115] The United States should work together with other friendly governments seeking to harden themselves against Chinese influence operations by exchanging information about the activities of united-front-linked organisations and individuals, sharing experiences regarding laws and best practices for monitoring and controlling undue foreign influence, and forming an organisation or grouping (perhaps at the G20) to highlight the common challenges the democracies face in countering political warfare sponsored by authoritarian regimes.

If they wish to avoid an unhealthy expansion of state surveillance and regulation, private actors will have to take much of the responsibility for countering influence attempts that are inappropriately manipulative and intrusive, even if they are not at present flatly illegal. The best defence against many of these techniques is transparency. For this purpose, an independent body should track and publish information clarifying the connections between nominally private Chinese entities such as foundations and organs of the Chinese party-state. Scholars, universities and think tanks should agree to acknowledge when they accept funding from such entities, and boards of trustees should keep a watchful eye on relationships that could compromise the integrity of the institutions they supervise. Media companies, news organisations and publishing houses should strengthen their capacities for self-policing and mutual protection, publicising instances in which some appear to have been subjected to intimidation or to have engaged in self-censorship. Journalists and scholars have played a vital part in shedding light on China's influence operations in various countries including Australia, New Zealand, the United States and the Czech Republic. Private foundations concerned with the health of democracy should be eager to fund them.[116]

In addition to bolstering their own defences against political warfare, the advanced democracies must also face up to the challenge posed by China's growing presence and influence in other parts of the world. Although Xi Jinping's recent suggestion that China provides a model for others may

signal a shift, the country's leaders have thus far been careful to discourage any suggestion that they see themselves engaged in an ideological struggle with the West. Rather than advance a positive programme of its own, Beijing has been content to offer a critique of Western-style capitalism, liberal democracy and 'so-called universal values', while presenting itself as a pragmatic, non-judgemental partner interested only in 'win–win cooperation'.

Despite its self-proclaimed posture of neutrality, however, China's increasing penetration into the economies and societies of other countries is also having an impact on their political systems. Beijing's willingness to lend and invest without demands for political reform helps repressive regimes sidestep the pressures they might otherwise feel from Western governments and Western-dominated institutions like the World Bank. The free flow of Chinese money is especially likely to have a corrupting effect on nations with weak political institutions, strengthening the hand of strongmen and damaging prospects for liberalisation.[117] In fragile democracies where it seeks economic access, China's increasing presence and its example lend credence to those who argue that political freedoms may not be necessary and could actually stand in the way of greater prosperity. Here, as in the advanced democracies, Beijing's influence operations also aim to shape elite perceptions and public discourse, squelching criticism of its repressive domestic policies and discouraging opposition to its expanding international influence.[118]

China may not be actively promoting authoritarianism, at least not yet. But its policies have helped prevent the further spread of democracy, especially in nations around its immediate periphery, and they are contributing to the erosion of liberal norms and institutions in places where these have yet to take firm root. In the near term, the latter group of countries should be the focus of Western efforts, including programmes like those organised by the European Union and the congressionally funded International Republican Institute and the National Democratic Institute that aim to strengthen the rule of law, protect human rights and encourage free elections and multiparty democracy. As always, sunlight is the best disinfectant. Accurate, credible information, preferably provided by independent local journalists, scholars and think tanks, can help to reduce the effectiveness of Chinese influence operations.

Along with its defensive aspects, an effective political-warfare strategy must also have an offensive component. Rather than seeming to accept Beijing's ceaseless happy-talk about win–win cooperation, democratic governments need to find ways to convey the fact that, despite its protestations of benign intent, China is engaged in activities on a massive scale that are aggressive, destabilising, flout international norms, impose disproportionate costs on other societies and threaten their long-term prosperity and security. Notwithstanding the evident growth in its material power, China has numerous social, economic and environmental problems, and its continued rise, to say nothing of its ability eventually to dominate Asia and perhaps the world, are by no means inevitable. Whatever its other accomplishments, the Chinese political system is brutal, repressive and profoundly corrupt. The CCP enriches its own members and their families, even as it denies ordinary Chinese people the right to express their opinions, choose their leaders and worship as they see fit. Fearful of its own people, the CCP regime invests enormous resources in monitoring and controlling their activities. These are realities that the United States and its allies should seek to highlight rather than ignoring them out of a misplaced sense of decorum or in a futile attempt at reassurance.

In order to convince others of the enduring virtues of their system of government, the democracies, starting with the United States, must begin to correct the growing dysfunction that in many cases afflicts their political systems and their societies. If they fail to do so then, in the long run, they will be unable to counter China's political warfare or to compete successfully in the military, diplomatic and economic domains. But, having waited so long to bestir themselves, the democracies do not now have the luxury of time. If they wish to defend their shared interests and common values, they must act soon, and preferably together.

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