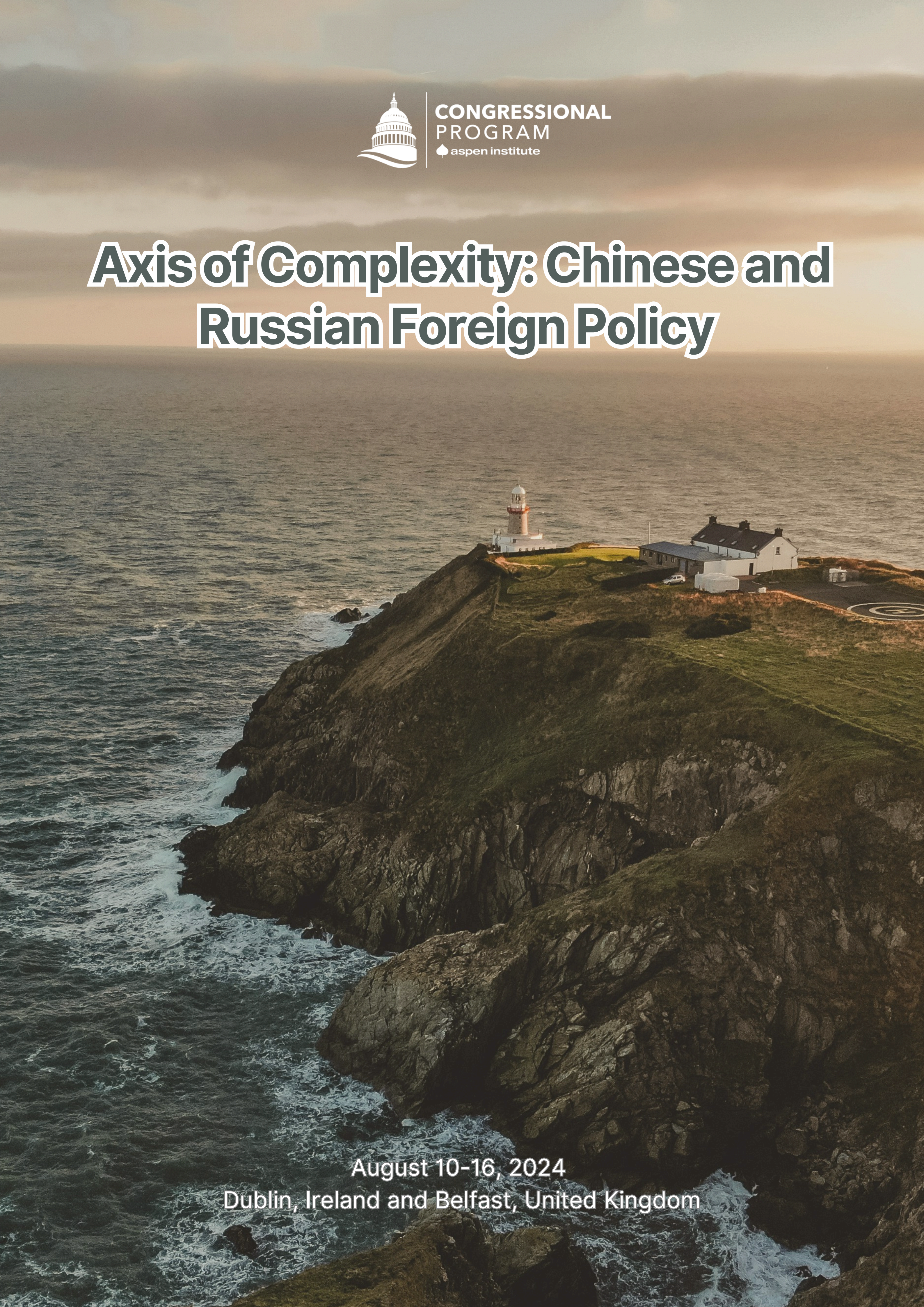
CONGRESSIONAL PROGRAM
aspen institute

Axis of Complexity: Chinese and Russian Foreign Policy



August 10-16, 2024
Dublin, Ireland and Belfast, United Kingdom

CONGRESSIONAL PROGRAM
aspen institute

Axis of Complexity: Chinese and Russian Foreign Policy

August 10-16, 2024 | Dublin, Ireland and Belfast, U.K.

TABLE OF CONTENTS

AGENDA[1]

SATURDAY, AUGUST 10:

U.S. participants depart the U.S. throughout the day.

SUNDAY, AUGUST 11 (Overnight in Dublin):

U.S. participants arrive in Dublin.

11:30 AM – 1:30 PM: Working Lunch

5 – 6:30 PM: Fireside Chat
The conference will open with a tour of the horizon of strategic challenges now facing the United States, with a particular focus on the challenges posed by China and Russia to a U.S.-led rules-based international order. As president and CEO of the U.S. Russia Foundation and as the former director of the Kennan Institute, the premier U.S. center for advanced research on Russia and Eurasia, Matthew Rojansky will address the new security landscape shaped by Russia's military aggression against Ukraine, and together with Dmitri Alperovitch, Silverado Policy Accelerator Chairman, will discuss growing Chinese capabilities and boldness and technological change. A former United States Trade Representative and Deputy National Security Advisor for International Economic Affairs in the Obama and Clinton Administrations respectively, Michael Froman will address challenges to U.S. leadership in global trade and financial markets, and why such continued leadership is a vital U.S. national interest in the twenty-first century.

Speakers:
Michael Froman, *President, The Council on Foreign Relations*
Dmitri Alperovitch, *Chairman, Silverado Policy Accelerator*
Matthew Rojansky, *President and CEO, The U.S.-Russia Foundation* (moderator)

7 – 9 PM: Working Dinner
Seating is arranged to expose participants to a diverse range of views and provide the opportunity for a meaningful exchange of ideas. Scholars and lawmakers are rotated

[1] *Congressional Program Executive Director Charlie Dent moderates the discussion sessions, recognizes members of Congress who have questions, and is assisted by a timekeeper to ensure the conversation is quick paced and every member of Congress has an opportunity to ask questions and discuss the issues.*

daily. Discussions will focus on the U.S. relations with China and Russia and, in particular, the role U.S. lawmakers play in shaping the global security landscape.

MONDAY, AUGUST 12 (Overnight in Dublin):

7 – 8:30 AM: Breakfast available to all participants

7:20 – 8:20 AM: Experts and Scholars meet for breakfast with Charlie Dent to review conference procedures

9 – 9:15 AM: Introduction and Framework of the Conference
This conference is organized into roundtable conversations, working lunches, and pre-dinner remarks. This segment will highlight how the conference will be conducted, how those with questions will be recognized, and how responses will be timed to allow for as much engagement as possible.

Speaker:
Charlie Dent, *Vice President, Aspen Institute;*
Executive Director, Congressional Program

9:15 – 11:15 AM: Roundtable Discussion
Russia and China's Foreign Policy Traditions and Perceptions of the U.S.

The foreign policies of Russia and China are deeply rooted in historical experiences and mythologies which shape their current objectives. Russia's approach to foreign policy is heavily influenced by Soviet-era and other experiences of territorial expansion, conflict, and a desire to reclaim perceived lost influence, particularly in Eastern Europe and Central Asia. China's foreign policy is guided by its belief that a Sino-Centric Asia and, perhaps, a Sino-Centric Afro-Eurasia is a natural, inevitable, and positive development. This ambition is shaped by China's historical primacy and its experience of humiliation beginning in the mid-19th Century–a rise/fall/rise story that stirs patriotic passions and is fueling a new drive for hegemony. Both nations believe they face existential threats from the U.S. and the West.

Speakers will address the following questions:

- How have historical experiences shaped the current foreign policies of Russia and China, and what are the key doctrines influencing their international strategies?
- In what ways do the historical narratives of national identity and sovereignty in Russia and China influence their foreign policy decisions today?

- How do concepts of power differ in the foreign policy traditions of Russia and China? What historical events have contributed to these differences?
- Can similarities between Russian and Chinese foreign policy be attributed to shared historical experiences of Western intervention? How do these experiences/perceptions continue to affect their policies?
- What are the historical roots of the strategic partnership between Russia and China? How have their respective foreign policy goals converged or diverged over time?

Speakers:

Robert Daly, *Director, Kissinger Institute on China and the United States, the Wilson Center*

Sergey Radchenko, *Wilson E. Schmidt Distinguished Professor, the Johns Hopkins University*

11:15 – 11:30 AM: Break

11:30 AM – 1:10 PM: Roundtable Discussion

Domestic Drivers of Contemporary Foreign Policy

Domestic politics in Russia and China play pivotal roles in shaping their respective foreign policies. In Russia, President Vladimir Putin's consolidation of power has been closely tied to a foreign policy that emphasizes national revival and geopolitical strength, often using international engagements to bolster his domestic standing amid economic challenges and political dissent. In China, the Communist Party under Xi Jinping has leveraged foreign policy successes to enhance its legitimacy and justify its near total control of society, presenting China both as a rejuvenated global power and as a victim of Western hegemony and unrelenting American attack. Both governments use foreign policy as a tool to consolidate internal power, manage national identity, and address internal pressures—whether they stem from economic needs, regional stability, or the demands of national prestige.

Speakers will address the following questions:

- How do Putin's domestic political needs influence Russia's aggressive postures in Eastern Europe and the Middle East?
- What is Xi Jinping's domestic agenda and how does it shape his vision of China’s global role?
- How do internal economic pressures in both countries drive foreign policy decisions, especially in energy and trade partnerships?
- What role does public opinion play in shaping the foreign policy choices of Russia and China, and how do their governments manage nationalistic sentiments?
- How might changes in domestic political stability in either Russia or China affect their foreign policy in the near future?

Speakers:
Steve Tsang, *Director, School of Oriental & African Studies (SOAS), University of London, China Institute*
Sam Greene, *Director for Democratic Resilience, the Center for European Policy Analysis*

1:10 – 2:30 PM: Working Lunch and Q&A with Paschal Donohoe, *Minister for Public Expenditure and Reform of Ireland*
Discussion continues between members of Congress and experts on foreign policy traditions and their domestic drivers with Robert Daly, Sergey Radchenko, Steve Tsang, Sam Greene, and Minister Paschal Donohoe. Members of Congress met with Paschal Donohoe, *Minister for Public Expenditure and Reform of Ireland*. Minister Donohoe is responsible for delivering targeted public spending. He also oversees the implementation of the National Development Plan, drives the program of public service reform, and has a key role in decisions made across the Irish Government.

3 – 5 PM: Individual Discussions
Scholars will be available to meet individually with members of Congress for in-depth discussion of ideas raised in the morning sessions, including Robert Daly, Sergey Radchenko, Steve Tsang, and Sam Greene.

6 – 7 PM: Fireside Chat
Rethinking Ireland's Foreign and Security Policy: Process and Substance
This discussion will encompass Ireland's traditional stance of military neutrality while exploring how to enhance its role in international peacekeeping, conflict resolution, and cooperative security frameworks. It will also touch on Ireland's contributions to the European Union's Common Security and Defense Policy, expanding partnerships with international organizations like the United Nations, and investing in advanced defense capabilities.

Speaker:
Louise Richardson, *President, Carnegie Corporation of New York*
Charlie Dent, *Vice President, Aspen Institute;*
Executive Director, Congressional Program (moderator)

7:15 – 9 PM: **Working Dinner**
Seating is arranged to expose participants to a diverse range of views and provide the opportunity for a meaningful exchange of ideas. Scholars and lawmakers are rotated daily. Discussions will focus on Ireland's foreign and security policy and its partnership with the United States.

TUESDAY, AUGUST 13 (Overnight in Belfast):

7 – 8:30 AM: Breakfast

9 – 11:10 AM: Roundtable Discussion:
What Do They Want? Xi's and Putin's Global Visions

Vladimir Putin talks about Russia's assertive and aggressive foreign policy in terms of resisting Western hegemony and encroachment into the post-Soviet region, which he considers a sphere of privileged influence for Russia. Xi Jinping is working with Russia and a growing list of other partners, many in the global south, to stand up an alternate set of global institutions, coalitions, and values that can serve as an alternative to nations that don't want their choices shaped by the West. This emerging architecture will be led by China and will stress development rights and national sovereignty. Both countries share core interests in countering U.S. primacy and promoting what they call multipolarity. For the United States, this Sino-Russian alignment poses complex challenges across the spectrum of security, economic competitiveness, and diplomacy.

Speakers will address the following questions:

- How do Putin's and Xi's strategies for global influence align, and where do they diverge, particularly in their approaches to the United States and Europe?
- Does the personal relationship between the two leaders matter? Is the "friendship with no limits" for real?
- Where do the Putin/Xi visions for global order succeed and where are they failing?
- Do Putin and Xi aim to overthrow the global order, or to challenge it with new alternatives while using it to their advantage when they can?
- How long can either leader be expected to retain power in their respective systems, and will the relationship change significantly in a post-Putin/Xi future?

Speakers:
Elizabeth Economy, *Senior Fellow, Hoover Institution, Stanford University*
Anna Arutunyan, *Associate Director, Mayak Intelligence*

11:10 – 11:25 AM: Break

11:25 AM – 1:10 PM: Roundtable Discussion
Geo-Economics: Trade, Technology and Finance as Instruments of Statecraft

Russia and China are both urgently focused on enhancing their economic competitiveness and responding to U.S. economic pressures and sanctions. Russia, heavily reliant on commodity exports, particularly oil and gas, has responded to Western sanctions with efforts to develop self-sufficiency in critical technologies and diversify its economic partners, especially through tighter trade, technology and investment bonds with China. China has become the world's leading trading and lending nation and is setting up new financial institutions like the Asian Infrastructure Investment Bank, the Belt and Road, the BRICS Bank, the Global Security Initiative, and the Cross-border Interbank Payment System (CIPS) as an alternative to The Society for Worldwide Interbank Financial Telecommunication (SWIFT), establishing itself as an essential economic partner throughout much of the world even as it decouples and insulates itself from the West. Its geo-economic strategy is a key component of its order building and its attempts to escape dollar dominance and internationalize its currency, the RMB.

Speakers will address the following questions:

- How effective are U.S. economic sanctions in limiting Russia's and China's global economic influence and technological advancements?
- How can Russia and China leverage their strategic partnership to mitigate the impact of U.S. economic pressures and enhance their technological competitiveness?
- Has Russia accepted economic dependence on China as a long-term cost of hostility to the West?
- In which industries does China pose the most significant challenge to U.S. technological leadership? How should the U.S. respond?
- How will Russia's focus on developing self-sufficiency in critical technologies alter its economic and strategic relationships with both the West and China?
- What potential global impacts could arise from increased cooperation between Russia and China in high technology sectors, particularly in areas like artificial intelligence and telecommunications?

Speakers:

Yasheng Huang, *Professor, Sloan School of Management, Massachusetts Institute of Technology*
Chris Weafer, *CEO, Macro-Advisory*

1:10 – 2 PM: Working Lunch

Discussion continues between members of Congress and scholars on Xi's and Putin's global visions and geo-economics with Elizabeth Economy, Anna Arutunyan, Yasheng Huang, and Chris Weafer.

2:20 – 4:45 PM: Travel from Dublin to Belfast

7 – 9 PM: Working Dinner with U.K. Government Officials
Seating is arranged to expose participants to a diverse range of views and provide the opportunity for a meaningful exchange of ideas. Scholars and lawmakers are rotated daily. Discussions today will focus on President Xi's and Putin's global visions, the dynamic of their economic partnership, and the U.S. role in the current geopolitical circumstances. Fleur Anderson, MP, *Parliamentary Under-Secretary of State for Northern Ireland*, Phillip Brett, MLA, *Chair of the Economy Committee in the Assembly*, and John O'Dowd, *Infrastructure Minister*, will join.

WEDNESDAY, AUGUST 14 (Overnight in Belfast):

6 – 8:30 AM: Breakfast

9 – 11:15 AM: Roundtable Discussion
Security Concepts and Strategies

Russia's military doctrine is heavily oriented towards rapid response and the use of overwhelming force to secure its borders and assert dominance in what it considers its sphere of influence, notably in Eastern Europe. This includes modernizing its nuclear arsenal and hybrid warfare capabilities, which directly challenges NATO and U.S. interests in Europe. China's focus is on power projection in the Western Pacific, where its Navy (the world's largest) and militarized Coast Guard and fishing fleet is concentrated. China's rocket force is also deployed for a Taiwan contingency, but its ambitions are not limited to the near seas. China now has a nuclear triad, hypersonic weapons more advanced than those of the U.S., and it appears to be building toward nuclear parity with America. This buildup supports the Xi claims that China needs a military "commensurate with its global status"and that Asians alone should provide Asian security. Both of these phrases are code. But for what?

Speakers will address the following questions:

- How do Russia and China's military strategies challenge NATO, U.S. military forces in the Indo-Pacific, and the American alliance system?
- In what ways have joint military exercises between Russia and China enhanced their interoperability, and what does this mean for U.S. military strategy in Europe and Asia?
- How significant is the threat of coordinated military action by Russia and China in a hypothetical conflict scenario involving the United States, and how should the U.S. adjust its defense posture in response?

- What technologies or capabilities have Russia and China developed that could undermine U.S. military advantages, and how can the U.S. counter these developments?
- What are the implications of the emerging nuclear triad for American strategic forces?

Speakers:
Matt Turpin, *Visiting Fellow, the Hoover Institution, Stanford University*
Andrew Monaghan, *Global Fellow, Kennan Institute, the Wilson Center*

11:15 – 11:25 AM: Break

11:25 AM – 1:10 PM: Roundtable Discussion
U.S. Allies and Partners in Europe and Asia

As Russia, China, Iran, North Korea and other states strengthen their partnerships, and as China develops its claim to lead the Global South, the question of how well the United States is aligned with partners in Europe and Asia has come to the fore. The resilience of the alliance system will be tested as Russia and China attempt to drive wedges between South Korea and Japan and to court European nations which are not as unified in their attitudes toward China as the United States might wish, especially in the commercial arena. The alliance system may also come under pressure due to political change within the United States itself and decide to build their strategic autonomy rather than rely on American guarantees. Simultaneous conflicts in Europe, the Middle East, and Asia, furthermore, could cast doubts on America's capacities among its partners. What are the major concerns of U.S. allies and what can be done to allay them?

Speakers will address the following questions:

- To what extent are countries of strategic concern to the United States coordinating their strategies? Are we seeing the emergence of two great blocks, or are we in danger of connecting dots that should remain unconnected?
- How do Russia and China leverage organizations like BRICS and the Shanghai Cooperation Organization to expand their influence and what are the implications for U.S. foreign policy?
- How do partners in Europe and Asia assess the goals and capabilities of China and Russia? Are there key gaps in their perceptions and those of the U.S.?
- Faced with increasing, uncertain, and multi-faceted threats from China and Russia, how are our allies' asks of the United States shifting?

Speakers:
Bonnie Glaser, *Managing Director, Indo-Pacific Program of the German Marshall Fund*
Oksana Antonenko, *Global Fellow, Kennan Institute of the Wilson Center*

1:10 – 2 PM: Working Lunch
Discussion continues between members of Congress and scholars on military doctrines and the U.S. and Chinese approaches to Europe, Asia, and Global South with Matt Turpin, Andrew Monaghan, Bonnie Glaser, and Oksana Antonenko.

2 – 5 PM: Historical Perspective: Conflict Resolution in Northern Ireland
Participants will join a privately-led overview by vehicle of historically-relevant sites in Belfast. This tour around Belfast offers an immersive journey into the city's rich and complex past, particularly focusing on the turbulent period known as The Troubles. The tour will be guided by knowledgeable locals who provide personal insights and firsthand accounts of the conflict between the Protestant and Catholic communities. Members of Congress will see significant landmarks, including the Peace Walls, political murals, and key sites of historical events, providing a balanced perspective on the cultural and political landscape.

7 – 9 PM: Working Dinner
Seating is arranged to expose participants to a diverse range of views and provide the opportunity for a meaningful exchange of ideas. Scholars and lawmakers are rotated daily. Discussions will focus on military doctrines, their role in shaping foreign policy, and U.S. approaches to Europe, Asia, and the Global South.

THURSDAY, AUGUST 15 (Overnight in Dublin):

6 – 7:30 AM: Breakfast

8 – 10:15 AM: Roundtable Discussion:
U.S. Policy Toward China, Russia, and Their Partnership

The guiding question of this conference is to what degree Chinese and Russian strategies are coordinated and to what degrees the United States should deal with them jointly and severally. Are American diplomatic, military, and economic resources, including U.S. federal bureaucracies, structured and resourced to manage a protracted challenge from a Sino-Russian entente? This final discussion will aim at defining the framework through which American legislators should view great power competition and the emphasis they should give to its military, diplomatic, financial, order-building, and soft power aspects.

The speaker will address the following questions:

- What are the lessons from past U.S. engagement and containment policies towards both Russia and China? What lessons apply to today's environment of intense strategic competition?
- How can the U.S. and its allies effectively respond to the military and economic partnerships forming between China and Russia?
- In what ways can the U.S. leverage its technological and economic strengths to maintain a competitive edge in the face of growing Sino-Russian cooperation?
- What strategies should the U.S. adopt to manage its relations with countries caught between U.S. and Sino-Russian interests?
- Do any agencies of the U.S. Government need to be re-conceived or re-structured to meet these challenges?
- What are the costs of over- and under-emphasizing a Great Powers framework for American foreign policy?

Speaker:
Thomas Graham, *Distinguished Fellow, the Council on Foreign Relations*

10:15 – 10:25 AM: Break

10:25 AM – 12 PM: Policy Reflections for Members of Congress
This time is set aside for members of Congress to reflect on what they have learned during the con ference and discuss their views on implications for U.S. policy. Drawing on the full range of conversations throughout the week, members will seek to identify for each other the most promising takeaways for the United States policy process, with a special focus on opportunities for bipartisan cooperation. This is a members-only conversation.

12 – 1 PM: Working Lunch

1 – 4 PM: Travel from Belfast to Dublin

4 – 4:45 PM: Members of Congress Only Meet with Charlie Flanagan, TD, *Chair of the Joint Committee on Foreign Affairs and Defence*, at Dáil Éireann
Participants travel to Dáil Éireann, the Lower House of Irish Parliament (The Oireachtas). The Oireachtas is the only body that has the power to make laws. The Oireachtas consists of a bicameral chamber and the President of Ireland. The two Houses of The Oireachtas include a Lower House, Dáil Éireann, and an Upper House, Seanad Éireann. The Irish Constitution states that the Government must answer to Dáil Éireann. Members will meet with Charlie Flanagan, TD, *Chair (Cathaoirleach) of the Joint Committee on Foreign Affairs and Defence*.

4 – 4:45 PM: Congressional Family Members Tour Dáil Éireann and then Return to Hotel

4:45 – 5:20 PM: Members of Congress Only Tour Dáil Éireann and then Return to Hotel

7:30 – 9:30 PM: Working Dinner
Seating is arranged to expose participants to a diverse range of views and provide the opportunity for a meaningful exchange of ideas. Scholars and lawmakers are rotated daily. Discussions will focus on U.S. foreign policy toward China and Russia and members' takeaways from the conference.

FRIDAY, AUGUST 16:

Participants depart throughout the day.

CONFERENCE PARTICIPANTS

MEMBERS OF CONGRESS AND THEIR SPOUSES:

Rep. Jim Baird and Danise Baird

Rep. Ami Bera and Janine Bera

Rep. Stephanie Bice and Geoffrey Bice

Rep. Earl Blumenauer and Margaret Kirkpatrick

Rep. Buddy Carter and Amy Carter

Rep. Lori Chavez-DeRemer

Rep. Jim Costa

Rep. Lloyd Doggett and Libby Doggett

Rep. Michael Guest and Haley Guest

Rep. Kevin Hern and Tammy Hern

Rep. John Joyce

Rep. Rick Larsen and Tiia Karlén

Rep. Jim McGovern and Lisa McGovern

Rep. Greg Murphy and Wendy Murphy

Rep. Dan Newhouse and Joan Galvin

Rep. Donald Norcross and Andrea Doran

Rep. Deborah Ross and Steve Wrinn

Rep. Greg Stanton

Sen. Chris Van Hollen and Katherine Wilkens

Rep. Susan Wild

SCHOLARS AND EXPERTS:

Dmitri Alperovitch	*Chairman, Silverado Policy Accelerator*
Oksana Antonenko	*Global Fellow, Kennan Institute, the Wilson Center*
James Applegate	*U.S. Consul General in Belfast*
Anna Arutunyan	*Associate Director, Mayak Intelligence; Author of"The Putin Mystique"*
Elizabeth Economy	*Hargrove Senior Fellow, Hoover Institution, Stanford University*
Michael Froman	*President, Council on Foreign Relations*
Bonnie Glaser	*Managing Director, Indo-Pacific Program of the German Marshall Fund*
Thomas Graham	*Distinguished Fellow, the Council on Foreign Relations*
Sam Greene	*Director for Democratic Resilience, the Center for European Policy Analysis*
Yasheng Huang	*Professor, Sloan School of Management, Massachusetts Institute of Technology*
Niamh King	*Director, Aspen Strategy Group and Aspen Security Forum, Aspen Institute*
Andrew Monaghan	*Global Fellow, Kennan Institute, the Wilson Center*
Sergey Radchenko	*Wilson E. Schmidt Distinguished Professor, the Johns Hopkins University*
Louise Richardson	*President, Carnegie Corporation of New York*
Steve Tsang	*Director, SOAS China Institute*
Matt Turpin	*Visiting Fellow, the Hoover Institution, Stanford University*
Chris Weafer	*CEO, Macro-Advisory*

RAPPORTEURS:

Robert Daly	*Director, Kissinger Institute on China and the United States, the Wilson Center*
Matthew Rojansky	*President and CEO, The U.S.-Russia Foundation*

FOUNDATION REPRESENTATIVES:

Perry Cammack	*Peacebuilding Program Director, Rockefeller Brothers Fund*
William Moore	*CEO, Eleanor Crook Foundation*
Maxine Thomas	*Vice President, Secretary, and General Counsel, Kettering Foundation*

IRISH GOVERNMENT OFFICIALS:

Paschal Donohoe, TD	*Minister for Public Expenditure, National Development Plan Delivery & Reform*
Charlie Flanagan, TD	*Chair of the Joint Committee on Foreign Affairs and Defence*
Declan Kelleher	*Former Permanent Representative of Ireland to the EU; former Ambassador of Ireland to China*

UNITED KINGDOM GOVERNMENT OFFICIALS:

Fleur Anderson, MP	*Parliamentary Under-Secretary of State for Northern Ireland*
Phillip Brett, MLA	*Chair of the Economy Committee in the Assembly*
Minister John O'Dowd	*Infrastructure Minister*

ASPEN INSTITUTE CONGRESSIONAL PROGRAM:

Charlie Dent *Executive Director, Congressional Program;*
Vice President, Aspen Institute

and **Pamela Dent**

Tyler Denton *Deputy Director*

Carrie Rowell *Conference Director*

Jennifer Harthan *Senior Manager of Congressional Engagement*

Galen Voorhees *Senior Conference Manager*

RAPPORTEURS' SUMMARY

Matthew Rojansky
President and CEO, The U.S.-Russia Foundation

From August 11 to 16, 2024, members of Congress took part in briefings, discussions, and site visits in Dublin, Ireland and Belfast, Northern Ireland (UK), focusing on the challenge to U.S. interests around the world posed by Russia and China. The bipartisan delegation, which included twenty members of Congress, sought to understand the evolving dynamics of global power and the challenges that the United States faces in maintaining its leadership on the world stage. More than a dozen scholars joined them to help frame and inform deep discussions on Russia and China's interests and outlook, their authoritarian leaders, as well as domestic political, economic, and military developments and options for U.S. policy.

Setting: Ireland and Northern Ireland

Despite its small size and remote distance from Russia and China, Ireland proved a useful setting to examine wide-ranging U.S. policy interests in Europe and Eurasia, and the challenges posed by Russia and China. As one speaker put it, Ireland is militarily, not politically, neutral in world affairs. Indeed, the island nation of not quite 5 million (a figure that still has not recovered from famine and emigration in the 19^{th} century) has been an active global player. With a business and tech-friendly regulatory environment, Ireland is a hub for U.S. and international companies in Europe, and it takes part in United Nations (UN) peacekeeping missions and cooperates closely with the European Union (EU) on security, including cyber security and sanctions policies. Members discussed the criticism Ireland has faced as a "free rider" given its low defense spending, yet acknowledged that its formal neutrality also allows it to play a valuable role in international diplomacy.

Discussions also considered the implications of Brexit for Ireland, particularly the complexities it introduces into the relationship between Northern Ireland and the Republic of Ireland. Members examined the potential political shifts that could arise from the Irish Republican Army (IRA)-associated political party Sinn Féin leading governments in both the north and south, and how this might influence future negotiations. The group also explored social changes within Ireland, including a decline in the Catholic Church's standing stemming from abuse scandals and the impact of significant immigration from Eastern Europe, which is reshaping the demographic and political landscape.

Despite its neutrality, Ireland has not shied away from taking strong positions on international matters, as evidenced by its acceptance of over 100,000 Ukrainian refugees at the onset of the war in 2022, and its formal diplomatic recognition of Palestine in May 2024. Members also considered the circumstances under which Ireland might seek to join NATO, such as if a referendum were held to unite Northern Ireland with the Republic. In the meantime, as one member put it, "neutrality doesn't mean you can't be part of solving problems." As members and scholars observed first-hand in their visit to Belfast neighborhoods riven by sectarian violence, the continuing Irish experience of navigating peace, reconciliation, and development can be a valuable model for other states and societies in conflict around the world.

Russia and China's Foreign Policy Traditions and Perceptions of the U.S.

Discussions opened with an overview of Russian and Chinese foreign policy outlooks, traditions, and the interests and worldviews of Russian President Vladimir Putin and Chinese leader Xi Jinping. Putin, as one scholar explained, is preoccupied with three main goals in his foreign policy, each of which has origins in the Soviet Union's relations with the United States and the West during the Cold War: First, like Stalin in the wake of World War II, Putin believes that Russia is entitled to a sphere of influence, especially in its post-Soviet periphery. Although like Stalin, Putin might be open to compromise on the extent of such a zone, he utterly rejects the U.S. position that all states on Russia's borders, like states anywhere, should be free to pick their own geopolitical orientation, partnerships, and alliances.

Second, like Khrushchev in the 1960s, Putin believes that Russia's nuclear arsenal is an instrument of geopolitical leverage. However, like Khrushchev, Putin must also consider the U.S. response to nuclear saber-rattling and manage risks of escalation to direct U.S.-Russian nuclear exchange. Third, like Brezhnev in the 1970s, Putin has long craved a "condominium" with Washington's recognition of Moscow as an equal and a partner in managing world affairs. Although the U.S.-Russia balance of power is even more asymmetrical today than in the Cold War, the bigger challenge to such a condominium relationship is the broader global context and deep divergences between U.S. and Russian interests with respect to world order.

Xi Jinping, according to another scholar, also builds his foreign policy outlook on longstanding themes in Chinese history, particularly that of China as the "core" of world civilization, with Beijing and the Chinese leader himself at the very center of an inner core, and the rest of the world outside. By increasing Chinese wealth and power, as well as his own control over the Communist Party and thus over China, Xi seeks to deliver on the party's promise to "rejuvenate" the Chinese nation. Xi sees the task of building and holding that position in somewhat contradictory terms, like a "king of the hill" both within China and in the world, who must also constantly worry about, and defend against, those around him who may be trying to assault the high ground. While viewing the United States as an established power that must make room for China's return to center stage, Beijing also recognizes that there is little unoccupied space left on the geopolitical and legal-normative world map. This may lead to a more offensive, even aggressive, posture as China seeks to fulfill what Xi and his leadership think is a natural right to shape the global order.

Members raised questions about what the threats posed by Russia to Ukraine and China to Taiwan actually mean for the United States, and also queried whether too firm a policy of containment and pushback toward either was likely to provoke even greater aggression and conflict. While scholars had a range of views on whether the current situation could be described as a Cold War, another form of conflict, or merely enhanced competition, most agreed that in the wake of Putin's aggression against Ukraine, China remains undeterred in its aim to absorb Taiwan. Were this to happen, some explained, it is not only that China would be emboldened politically, but that democracy would disappear from the region and Beijing would have a new and substantial base from which to project military force into the Western Pacific, potentially threatening other U.S. allies in the region. Indeed, China has territorial ambitions far beyond Taiwan, including in India, Russia, Vietnam, and Korea, as China's neighbors know well.

Asked whether China takes global problems like nuclear arms control, nonproliferation, and climate change seriously, scholars explained that Beijing is keenly aware of the issues, but approaches them differently from the United States. Having maintained a minimalist nuclear deterrent since the 1960s, China now aims to build up to parity with the United States and Russia, which it views as essential to the recognition of its status as a global leader before it will consider engaging in any arms control process. On climate, members pointed out that China is still building coal-fired power plants and largely sees climate change as an economic opportunity, not a moral or political obligation. At the same time, scholars noted, Xi is responding to grassroots pressure at home for cleaner air and water and sees green technology as an area in which Chinese industry should excel.

Domestic Drivers of Contemporary Foreign Policy

The group took a deeper dive into the domestic situations within Russia and China, evaluating how developments within each state and society both enable and constrain the two countries on the world stage.

Echoing a previous scholar's description of concentric circles in Chinese leadership thinking, another scholar explained that indeed, Xi's ambition is to be a historic, transformational figure at the center of China and world civilization. Xi seeks to "make China great again," and endorses a view of "one country, one people, one ideology, and one leader," which puts himself at the very center of China's historical mission to return to greatness. To the wider world, this posture means that China will demand deference in some things, but also offer an open hand as a way of building up soft power. This is especially visible in the Global South, where Beijing is willing to provide investment and assistance and to make no demands about governance or anti-corruption (unlike the West), but will demand that recipient countries toe the line on non-recognition of Taiwan and other Chinese priorities.

Putin's governance challenges inside of Russia have evolved significantly over his nearly three decades in power. When he inherited the Russian presidency from Boris Yeltsin in 1999, the Kremlin could not credibly claim to control its own state energy corporations or banks, let alone far-flung restive regions, from the North Caucasus to Siberia. The government was starved for tax revenue, and oligarchs exploited widespread corruption to effectively control even state security services at multiple levels. Putin's assertion of a "power vertical" in the early 2000s and 2010s, and his brutal, if selective, use of force against his enemies, helped corral and co-opt these forces so that today Putin's focus is more on projecting power abroad than at home. At the same time, the nature of Putin's system is such that his own foreign policy adventures can easily become threats to his control within Russia, such as when erstwhile ally Yevgeny Prigozhin led a heavily armed insurgency that came within 200 km of Moscow.

Western sanctions triggered by Putin's invasion of Ukraine threaten Russian economic stability, which depends on continuing to export large volumes of oil and gas, even if discounted by the U.S.-imposed "price cap." Asked whether elites within the Russian or Chinese systems might be able to constrain Putin and Xi, scholars explained that the West had generally misread elites in Russia when it tried to use sanctions to force them to make a zero-sum choice between loyalty to the regime and their own assets held abroad. At the same time, Putin must always keep an eye on his own generals, any of whom might eclipse him as a popular national figure, especially during wartime. Likewise in China, while Xi reigns supreme over the party, he has alienated millions of officials and elites by locking them up as part of his anti-corruption drive. He also continues to express frustration with Chinese economic underperformance, which he attributes to officials not implementing his policies correctly.

Scholars explained that while there are Russian and Chinese dissidents and opposition figures, their influence inside their home countries is limited. Most Russian opposition leaders are now abroad where they have difficulty penetrating state propaganda to reach mass audiences inside Russia. Most of those who leave China, meanwhile, do so to seek economic opportunity, rather than to become an opposition in exile. Still, scholars agreed that one of the most effective ways for the U.S. to exert a positive "soft power" influence on developments inside Russia and China is to maintain an open door to travel, exchanges, and legal migration from both.

Asked how the Russian and Chinese people and their elites see one another, scholars noted that at the leadership level, the strategic partnership between Moscow and Beijing is real if not unlimited, and is likely to endure for the foreseeable future. Premised on a shared need to oppose and erode U.S. leadership in the world, the relationship between Putin and Xi has also grown to encompass genuine mutual respect. Rather than an "axis of autocracies," this relationship should be seen as the product of a shared interest in sovereignty and a desire to shift the global order in ways that suit each leader's goals. Still, among a wider swathe of elites, there is an undercurrent of mistrust and a recognition that in this inherently lopsided relationship, the terms of trade are likely to favor one side over the other. Although Putin and Xi declared "no limits" to their partnership and describe one another as close friends, the reality is that they work together when it suits each of their interests to do so.

Geo-Economics: Trade, Tech, and Finance as Instruments of Statecraft

The economic dimension of global power was a major focus of discussions, with members and scholars examining how the United States as well as China and Russia use trade, technology, and finance in their statecraft.

Asked whether Western sanctions on Russia were working in the wake of Putin's 2022 attack on Ukraine, scholars explained that the Russian economy remained largely stable for the moment, but that there are long-term risks on the horizon. Russia's current relative stability and even prosperity can be explained by several facts. First, the West gave Russia extended time to make itself less vulnerable to economic pressure, starting with debates and warnings about sanctions in 2014, but only fully imposing them after 2022. Second, the Kremlin has artificially buoyed spending in Russia by vastly increasing the share of military spending in the state budget (now up to 30%), including direct cash payments to military families. Third, Russia has been able to import most of what it cannot produce domestically via states like Turkey and the UAE. Finally, and most importantly, Russia continues to pump and export huge amounts of oil (7M bbl/day, compared to Iran's 1.8M). Even with a U.S. and EU-imposed price cap, at today's oil prices, Russia is still making plenty of money and could likely survive on its current assets for 7 years or more. Clouds on the horizon include Russia's super tight labor market, and very high inflation and interest rates (9% and 18% respectively).

The Chinese economy today, scholars explained, is a study in contrasts. On the one hand, China is either the largest or the second largest economy in the world, after only the United States. Yet it is still a developing country, with GDP per capita at or near only the global average. Those who see China as an economic powerhouse, one scholar explained, are simply looking at an average income level multiplied by a vast population, whereas those who divide China's GDP by that same population are less optimistic. In rural areas, the average per capita monthly income is a paltry $53. One major limiting factor for future Chinese growth appears to be the difficulty of transitioning from a manufacturing-driven economy to consumption. Consumer spending in China is only around 30-40% of GDP, whereas in the U.S. it is double that. Meanwhile, sanctions and export controls on advanced semiconductors have forced China to allocate investment to building up a domestic chip industry and away from other sectors that are more efficient and competitive.

Members asked about the demographic decline in China, which scholars noted could help improve China's low consumption ratio at least in the short term. Yet as one scholar explained, China's population stagnation and decline may be difficult to turn around. Beijing's previous one-child policy actually achieved a fundamental shift in people's psychology that cannot simply be reversed. The result is low family formation, collapsing housing markets, and a younger generation that embraces "lying flat," as a way of opting out of the intense economic rat race in which they watched their parents and grandparents constantly struggling to get ahead.

Asked about the impact of sanctions on Russia in the context of its relations with China, scholars were clear that Russian economic dependency on China has become a fact of life. Even though the Chinese Yuan has not become a global reserve currency like the dollar and the Euro, China trades directly with Russia and other countries in yuan, which provides it some insulation against U.S. and European pressure. Yet as long as China remains much more fully economically integrated with the West, as it is now, it will also be vulnerable to sanctions like those that have been imposed on Russia. For the moment, Beijing manages this contradiction by conducting its trade with Russia through a limited set of small and medium banks, while the big players like the Bank of China comply with Western sanctions.

Security Concepts and Strategies

Members and scholars discussed the complex security landscape in Eurasia and its impact on U.S. interests, ranging from Russia's ongoing invasion and occupation of Ukraine to China's capabilities, not only with respect to a potential attack on Taiwan but as a counterweight to U.S. military power in the Pacific more broadly.

China, one scholar explained, is a formidable military power that in some areas is at or close to parity with U.S. capabilities. It is building up its nuclear forces, as well as its cyber and intelligence toolkit. Increasingly, U.S. policymakers must consider China as both interested in and capable of sabotage operations against U.S. targets, including in space, where China maintains its own manned space station. Beijing certainly benchmarks its capabilities against those of Washington. While the Chinese were impressed with the speed of U.S. recovery post-pandemic, they are surprised by how little the U.S. has ramped up military production during the Ukraine war. China views Japan, the EU, and India as weak, distracted, and divided, largely due to their dependence on the U.S., and the domestic political pressures that are endemic in fractious democracies. By contrast, Chinese military planners see their tight control over life inside of China as a national security asset.

While Russian security thinkers believe the world is heading for a "pacific century," they aspire to maintain Russia's capabilities as a global actor, from the Atlantic to the Pacific, and in both the North and South polar regions. This requires massive investment in Russian maritime power, however, that investment is also justified by Russian dependency on sea-based exports and imports. With a far smaller economic base than either China or the U.S., Russia must rely on a higher degree of mobilization to maintain its military relevance among rival world powers. Accordingly, Putin envisions a level of collective state effort and mobilization on the scale of World War II, with the scholar describing Russia as headed to being "a military-patriotic fortress by 2030." Although corruption was acknowledged as a major problem eroding the effectiveness of the Russian military, the scholar concluded, "You don't steal more than you're entitled to [and] in Russia something gets done when there's no other choice."

Members asked whether the United States should be concerned about Russian and Chinese nuclear arsenals, investing in modernizing U.S. nuclear forces, but also pursuing arms control. For China, one scholar noted, arms control will not make sense until it reaches parity with the U.S. and Russia. Although formal arms control processes are largely stalled, scholars tended to agree that modernizing the U.S. nuclear complex was one way to improve deterrence with both Russia and China, which might otherwise be tempted to engage in "nuclear blackmail."

Escalatory risks in this complex triangle relationship abound. For one thing, both Putin and Xi fear the United States as a direct threat to their regimes, even as they disdain U.S. democracy as being unstable and weak. The lack of trust in the relationship and the deep political disagreements mean that U.S. leaders have little ability to stabilize things by denying that they intend to topple the Russian or Chinese governments. In a crisis situation, like Ukraine's recent attack deep into Russian territory while armed with U.S.-supplied weapons, or in case of a regional war involving U.S. ally Israel and Iran, a close partner of both Russia and China, these tensions could trigger faster escalation to direct conflict between the major powers.

U.S. Allies and Partners in Europe and Asia

This session focused on the role of U.S. allies and partners in Europe and Asia in countering the strategic challenges posed by Russia and China. On both, the views of U.S. allies and partners are converging, but not because of pressure from Washington. Scholars echoed a view published in a recent U.S. intelligence estimate that it is Russia and China's actions that are driving this convergence, and will likely continue to do so as Russia, China, Iran, and North Korea take disruptive actions outside the bounds of "historically legitimate statecraft."

One scholar referred to the emerging groupings of states around the U.S. and Russia/China as "blobs not blocs," while another referred to a "polyamorous" world order rather than "multipolarity." A third scholar noted that complete consensus among Russia, China, Iran, and North Korea is not needed to form an "axis." After all, the scholar explained, even Nazi Germany, Italy, and Imperial Japan did not have complete consensus in World War II. What these actors clearly share is a view of the U.S. as their primary obstacle and a rejection of the broadly held Western view that civil and political rights are universal. These states can also be a lifeline for one another against Western sanctions pressure, as all three others have been for Russia during the Ukraine war.

Several members raised the scourge of fentanyl from precursor chemicals made in China being imported into the United States in such quantities that it is now the number one killer of American adults between 18 and 45. One member referred to this as a "gray zone conflict." A scholar responded that the Chinese government is right when it says that the smuggling is done by criminals, but acknowledged that it can certainly do more to identify those chemical plants that knowingly sell to fentanyl makers, and control them or shut them down. As a member put it, if China can find and silence a single dissident voice among a billion people, it can certainly do more on fentanyl.

U.S. allies such as Germany and Japan continue to invest in China, however, like the U.S., they see the need to reduce risk and vulnerability. This is most of all true in strategic sectors, such as critical minerals and personal protective equipment (PPE). One scholar described the need to shift from "just in time" supply chains to "just in case" resiliency, while several members and scholars endorsed the idea of "friendshoring" as a more sensible and achievable way of reducing dependency on China. Members noted, however, that significantly more resources and more visibility needed to be applied by the U.S. to actually fulfill this vision. One scholar suggested that another way to provide protection and reassurance would be through an "economic NATO," where if China tries to pressure or penalize a single country or company, all the others would stand together with it.

U.S. Policy: Strategic Responses to Russia and China

The final session focused on U.S. policy options in response to the strategic challenges posed by the deepening partnership between Russia and China. Members recognized that this partnership, characterized by a blend of Russian disruptive power and natural resources with Chinese scale and economic dynamism, represents one of the most significant strategic challenges to U.S. foreign policy.

As one scholar explained, it has been an axiom of U.S. foreign policy that no other single power or coalition of powers should be permitted to dominate the strategic regions of Eurasia, including Europe, East Asia, and the Middle East. This principle, the scholar maintained, is as relevant today as it was during the Cold War. From their first steps toward settling their own borders in the early 2000s to increased trade, joint military exercises, and technology exchange in the 2010s and 2020s, Russia and China have built what appears to be an ever more strategic relationship.

Scholars and members debated a range of U.S. policy options to respond to this situation. First, they considered "dual containment," simultaneously countering and constraining both Russia and China. The limitation of this approach, scholars explained, is that it is almost certain to drive the two powers even closer together, which would in turn exacerbate the strategic threat they pose. Next, the group debated the feasibility of a so-called "Reverse Kissinger" strategy, attempting to improve strained relations with Russia and thus split it from China, in an echo of Kissinger and Nixon's strategy of opening U.S. relations with China in the 1970s to exploit Beijing's differences with Moscow. At the same time, members and scholars acknowledged that the conditions enabling Kissinger to exploit Sino-Soviet tensions in the 1970s do not exist in the current geopolitical landscape.

The discussion next considered a range of more nuanced policy approaches that could attenuate the Russia-China relationship while strengthening U.S. alliances as a counterweight. Several scholars suggested that holding open diplomatic and economic incentives to Russia if it were to end its occupation of Ukraine could also help lessen its dependence on China. Several also highlighted the role of India as a potential counterbalance in the region, given its longstanding defense ties with Russia, its repeated clashes with China, including over their disputed border, and its growing concerns about Chinese influence and economic domination.

Members raised concerns about whether efforts to contain Russia and China might also provoke exactly the kinds of aggressive actions we seek to prevent. On this point, there was broad consensus that it would be best to deal with both Russia and China from a position of strength but to avoid needless provocation. As one scholar said, "The open hand does not work unless there's strength behind it." What that means in practice, scholars explained, is that U.S. partners and allies on the front lines of current and potential conflict, such as Ukraine and Taiwan, need maximum U.S. support for their own defense and resiliency. At the same time, scholars explained, U.S. leaders should refrain from doing and saying things that would create zero-sum tests of will with Moscow or Beijing that Washington is not prepared to back up with strength. Essentially, as one member put it, "Don't declare a position to do something unless we have the capability to do it."

Throughout the discussion, members and scholars endorsed a mix of strengthening alliances, investing in defense modernization, and engaging in diplomacy. Since containment came up repeatedly, several scholars took the opportunity to cite George Kennan's famous 1946 Long Telegram, in which he laid out the U.S. strategy of containment toward the Soviet Union. The key to Kennan's strategy, they argued, was not just matching the Soviet Union militarily and in the contest of national wills over Europe and Eurasia. Rather, it was to offer a consistent and compelling success story within our own Western societies, to show how freedom of information, democracy, and the free market make for better and more functional societies. Just as it did in the Cold War, scholars explained, this approach can not only enhance the strength and resiliency of the U.S. and our allies but also offer hope for Russians, Chinese, and others living under the thumb of aggressive, authoritarian systems, to choose a different path.

POLICY ACTION MEMORANDUM FOR MEMBERS OF CONGRESS[2]

Robert Daly
Director, Kissinger Institute on China and the United States, the Wilson Center

The goal of the conference was to ask when the United States should view China and Russia as an entente, when it should treat them in isolation from each other, and how it should counter threats they pose jointly and separately.

Before the policy discussion, members of Congress and policy experts discussed broad strategies for weakening the Sino-Russian partnership, including:

- **Traditional Deterrence** to convince China that high uncertainty about the costs of moving against Taiwan indicates continued postponement of action.
- **Dual Containment**, to prevent Russia from dominating Europe and China from threatening American alliances and economic and technological leadership.
- **Wedge Driving**, or a "Reverse Kissinger," to exploit Russian and Chinese differences and draw Russia away from China and back toward Europe and the United States.
- **Attenuating the Relationship** by "de-demonizing" Russia when conditions are right and offering it options that decrease its dependency and balance its relations with China.
- **Driving China and Russia closer together** so that their distrust and disparate interests might ultimately drive them apart. This would involve "saddling them with each other" rhetorically by holding each responsible for the other's harmful actions.
- **Theater Denial**: Weaken China's and Russia's order-building by enhancing the West's diplomacy in Africa, Latin America, and Southeast, South, and Central Asia.
- **Disengage and Co-exist**, to create a stable, if hostile, bipolar world.

The group did not view most of these approaches as feasible in the short-term, however, and there was a consensus that neither country is likely to democratize or collapse and that the U.S. must therefore find ways to deal with them as they are.

---

[2]*Note: This policy action memorandum is compiled for congressional participants and depicts policy ideas that emerged during the conference sessions in Ireland and the U.K. The Aspen Institute is a neutral convener. We merely cataloged the ideas that came forth.*

At the conclusion of the conference, members made the following proposals for American policy:

Set America's House in Order

- "The U.S. must maintain military and economic dominance and the world's highest degree of freedom so that other nations see that the American experiment works. This will require Americans to first agree on what their country should be."

The Global Context of Great Power Friction

- "We must rethink our relations with India and begin a discussion about India's role in Sino-Russian relations. That said, America cannot focus only on great power relations. It needs a global vision. We need to think about how many tent poles are likely to hold up the global order ten or fifteen years hence."
- "The United States must be part of Global South discussions."
- "If 'friendshoring' is part of our response to the China/Russia challenge, reciprocity will be important. North Atlantic Treaty Organization (NATO) countries should give the U.S. the same deals they receive."

Deterrence

- "Our support of Taiwan should only be continued on the condition that Taiwan does more for its own defense."
- "We must deny Vladimir Putin the fruits of aggression through stronger sanctions."
- "We have to get something for our support for Ukraine."
- "We can only achieve peace through military and economic strength. Still, dialogue with the Chinese is essential. The Federal government must also communicate more effectively with the American people about our goals and strategies toward China."

Beyond Military Security

- "We must think about non-military steps we can take in our China policy, and economic steps in particular. Improved immigration and education policies will make the United States stronger vis-à-vis Russia and China. The green provisions of the Inflation Reduction Act (IRA) and CHIPS and Science Acts were imperfect but necessary. Those laws can be improved after the election."

- "We must focus on winning the quantum technology competition with China."

- "Our inbound and outbound Committee on Foreign Investment in the United States (CFIUS) policies should be closely coordinated."

Soft Power

- "The U.S. has much to do in the Global South to improve its soft power. In this regard, we need to make more effective use of the Development Finance Corporation. We must also find (effective diplomatic) language for a post-Putin, post-Xi world."

- "China and Russia are must-dos—not options—but real change in those countries must come from within. How can we influence the people in those countries to desire change?"

- "We must demonstrate restraint. The U.S. cannot afford to seem arrogant. The real issue is how people are treated. How they live. The goal is to co-exist happily."

Congress's Knowledge Base

- "We need more Members of Congress to visit China. This is politically difficult, but the United States and China no longer understand each other's points of view. This is dangerous, so travel is necessary."

- "Members of Congress must find ways to stay in closer touch with issue experts."

SCHOLARS' ESSAYS

SUNDAY, AUGUST 11

Dmitri Alperovitch	*A Chinese Economic Blockade of Taiwan Would Fail or Launch a War*

MONDAY, AUGUST 12

Sergey Radchenko	*Putin and the Lessons of the Cold War*
Steve Tsang	*Xi Jinping's Global Ambitions*
Sam Greene	*The Black Box of Moscow*

TUESDAY, AUGUST 13

Elizabeth Economy	*Xi's Global Ambition*
Anna Arutunyan	*Ruminations of a Reactive Statesman: Vladimir Putin's Foreign Policy, from His Own Point of View*
Yasheng Huang	*Emerging Issues in Chinese Economy*
Chris Weafer	*Geo-Economics: Challenging Resilience*

WEDNESDAY, AUGUST 14

Matt Turpin	*The Myth of Accidental Wars*
Andrew Monaghan	*The Future of Russian Military Power*
Bonnie Glaser	*Taiwan and the True Forces of Deterrence*
Oksana Antonenko	See *Containing Global Russia* and *Russia, the West and the 'World Majority'* under Recommended Readings

THURSDAY, AUGUST 15

Thomas Graham	*Meeting the Challenge of Russian-Chinese Strategic Partnership*

A Chinese Economic Blockade of Taiwan Would Fail or Launch a War[3]

Dmitri Alperovitch
Chairman, Silverado Policy Accelerator

Last month, China launched one of the largest military exercises in recent memory, nearly completely encircling Taiwan with dozens of warships and fighter jets. This exercise, Joint Sword 2024A, was in response to the inauguration of Taiwanese President Lai Ching-te. Its name suggests it could be merely the first of many such threatening exercises this year, prompting renewed concerns about the threat of a Chinese blockade to Taiwan's de facto sovereignty. In recent months, multiple analysts have argued that the main threat facing Taiwan is not the possibility of an overwhelming seaborne invasion of the island, but that of gray zone coercion campaigns or a blockade forcing Taiwan to capitulate to Chinese aggression.

There are indications that this line of thinking reflects the views of Taiwanese officials themselves, such as when Taiwan's Deputy Foreign Minister Roy Chun Lee suggested last year that China is more likely to execute an economic blockade of Taiwan than it is to proceed with a direct military attack on the island nation. In his telling, Taiwan is operating under the assumption that a blockade follows more directly from China's desire to "[win] the war without an actual fight," prompting Taipei to work with its allies to prepare for an economic blockade. On my recent trip to Taiwan, I found that this was the leading view in Taipei's national security community.

However, having spent years conducting extensive wargames with senior U.S. and allied government officials on the various cross-strait threat scenarios, I am confident, as I write in my recently released book *World on the Brink*, that an economic blockade in lieu of a full-scale military invasion has a low probability of success and, therefore, Beijing is unlikely to pursue such an operation and, indeed, hasn't attempted it yet even though it has had the capability to do so for decades. In fact, an attempted economic blockade would almost inevitably lead to war or a humiliating defeat by China. Therefore, if Taipei is pinning its hopes for survival on Beijing seeking options short of war, it is making a grave error.

China's Options to Force Unification without War

If China could force Taiwan to surrender through some combination of gray zone warfare, a coordinated propaganda campaign, and a far-reaching "re-education" plan, it

[3] This essay originally appeared in War on the Rocks on June 5, 2024

would no doubt take that path. But such an approach is unlikely to succeed. Despite China's extensive influence operations in Taiwan, its recruitment of agents, and the economic and military pressure it has so far placed on the island, the Taiwanese people overwhelmingly reject unification, with just 1.2 percent of Taiwanese citizens desiring unification as soon as possible and only 7 percent wanting it at all. That country's sense of national pride, history, and desire for self-determination have grown dramatically on the island as it transitioned to a democratic system of government in the 1990s. Chinese officials themselves seem to recognize this reality, as Defense Minister Dong Jun bitterly complained at the Shangri-La Dialogue this month that the prospect of "peaceful reunification … is increasingly being eroded by separatists for Taiwan independence and foreign forces."

An economic blockade designed to strangle Taiwan's domestic economy would seem to present China with a viable alternative, avoiding the costs, contingency, and risks of all-out war. A potential Chinese blockade of the island could take many forms. Beijing could simply declare a prohibition to navigation in a defined maritime zone around Taiwan and announce that any vessel in the area will be targeted, much as Russia did in 2022 in the Black Sea along the Ukrainian coast. In such circumstances, international commercial insurers and carriers would largely cease operations to and from Taiwan. China could also take a more flexible and selective approach and use its navy to establish a partial or full maritime quarantine of the island, demanding inspections of any vessel entering or leaving Taiwan's ports. Either way, Taipei understandably fears that such actions would cripple its economy and present a mortal threat to the de facto independence of the island. But an economic blockade would run into unavoidable stumbling blocks, which I discuss below.

A Self-Defeating Blockade

There are key reasons a Chinese economic blockade would fail: It would rebound on China's own economy, most likely escalate into a full-scale war, and entail serious geopolitical risk. Let me address each in turn.

An economic blockade of Taiwan would have a deleterious effect on China's own economy, which relies on Taiwan for imports of critical technologies like advanced semiconductors. China is further away than ever from being able to develop these technologies itself, thanks in part to new export control measures put in place by the United States last year. In 2022, Taiwan manufactured over 60 percent of the world's semiconductors and over 70 percent of advanced chips. These are essential for building all modern electronics — from weapons platforms to cars and home appliances to power management for computers and phones. Those chips, due to their small size, leave Taiwan largely on civilian airplanes, not via maritime shipping.

The first response from Taiwan to any sort of quarantine or partial blockade of the island would likely be to stop shipment of such chips to China, while continuing to supply the rest of the world. Recent economic modeling published by Bloomberg Economics suggests that China's gross domestic product would drop by as much as 9 percent in year one of the blockade. If China institutes a full blockade — including threatening to shoot down civilian airliners transporting semiconductors in their cargo holds and risking an MH17-style condemnation from the rest of the world — the world's gross domestic product would contract by 5 percent.

Of course, that does not consider a potential Taiwanese counter-blockade of China. The top five busiest ports in China — Shanghai, Ningbo-Zhoushan, Shenzhen, Qingdao, and Guangzhou — are all within a thousand miles of Taiwan and within the range of the Taiwanese indigenously developed Ching Tien supe rsonic cruise missile. In the last six months, we have witnessed how the Houthis in Yemen, using a relatively small missile arsenal supplied by Iran, have been able to virtually shut down commercial maritime traffic in the Red Sea despite the best efforts of the United States and European allies to counter it. Even without direct U.S. military support, Taiwan would have much greater capabilities to threaten vessels leaving Chinese ports, the mere warning of which could cause international insurers and shippers to seize operations in the area.

Thus, any attempted blockade of Taiwan could have devastating economic effects on China and, depending on how completely it's implemented, the rest of the world. Both domestic and international pressure on the Chinese leadership to abandon it will be immense and will only grow with time and will get worse the longer the disruption in the supply chains goes on.

Second, an economic blockade is likely to escalate into a full-scale military engagement, if not an all-out war, due to the risk of Taiwanese retaliation and a potential for U.S. and Japanese military involvement to thwart the blockade or even impose further costs on China backed by military force. In the event of such a challenge, China could end up fighting a potentially costly naval and air war without any prospect of actually achieving its primary objective of conquering the island. As such, if China is not ready to launch a full-scale invasion with a blockade being merely a prelude to such an attack, it could suffer a devastating and humiliating defeat.

Third, a blockade would entail serious geopolitical risks. At a minimum, a blockade would likely force a reevaluation of the international status quo regarding Taiwan's political status, opening the door for Taiwan and its supporters to take more dramatic steps to challenge it — even as dramatic a step as formally declaring independence. Indeed, one of the options that the United States and allies might consider undertaking is threatening a recognition of Taiwan's independence and the abandonment of their long-standing One China Policy if China does not terminate its blockade of the island. After all, the key to Washington's 50-year policy has been insistence on preservation of the status quo, which means no unification by force or coercion from China and no declaration of independence by Taipei. The United States, along with strong allies, would have a strong argument that a Chinese blockade of Taiwan is overturning this long-standing state of affairs and would no longer obligate it to oppose Taiwanese independence. Indeed, in order to further enhance deterrence, it might be prudent for the United States to make such a threat explicit and tell Beijing now that any attempt to blockade or invade Taiwan would immediately result in an abandonment of the One China Policy and recognition of Taiwan's independence.

Can Taiwan Survive a Blockade?

Taiwan's economy and its people would certainly suffer enormously as a consequence of a Chinese blockade, but many underappreciate the resources that the island has to survive it.

Taiwan imports approximately $21 billion of foodstuffs every year, particularly meat products from the United States. But it also has a robust agricultural sector and produces vast quantities of rice, vegetables, and fruit, and it has an abundance of fish in its rivers and seas. Thus, even if China were to institute an illegal and immoral blockade of food imports to the island, the Taiwanese people would be able to sustain themselves.

Taiwan is heavily reliant on energy imports, with up to 98 percent of its energy mix consisting of coal, crude oil, and liquified natural gas imports. While the energy situation would surely be dire in case of a blockade, Taiwan, unlike Ukraine, benefits from a tropical and agreeable climate in which energy shortages will not result in people dying of cold weather. Taiwan also has native energy production resources, including a rapidly growing solar power industry, offshore wind farms, and hydro power. It also has two currently operational nuclear reactors (although the ruling party has expressed a desire to phase them out next year) and four other reactors that are in the process of being decommissioned but that could potentially be brought back online if the energy situation gets too dire. With limited energy, the Taiwanese people, not to mention their economy, will undoubtedly suffer greatly, but it will not become an existential matter and some, albeit far from perfect, mitigating options would remain available to them.

Exports account for over 60 percent of Taiwan's gross domestic product, and a partial or full blockade of them would no doubt be devastating for the Taiwanese economy, made even worse by energy shortages. However, there is no modern historical precedent of countries or even cities surrendering to coercion purely due to economic devastation. Whether one looks at Russia's systematic attempts to destroy the Ukrainian economy in its latest invasion of that country or American sanctions on Iraq, Iran, and North Korea, none of that pressure caused those countries to overturn their policies, much less surrender. In fact, when one looks at the modern history of blockades, there is little indication that they result in capitulation by the population under siege. Nazi Germany famously spent two and a half years executing a horrifically barbaric blockade of Leningrad in World War II, which resulted in the deaths and starvation of over a million civilians, and yet the city did not surrender. More recently, the Bosnian Serb nationalists placed the city of Sarajevo under a nearly four-year siege in the 1990s, resulting in over 65,000 casualties, but ultimately withdrew without achieving their objectives. China simply does not have any historic examples to look for in recent memory that could convince it that an economic blockade of Taiwan might result in capitulation of that government.

Some analysts, such as Isaac Kardon and Jennifer Kavanagh, argue that while a "gray-zone influence campaign will not itself force Taiwan's formal unification with the mainland," it could prevent "the island from achieving formal independence." This, however, not only contradicts Chinese General Secretary Xi Jinping's and the Chinese Communist Party's stated goal of formal unification; it also doesn't reflect the reality of the United States and its allies being opposed to Taiwan's formal independence in favor of preserving the status quo and of Taipei's own position that it doesn't need to declare formal independence, as the country is already independent. Thus, it's not clear how gray zone influence and other coercion campaigns would either achieve China's goals or thwart those of America and Taiwan.

In another exercise, American Enterprise Institute researchers analyzed a course of action that would include an influence campaign to reshape the "Taiwanese political environment such that resistance to the [People's Republic of China's] aims is insignificant" and to further isolate Taiwan by "degrading its ties with the outside world and neutralizing foreign efforts to deter [Chinese] aggression toward Taiwan" and "establishing a new cross-Strait legal framework [that] involves securing [Taipei's] agreement to an arrangement by which the [People's Republic of China] can eventually annex Taiwan." The main challenge with this scenario is that the trend lines for China are going exactly the opposite way on all of these fronts. The Taiwanese population has grown considerably more opposed to unification with no prospect of that changing in the near future, as even the Chinese leadership is now acknowledging. The analysts also write about the need for China to "deter U.S. engagement with Taiwanese leaders." Yet the official U.S. engagement with Taiwan is at the highest level it has been since the withdrawal of recognition of Taiwan in 1979, with a near-constant stream of U.S. congressional delegations to Taipei and deeper engagements between the U.S. and Taiwanese militaries. And that trajectory seems to be only heading one way — more engagement, not less. Finally, the scenario contends that China "must see through the signing of a concessionary peace agreement and the ratification of a binding cross-Strait decision-making body by elements of the [Republic of China] government viewed as legitimate by the Taiwanese people." Once again, it is nearly impossible to see a scenario in which this can plausibly take place in the foreseeable future given the independence and status quo preference of the Taiwanese people and the historical precedent of even a proposed services trade agreement between China and Taiwan, which triggered a massive backlash and launched the Sunflower student movement in 2014 that helped to bring the hawkish Democratic Progressive Party into power two years later. It is hard to see given today's political realities how a "peace agreement" that results in the complete capitulation of Taiwan to China could ever pass the Taiwanese legislature, much less be accepted as legitimate by the Taiwanese people.

Philip Zelikow proposes a scenario of "indirect control" where "China implements air and sea border controls to make Taiwan a self-governing administrative region of China." He deems it the "most likely" option and one that "is doable now, with little warning." Zelikow suggests that this option is different from a blockade, due to the selective restrictions being applied through customs and immigration controls. However, this scenario suffers from the same problems as the ones above. If this is such an easy alternative to war to achieve all of Xi's dreams and desires with regard to unification with Taiwan, why hasn't China yet attempted to do so? It also ignores the fact that Taiwan, along with the United States, has numerous economic, diplomatic, and military options for retaliation and that such coercion, even if at its most extreme — the full-on economic blockade — is not likely to result in Taiwan's capitulation for all the reasons I outlined above.

The Costs of Failure

It's quite likely that a Chinese economic blockade ultimately fails, either because it is broken by Taiwan and its partners or because China is unable to sustain it either politically or economically. That likelihood only grows if the United States and its allies were to intervene to break the blockade, either by running the blockade with submarines and surface ships or by airlifting supplies and perhaps even military assets to the island. In the latter case, China would face a choice between combat with U.S. forces, which could escalate into a global war, or backing down and accepting a humiliating political and military defeat.

The dim prospects of a "blockade only" strategy — one that is not a rolling start to an invasion — become even clearer when you compare the risks of this situation to the dangers to Taiwan associated with its most likely alternative — namely, a full mobilization of China's naval, air, and ground forces against Taiwan over the course of several months.

If China were to mobilize its invasion forces and only then launch a blockade coinciding with an ultimatum of surrender to Taiwan, it could then realistically threaten a full-scale invasion if the blockade were to be challenged. That mobilization step would also give China time to determine whether the United States, Japan, or other allies were planning to intervene on Taiwan's behalf by affording Beijing the opportunity to observe any public statements, preparations, and deployments that those countries were undertaking to determine their capability and intent.

In sum, there is a scenario in which Taiwan could face an economic blockade by China, but such a blockade would only make strategic sense if China had already mobilized its military for a full-scale invasion in anticipation of the need to escalate or at least have the blockade buttressed by the threat of force. In either case, Taiwan arrives at practically the same place: staring down the full military might of the People's Republic of China. China could, of course, miscalculate and launch a blockade without the backup of a threat of invasion — although it's puzzling why it hasn't done so yet if it truly believed it was likely to result in a victory without a fight — but doing so would very likely result in a strategic defeat. Even if an economic blockade is theoretically on the table, it is not the most likely or the direst outcome that Taiwan currently faces. That ultimate risk belongs to the threat of military invasion — a threat that, unfortunately, Taiwan still has a long way to go to prepare for. If Taiwan proceeds to believe that a blockade is more likely than a military assault, or that a blockade would be the end of the matter, it is making a dangerous miscalculation.

Putin and the Lessons of the Cold War

Sergey Radchenko
Wilson E. Schmidt Distinguished Professor,
the Johns Hopkins University

"[Brezhnev] took me hunting. … You hunt there from a tower. You sit in a tower and shoot these poor bastards as they come by to feed. They put out the food. Well, when night fell, and he had killed about three boars and God knows what else—and that's when it was dark—he unpacked a picnic dinner and said: "Look, I want to talk to you privately—nobody else, no notes." And he said: "Look, you will be our partners, you and we are going to run the world.""

This was how Henry Kissinger recounted his May 1973 trip to the Soviet Union. It was the height of Soviet-American détente. The previous year Richard Nixon became the first American President to visit the USSR since FDR's fateful trip to Crimea for his parley with Stalin at the Yalta conference.

When Roosevelt died, just weeks later, the contours of what would become the Cold War were just barely visible to the naked eye. It did not take long, though, for deep contradictions to emerge. The Soviets refused to relinquish their control of Eastern Europe. The United States dropped atomic bombs Hiroshima and Nagasaki – to defeat Japan, yes, but also to put the Soviets on notice.

Stalin had a weak hand, but he played it remarkably well. In postwar negotiations with his erstwhile allies, he opted to bluff by appearing completely undeterred by the implied threat of the U.S. atomic monopoly. "The Allies are pressing on you to break your will and force you to make concessions," he coached his Foreign Minister Vyacheslav Molotov in September 1945. "It is clear that you must display complete obduracy." Molotov (whose surname means "hammer" in Russian) dutifully complied.

Yet for all his post-war toughness, Stalin knew where to back off. In August 1945, he canceled his planned landing on the Japanese island of Hokkaido after President Truman told him to desist. In March 1946, he backed out of the annexation of northern Iran. In 1948-49, he attempted to squeeze the Americans out of Berlin, only to back down in the face of his adversaries' resolve.

In 1950, he gave the green light to the North Korean dictator Kim Il Sung to launch his invasion of South Korea, but only after misreading intercepted American cables that pointed to Washington's unwillingness to push back. Stalin knew that the United States was by far the stronger power. He exercised caution, pouring resources into the Soviet nuclear project. In August 1949, the Soviet Union tested its first atomic bomb. It would take the better part of the next decade before the Soviets developed a convincing nuclear deterrent. When they did, it changed the way they thought about themselves, and their role in the world.

It was Nikita Khrushchev who first discovered the special Soviet claim to greatness. Khrushchev, known for his earthly common-sense and a feisty temperament, was at first so terrified by what nuclear weapons could do in modern-day war that he recalled losing sleep. "Then I became convinced," he recalled, "that we could never possibly use these weapons, and when I realized that, I was able to sleep again."

But he did use these weapons – for atomic blackmail. Between 1958 and 1962 Khrushchev initiated two major crises – one over Berlin and over Cuba – on the assumption that the United States would back down before his demands rather than risk a nuclear war. When his plots failed, and the world came to the brink of a catastrophe, Khrushchev chose to capitulate rather than push his luck.

What scared him was the thought of losing control. Khrushchev was shocked when, at the height of the Cuban Missile Crisis, Fidel Castro floated the idea of launching a pre-emptive nuclear strike on the United States. "Only a person who has no idea what nuclear war means, or who has been so blinded, for instance, like Castro, by revolutionary passion, can talk like that," Khrushchev raved on learning of his ally's proposal.

Khrushchev knew what war was like. He often recalled the great battles of the Second World War, and marveled at human irrationality and destructiveness. He lost a son to that war, and he was not about to unleash an even more horrible conflict.

While widely perceived at the time (and since) as an American victory, the Cuban Missile Crisis had a deeper meaning. The two superpowers had grown so powerful that a direct conflict between them had become downright unthinkable. What remained, then, was to agree to disagree and perhaps work together to resolve problems to mutual satisfaction.

Khrushchev saw it coming. It was on his watch that the Soviet Union and the United States became party to the first nuclear arms control agreement – the Partial Test Ban Treaty. But it was his successor Leonid Brezhnev who really embraced partnership with the United States, the idea that Kissinger brought back to Washington from his memorable boar-hunting trip.

Brezhnev desired nothing more than America's recognition of Soviet equality. What made such equality possible was not just Moscow's ability to destroy the world at a moment's notice, but also the fact that the Soviet Union was uncontested in its sphere of influence. In August 1968, the Soviets brutally cracked down on the reformists in Czechoslovakia. The death of the Prague Spring inaugurated the birth of the Brezhnev doctrine – the Kremlin's assumed entitlement to the entirety of its sprawling empire. Embroiled in the Vietnam War, the Americans accepted this *fait accompli*.

American acceptance was that much more important to Brezhnev because he knew that the communist project was failing. Unable to deliver on promises to build paradise on earth, he wanted to be recognized in his greatness by the one country capable of offering such recognition – the United States.

Nixon played along, though in the end, he had no intention of "running the world" hand-in-hand with Brezhnev. He embraced détente because it offered a temporary respite from the Cold War, and a method of extricating the U.S. from its misadventure in Vietnam. Before the decade was out, the Soviet-American confrontation returned with a vengeance.

In the end, the gap between Soviet ambitions and Soviet means proved too wide to sustain. Understanding that Moscow was losing the Cold War, Mikhail Gorbachev began to curtail overseas adventures, refused to prop up Communist regimes in Eastern Europe, and, in the end, simply threw in the towel.

He tried to reinvent the Soviet claim to global leadership on a new basis, calling it *new thinking*, but his ideas – a hodgepodge of Leninism, social democracy, pacifism, and Russian messianism – failed to win a wide following. In 1991, Gorbachev himself was swept away by the forces he unleashed.

The Soviet collapse inaugurated the arrival of a world vastly different from the one Brezhnev envisioned in his tet-a-tet with Kissinger. A humiliated, broken Russia, having lost an empire, briefly poked around for a special role. It was generally unwanted. The world preferred to get on, oblivious to Russia's resentment and secret ambition.

Vladimir Putin tapped into this deep reservoir of Russian resentment to solidify his grasp on power in the hope of improving his – and Russia's – station in the world.

To do that, Putin unleashed his brutal war against Ukraine. Of course, he never expected it to become a quagmire.

When things did not go according to plan, Putin doubled down. He sees the conquest of Ukraine as the basis for projecting Russia's global power. Like Stalin, he is defiant in the contest of wills with the West, estimating that, for all the protestations, Kyiv ultimately matters less to the West than anyone would publicly care to admit. Like Khrushchev, Putin is a gambler, rattling nukes to intimidate Ukraine's weary Western partners.

Unlike Soviet leaders from Stalin to Gorbachev, he never experienced the Second World War, which he sees merely as a useful historical reference point for supporting his claims to greatness. In October 2022, Putin was asked whether he could imagine himself acting like Khrushchev in the Cuban Missile Crisis. His response: "no way".

Russia's invasion of Ukraine was supposed to be Putin's 1968, the crushing of the Kyiv spring. Volodymyr Zelensky would succumb. America, humiliated by Afghanistan, would stay away, accepting a reincarnation of the Brezhnev doctrine. And then, in his hunting tower, Putin would unpack his picnic dinner and parley with those who recognized the realities of Russia's return.

For all the setbacks in Ukraine, this plan remains unchanged.

Xi Jinping's Global Ambitions

Steve Tsang
Director, SOAS China Institute

Xi Jinping is open about his ambitions for China. He encapsulates them in what he calls 'the China Dream of national rejuvenation,' which can be translated simply into making China great again. It is scheduled to be completed by 2050, just after the centenary of the People's Republic of China. Xi sees himself as a transformational leader destined to lead China to greatness in an era of 'changes unseen in a century.' His ambition is global but his starting point is China.

What 'The China Dream' Is about

Domestically Xi works to revitalize the Chinese Communist Party (CCP) as a powerful and effective instrument of the supreme leader, in order to control every aspect of life and direct every Chinese person to make China rich, powerful, modern and technologically cutting-edge. In short, he aims to create one country, one people, one ideology, one party and one leader. Beyond China, he aims to restore China to its 'rightful place'. To him, China at the zenith of its imperial might was the best of times in history. Restoring China to its 'rightful place' implies putting in place a modern rendition of the 'traditional Chinese' *tianxia* or 'all under heaven' world order, which is fundamentally Sino-centric. Xi's belief in the superiority of China's system underprops his assertion that 'the East is rising and the West is declining'.

Xi's 'Common destiny of the Humankind' & Three Global Initiatives

Xi's commitment to the *tianxia* order is reflected in his devotion to forge the 'common destiny of the humankind' (人类命运共同体). This Chinese term has been deliberately and systematically mis-translated by the Chinese establishment into the anodyne and fuzzy 'community of shared future'. This official translation is used by Western media without ascertaining what the original Chinese meant. Getting it right is important as it enables us to understand what Xi really has in mind. Forging a 'common destiny of the humankind' is not the same as nurturing a 'community of shared future'. The latter gives the impression that each member of the community is equal and has agency of its own in sharing a future.

In contrast, the 'common destiny of the humankind' is something that needs to be forged together, with the leader guiding everyone to shape it for the 'common good'. While this is not stated openly, it dovetails the inherently hierarchical *tianxia* conceptualization of the international order, by which the leader of *tianxia* steers all to a better and harmonious future. China under Xi does so by putting forth the Global Development Initiative (GDI), the Global Security Initiative (GSI) and the Global Civilization Initiative (GCI). They are meant primarily to appeal to the Global South.

The first move that reveals this line of thinking was the unveiling of the GDI in September 2021. Xi first put forth this concept at an UN General Assembly meeting via an online link. It happened during the centenary year of the CCP and in the midst of the Covid-19 Pandemic, at a time when China's zero-Covid-19 policy contained the Covid-19 virus while Western democracies struggled to limit its spread and effects. It was a time when the rich Western democracies prioritised themselves over the Global South in vaccine distribution. By putting forth the GDI, Xi projected the image that 'as a member of "the Global South" and a responsible member of the global village, China insists on putting development at the core of the international agenda... and protecting the legitimate rights of developing countries'.[4] The GDI was launched to take advantage of the Western democracies' distraction by the Pandemic from their commitments to provide developmental aids to poorer countries. It was a strategic move to enhance China's capacity to rally support in the Global South.

Xi unveiled the GSI at the Boao Forum in April 2022, shortly after Russia invaded Ukraine. The Euro-centric responses of the Western democracies offered China an opportunity to engage the Global South. From the perspective of Western democracies, the GSI's criticism of 'cold war mentality, unilateralism, confrontation based on groupings and hegemonism'[5] seem hypocritical. They contrast this against China's reaffirmation of its 'partnership without limits' with Russia which just committed such acts. But from the perspective of many Global South countries, China's advocacy that every country's security is equally important contrasts sharply against the democratic West's selfishness. They saw the West as only interested in their own energy and food security in addition to traditional security in Europe, pushing the poorer Global South countries to the back of the queue for food and energy. To them, the Russian invasion did not threaten their traditional security but impacted disproportionately upon their food and energy security. Hence, many responded positively to China's GSI.

Xi got more assertive with the GCI which openly puts China in a positive light. He introduced this at the 'Chinese Communist Party and political parties of the world summit' in March 2023. As Beijing puts it, the GCI 'pushes for and contributes to world peace and development by putting forth Chinese wisdom, Chinese methods and Chinese strength'.[6] In Xi's words, "forging the common destiny of humankind is where the future of people of all countries lies," adding that "only when all countries follow the way, deal with each other harmoniously, work together to ensure win-win, can prosperity be sustained and security ensured."[7] The GCI may come across in the West as rhetorical

---

[4] Xinhuashe guojia gaorui zhehu (Advance National Thinktank of the Xinhua News Agency), Quanqui Fazhanchangyi shizhan chengjiu yu shijie gongxian (The practical results and contributions to the world of the Global Development Initiative), https://www.mfa.gov.cn/web/ziliao_674904/zt_674979/dnzt_674981/qtzt/qqfzcy/zywj/202310/P020231018368202971513.pdf, 21 (accessed 3 Jan 2024).

[5] Waijiaobu (The Foreign Ministry), 'Quanqiu anquan changyi gainian wenjian' (The document outlining the Global Security Initiative), 21 Feb 2022, https://www.fmprc.gov.cn/wjbxw_new/202302/t20230221_11028322.shtml (accessed, 4 Jan 2024).

[6] Ye Xiaowen, 'Quanqiu wwnmíng changyi zhe - heyi shi Zhongguo？ (Why is it China which advocates the Global Civilization Initiative?), http://www.qstheory.cn/dukan/hqwg/2023-05/15/c_1129614632.htm (accessed, 4 Jan 2024).

[7] Ibid.

mumbo-jumbo, but it is part of the suite of global initiatives to enable China fashion the common destiny of humankind. They are meant to transform the world order.

'Democratization' of the International Order

Xi's three global initiatives are directed primarily at the Global South because it is pivotal to Xi's vision to transform the existing international order with the UN system at the centre into one that is Sino-centric. Ignoring the fact that China was one of the key founders of the UN and a privileged member enjoying a veto at the Security Council, China stands with new states that emerged after the Second World War in criticizing their under-representation.[8] They take the view that the liberal international order is one by, of and for the West, and needs to be changed to properly represent the overwhelming majority of countries and people in the Global South, who took no part in founding the UN. The three global initiatives are designed to entice the much more numerous countries of the Global South to support China to make changes that will 'democratize' the international order. Presenting itself as 'forever a part of the Global South', China under Xi sees support from the Global South as fundamental to its ambition to make incremental but substantial changes to how international organizations including the UN and its agencies operate.

In addition, Beijing uses all the international organisations in which it can exercise leadership or exert strong influence to support its engagement with the Global South. They can range from an international financial institution like the largely China-funded and led AIIB (Asia Infrastructure Investment Bank), to a Chinese policy initiative like the BRI (Belt and Road Initiative), to a regional organization like the SCO (Shanghai CooperationOrganisation), to what at first sight may appear like a disparate grouping of convenience like BRICS (Brazil, Russia, India, China, South Africa, Iran, Egypt, Ethiopia, and the United Arab Emirates).

BRICS in its original incarnation might have been a gimmicky conceptualisation by a Goldman Sachs economist of a group of emerging economies but it serves Xi's purposes well. Hence, Beijing sees it as a particularly valuable international grouping of nations. By expanding its membership and securing a leading role without formally claiming leadership, China seeks to make it an alternative voice to G7.

If Beijing can have its way, an expanded BRICS will not include any of the major Western countries already represented in G20, and should be amenable to supporting China's cause. This underlines the importance of the Global South in Xi's global strategy, and explains why Xi prioritises BRICS over G20 by attending in person the summit of the former but not the latter in 2023. But BRICS is just one of multiple international organizations that Beijing uses to advance its global agenda.

While China has scaled back its programme for development assistance, the BRI, it remains highly valuable for winning support from the Global South. Its real attraction is

---

[8] Beijing's claim that the Chinese Communist Party was not a party to the founding of the UN is untrue. One of the Party's most senior leaders Tung Biwu represented the Communist Party in the Chinese delegation that took part in the San Francisco Conference of 1945.

based on a strategy of combining development loans with strong support for autocratic leaders in the recipient countries. The overwhelming majority of BRI projects are infrastructural ones in poorer and autocratic countries. They often have difficulties securing funding from Western-led institutions like the World Bank and the IMF or rich liberal democracies on grounds of financial, governance, anti-corruption and accountability deficiencies. In contrast, China offers them loans to build desperately needed infrastructures without conditionality. More importantly, Beijing reassures their autocratic leaders the right to govern as they see fit. In return Beijing merely asks for support in its wider ambition pushing for the 'democratisation' of the international system, and for the lion's share of contracts for the construction of the infrastructures. Effectively, China combines development assistance of the BRI with a policy of making autocrats in the Global South feel safe. This makes its approach genuinely popular in the Global South.

Just as BRICS provides a framework for China to reach out to the Global South globally, the SCO is a valuable platform for China to expand its reach regionally. It was initially formed when Jiang Zemin was China's leader. In its early years it was a regional security organization with Russia and a few of its former Central Asian republics, Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan, the first three of which share a border with China's Xinjiang. It was originally formed to help China suppress the Uyghurs. It was then used to strengthen political ties, transportation links and economic cooperation. Under Xi and with the advent of a more strategic approach, China upgraded the SCO into one that can help it expand its influence further by enlargement. Its expansion parallels China's efforts to enlarge BRICS. Collectively they support China's engagement with the Global South, though the SCO takes on more of the regional security dimension in enhancing China's external influence.

Key Trends in the Coming Decade

Xi is good at defining his longer-term vision, which is laid out in Xi Jinping Thought, but is less clear about how and when he will want specific goals to be achieved. Apart from fulfilling the China Dream of national rejuvenation by 2050, there is no clear time-table for specific targets to be met. To postulate how China intends to change the international order in the coming decade thus requires drawing out the implications of what we already know rather than collating what Xi has said clearly. Three factors are particularly pertinent:

(1) Xi's commitment to make the 'common destiny of the humankind' a reality;
(2) the increasingly challenging international environment that Xi or China finds; and
(3) Xi supports a rules-based international order; he merely works to 'upgrade' the existing rules written by the U.S. by those put forth by China.

The first is confirmed by China's most senior diplomat Wang Yi in a speech[9] at the symposium on the international situation and China's foreign relations held in January

[9]https://www.fmprc.gov.cn/wjbzhd/202401/t20240109_11220573.shtml?utm_source=substack&utm_medium=email

2024. Wang said Xi's current foreign policy priority is to forge the "common destiny of humankind." It implies expanding BRICS and promoting it in world affairs, as well as sustaining the BRI even if finance for the latter is getting tighter and tighter. It also means supporting members of BRICS to play a larger role in world affairs, such as South Africa accusing Israel of genocide in Gaza.

The deterioration of the global security environment and the increasingly 'unfriendly' approach of the U.S. and its democratic allies towards China have made it necessary for Beijing to double down or consolidate its support and partnership base. In spite of the fact that Russia's invasion of Ukraine was itself a major cause for the deterioration of the global security environment, China reaffirms the 'partnership without limits' with Russia, as fulfilling Xi's global ambitions will need Russian support or at least acquiescence. Russia under Putin may not be particularly keen on Xi's wider ambitions but it shares China's interest in weakening U.S. global leadership and in undermining the liberal international order.

Beijing realises that it is a leading beneficiary of both globalisation and the UN system. Its publicly articulated support for the UN system is not pure rhetoric as it seeks to use the system to its maximum benefits. It just aims to transform the UN, including its specialised agencies, as the instrument for changing the liberal international order into one with rules set by China and its partners in the global south.

More specifically, Beijing works to increase its reach and influence within the UN generally. They include not only intergovernmental bodies, such as the Human Rights Council (HRC), but also UN specialised agencies. In particular, Beijing seeks to increase Chinese nationals taking leadership positions in UN agencies, buttressed by nationals of friendly states holding similar positions. While taking on an executive leadership role at a UN agency does not allow the office holder to change the institution as one sees fit, it can steer it to take views that are supportive of China's positions or at least to avoid being critical of China's policies. China's success in ensuring the HRC adopts careful language when referring to China's human rights situation, despite it being substantially worse than when China was criticised on an annual basis by its predecessor organisation, is something Xi is keen to replicate widely. The HRC case is not an exception, as strong Chinese support for Tedros Adhanom Ghebreyesus of Ethiopia to succeed Margaret Chan as Director General of the World Health Organisation (WHO) paid off when the WHO took a stance that many saw as overly sympathetic to China at the start of the Covid-19 Pandemic.

Xi has not fulfilled his global ambitions but is working unrelentingly to do so.

The Black Box of Moscow[10]

The West Struggles to Understand Russia—but Can Still Help Ukraine Win

Sam Greene
Director for Democratic Resilience,
the Center for European Policy Analysis

Wagner mercenary chief Yevgeny Prigozhin is dead, but the West's desperation to interpret the larger meaning of his final weeks lives on. Western policymakers and pundits are still sifting through the details of Prigozhin's odyssey from mercenary to mutineer to apparent murder victim, looking for the clues that would crack the mystery of the Kremlin's behavior during the Ukraine war and help guide the West's responses.

Many analysts see evidence that the Russian regime is brittle and that Russian President Vladimir Putin's hold on power is tenuous. According to this analysis, Prigozhin's beef with the Defense Ministry signals a deeper rot within the Russian military. The fact that the mutiny ended only when Belarusian President Alexander Lukashenko intervened signifies Putin's inability to manage conflicts within his own regime. And the fact that Prigozhin met with Putin a few days after he marched on Moscow suggests that Putin is no longer invincible.

Other analysts point to the fact that the head of the Russian Aerospace Forces, Sergei Surovikin, was apparently sacked in August, after Prigozhin praised him; numerous lower-ranked officers faced a similar fate. And thus they conclude the opposite: that the whole mutiny was a false flag, designed by Putin to smoke out disloyal officers. With this mission accomplished, the story goes, Prigozhin was either killed to cover Putin's tracks or perhaps was not killed at all.

But this hunt for meaning obscures the real lesson Westerners should take from Prigozhin's arc: that they understand very little about Russian politics today. Despite a glut of intelligence and information, the truth is that the Western analytical establishment—both within and outside governments—was at a loss to illuminate Prigozhin's motives to march on Moscow; the Kremlin's immediate, forgiving response; and the ensuing weeks' twists and turns.

If the lack of analytical clarity on the Prigozhin affair were an outlier, it might be acceptable. Unfortunately, it is symptomatic of a much bigger problem. Western decisionmakers have had reasonable visibility into the inner workings of the Kremlin: Washington gathered and shared high-quality intelligence about Russian intentions in the run-up to the February 2022 Ukraine invasion, and U.S. intelligence broke the story of Putin's post-putsch parley with Prigozhin.

But the availability of such information is not systematically leading to reliable analysis, which in turn undermines wartime policymaking. Facing a drawn-out war in Ukraine,

[10] This essay was originally published by the Foreign Affairs on September 22, 2023

many Western officials and their advisers cling to the notion that the swiftest route to peace runs through Moscow. They are very unlikely, however, to engineer a change of heart in the Kremlin—or a change of leadership—by reading the same tea leaves that have failed them over and over. They would do much better to instead focus more urgently on helping Ukraine.

Nuclear Calvinball

The model of Russian politics that most Western analysts worked with before the war assumed that severing Russian elites from their assets in the West would weaken political coordination in Russia. Since the first decade of this century, shelves of academic research have been generated that study Russian kleptocracy, the idea that Russia is ruled by a clique of people primarily interested in illicitly extracting wealth from the state and the economy. This research implies that Putin's overriding goal is to keep the kleptocrats rich and the population silent. And that idea, in turn, suggested that Russian elites would react explosively to sanctions that crimped their bank accounts.

While this understanding of kleptocracy was a reasonable description of Russia in the recent past, it has broken down since February 2022. Severing Russian elites from their assets has not seemed to weaken Putin. The same models assumed that ordinary Russian citizens would speak up after seeing pictures of atrocities and body bags coming home from Ukraine. They have not.

And thus millions of Western dollars spent to ensure that Russians become aware of the war's depredations have had little effect. Similarly, early in the war, protests in ethnic-minority regions motivated Western donors to shell out for campaigns encouraging self-determination and "decolonization" as a way of stoking internal divisions. But these ethnic-minority protests have since fizzled out.

Instead of prompting humility, this confusion has fed Western analysts' and policymakers' determination to ferret out the motives behind Russian behavior. Russia watchers have sought to predict whether the Kremlin will ramp up or draw down its military recruitment drives; this scrutiny has, in the end, yielded few useful predictions. Bouts of high-level rhetoric from Moscow about the possibility—and even the desirability—of using nuclear weapons have mainly reinforced analysts' prior beliefs, either that the West should fear Russian escalation or that the Kremlin dangles the prospect of escalation as a red herring.

These failures highlight the difference between information and understanding. Precisely why Western analysts are failing to understand the causes behind the phenomena they observe in Russia is the subject of academic debate, but it likely has to do with the overwhelming focus, in recent years, on studying the country by way of statistical modeling rather than in-depth field research. Until researchers can get back into the field and build a new approach, their analyses will remain poor.

No Clear Deterrence

Nonetheless, much of the West's Ukraine policy—including calculations on military aid to Kyiv, sanctions policy, and the definition of a Ukrainian victory itself—remains predicated on the assumptions about decisions that will or will not be made in Moscow. Take the piecemeal way in which the United States has doled out military support to Ukraine. The Biden administration has, over time, delivered most of what Kyiv has asked for, but at a pace slower than Ukrainian leaders requested—a delay that may well have contributed to Ukraine's slow progress in its summer 2023 counteroffensive.

Motivating this slow pace was a concern about escalation and a theory that any Russian decision to use a nuclear device would most likely result from panic. That theory is grounded in decades of research and analysis on Russian nuclear doctrine. But it is not clear that this research applies now, if it ever did. The chorus of foreign policy thinkers in Moscow who call for the use of nuclear weapons in Ukraine do not seem to be guided by any of the ideas that Western analysts believe guide Russian foreign and security policy. In fact, their arguments seem to draw from another purported Russian doctrine, namely the idea of "escalating to de-escalate"—using a nuclear or other similarly catastrophic attack to shock an opponent into submission.

A similar confusion besets sanctions policy. To be sure, a major motive for sanctioning Russia is to diminish its ability to prosecute war by depriving it of revenue and technology, increasing the cost of raising capital, and decreasing liquidity. Although imperfect, Western sanctions on Russia's technology and financial sectors have broadly achieved these objectives.

But Western sanctions are also designed to impose costs on specific individuals linked to the regime or to the war. The United States and the European Union have, by now, sanctioned more than 2,000 Russian individuals and entities, cutting them off from their villas and bank accounts in the West, barring them from travel, and so on. These sanctions are designed to drive a wedge between Putin and Russia's ruling elite and induce the kleptocrats to challenge the Kremlin. But Russia's billionaires are now approximately $100 billion poorer than they were before the war, and they have yet to mount any visible challenge to Putin.

Ultimately, the West has taken a Moscow-centric approach to handling the Ukraine war. Washington, in particular, has put the strategic defeat of Russia ahead of achieving a complete Ukrainian victory. Both the U.S. government and the Washington think-tank world now spend considerably more time debating the finer points of Kremlinology than they do examining strategies for a Ukrainian victory, leading to a warped perception of both where the war stands and what could end it. U.S. Secretary of State Antony Blinken told CNN in July, "In terms of what Russia sought to achieve, what Putin sought to achieve, they've already failed, they've already lost."

But Russia keeps fighting. The trouble for Washington, and more important, for Ukraine, is that the Russia that might have been strategically defeated by the West's moves is not the same Russia with which Ukraine is at war. Blinken and others assume that Russian leaders care about the national interest and might be held accountable for harming that national interest. The fact that Russia keeps fighting despite its losses suggests that a different logic is at work.

Unfortunately, Westerners' inability to travel to Russia and conduct new research means that they are unlikely to arrive at a better understanding of the cost-benefit analysis guiding Kremlin decision-making. And so the sobering truth is that Western countries' attempts to achieve their policy aims by modulating—or even responding to—events in Russia and the decisions of the Russian leadership are doomed to be ineffective at best.

A Wiser Game

The good news, however, is that Washington and its allies still maintain considerable leverage. First and foremost, they can strengthen Ukraine's ability to make progress on the battlefield. The West may be unable to affect Russia's military decision-making with any degree of reliability. But it has shown that it can improve Ukraine's ability to hold and retake territory.

Similarly, the United States and its allies have not been able to deter Russia from bombarding Ukrainian civilians, but they can bolster Ukraine's air defenses to prevent Russian missiles and drones from hitting their targets. None of these actions can force Russia to stop fighting, but they can help Ukrainians stay alive.

In the absence of any ability to gauge how Moscow will behave, the G-7 security guarantees promised after the July NATO summit in Vilnius should be focused tightly on increasing military impacts in Ukraine. Western countries should privilege developing and enforcing sanctions that squarely target the war effort over attempting to induce political change in Russia. In practice, that means closing the loopholes that have kept cash and technology flowing to Russia. And as the West saps Russia's resilience, it should focus on increasing Ukraine's resilience by fast-tracking the country's progress toward European integration and spurring investment in the infrastructure and technology Ukraine will need to get its economy back on its feet.

More than a year and a half into this war, Western analysts and policymakers have accumulated tremendous amounts of robust data on the impacts of adding new weapons systems to the battlefield and defending Ukrainian airspace. They have solid evidence that policies to support Ukraine's economy and weaken Russia's financial capacity to prosecute war are effective, and they know what adjustments could make them even more effective.

Alas, those same analysts—this author included—remain flummoxed by events within Russia itself. Over time, this problem will be addressed, and the gap between awareness and analysis will narrow. Until it does, however, Western policy should focus on the things Westerners understand rather than the things they do not.

Xi's Global Ambition[11]

Elizabeth Economy

Hargrove Senior Fellow, Hoover Institution, Stanford University

By now, Chinese President Xi Jinping's ambition to remake the world is undeniable. He wants to dissolve Washington's network of alliances and purge what he dismisses as "Western" values from international bodies. He wants to knock the U.S. dollar off its pedestal and eliminate Washington's chokehold over critical technology. In his new multipolar order, global institutions and norms will be underpinned by Chinese notions of common security and economic development, Chinese values of state-determined political rights, and Chinese technology. China will no longer have to fight for leadership. Its centrality will be guaranteed.

In many respects, China has already accomplished Xi Jinping's stated objective of taking "center stage" in the international system. China is the world's largest trading power and greatest source of global lending; it boasts the world's largest military; and it has become a global center of innovation. Many analysts predict that China's real GDP will surpass that of the United States sometime in the 2030s to make it the largest economy in the world. Moreover, as the evolution of the pandemic illustrated, China's response to global challenges has profound implications for the rest of the world.

Yet even as Xi's ambition and China's global prominence have become indisputable, many observers continue to question whether Beijing wants to shape a new international order or merely force some adjustments to the current one, advancing discrete interests and preferences without fundamentally transforming the global system. They argue that Beijing's orientation is overwhelmingly defensive and designed only to protect itself from criticism of its political system and to realize a limited set of sovereignty claims. That view misses the scope of Xi's vision. His understanding of the centrality of China signifies something more than ensuring that the relative weight of the country's voice or influence within the existing international system is adequately represented. It connotes a reordered world order.

The Reordered World Order

Xi's notion of Chinese centrality begins with redrawing the very map of China to assert sovereignty over long-contested territories. In an October 2021 speech, Xi asserted, "The historical task of the complete reunification of the motherland must be fulfilled and will definitely be fulfilled." Beijing is advancing its claims not only around what it terms its core interests—Hong Kong, the South China Sea, and Taiwan—but also territories claimed by Nepal, Bhutan, India, Japan, and Russia, among others. Deploying a combination of rhetorical suasion, economic coercion, and military assertiveness, China

[11] This essay is adapted from Elizabeth Economy, "China's Alternative Order," *Foreign Affairs* May/June 2024 and Elizabeth Economy, "Xi Jinping's New World Order," *Foreign Affairs* January/February 2022. Information not in these two articles is reflected in the additional endnotes.

has made significant progress on realizing parts of its territorial and maritime claims, despite significant international opposition. And its capabilities are only growing.

Xi's second strategic priority is to become the dominant power in the Asia Pacific region. Chinese officials are fond of stating that "Asia is for Asians to govern." Beijing's regional trade agreement—the Regional Comprehensive Economic Partnership—includes 15 countries and 30 percent of global GDP. Chinese officials have proposed an Asian security architecture that excludes the United States and call frequently for the dissolution of the formidable network of U.S. alliances that has underpinned the international system for more than 70 years. In their eyes, the alliances are anachronistic, a relic of the cold war, and targeted against China.

A third element of Xi's ambition is to ensure alignment between the political, economic, and strategic interests of other countries with those of China. The Belt and Road Initiative (BRI), launched in 2013, is perhaps the most obvious manifestation of this desire. In its original conception, the BRI was a vehicle for Chinese-led hard infrastructure development and export of overcapacity along three maritime and three overland corridors. Today, BRI offshoots include the digital, health, green, and polar Silk Roads. China's influence now radiates through the world via infrastructure ranging from ports, railways, and bases to fiber-optic cables, e-payment systems, 5G, and satellites. And via the Green silk road, China is helping to lead a global energy transition, while flooding global markets with its solar panels, EVs, and batteries. In the same way that U.S., European, and Japanese companies led the development of the world's twentieth-century infrastructure, Chinese companies compete to lead in the twenty-first century.

Xi has also conceived of the BRI as a conduit through which China can transmit its political and cultural values. In a major address in October 2017, Xi advanced China's development model as one worth emulating, and Beijing now offers an extensive array of political training programs for emerging and middle-income economies on how to create a strong one-party state, manage civil society, and control the Internet. According to Freedom House, representatives from 36 countries have participated in Chinese government training sessions on how to control media and information on the Internet. German Council on Foreign Relations experts revealed that Huawei middleboxes blocked websites in 17 countries. Moreover, the more states adopt Chinese norms and technologies that suppress political and civil liberties, the more Beijing can undermine the current international system's embrace of universal human rights.

And China has expanded its security footprint via the BRI, as well. It has established its first military logistics base in Djibouti, and is reportedly considering new military facilities in Cambodia, the UAE, Equatorial Guinea, Cuba, Pakistan, Seychelles, Sri Lanka, Tanzania, and Myanmar.[12] The PLA has also increased its military diplomacy, holding 34 joint training and exercises with other countries during 2023.[13] And although

[12] Aadil Brar, "Map Shows Countries Where China Seeks Overseas Base," Newsweek, March 12, 2024. https://www.newsweek.com/china-overseas-military-bases-us-intelligence-1878183
[13] Andrew S. Erickson, "PLA Military Diplomacy During 2023," https://www.andrewerickson.com/2024/04/pla-military-diplomacy-during-2023/

it formally eschews military alliances, it is worth considering whether its support for Russia in its military aggression against Ukraine, and related engagement with Iran and North Korea, add up to a form of a soft military alliance or partnership. Finally, China also has reportedly established 102 police stations in 53 countries that it says are designed to help Chinese citizens take care of mundane daily affairs, such as renewing a driver's license. Several, however, have been clearly implicated in cases of transnational repression directed at overseas Chinese. [14]

China's effort to reshape the international order also includes reconstituting the relationship between the Chinese economy and the global economy. Xi's tenure has been marked by a series of policies, such as Made in China 2025, that enhance government control and work to insulate the Chinese economy from outside competition. In 2020, Xi articulated an economic paradigm of "dual circulation," envisioning a largely self-sufficient China that could innovate, manufacture, and consume—all within its own economy. It would continue to engage with the international economy through exports and limited imports of capital and know-how. Xi has further stated that he wants multinationals to remain dependent on China for parts of their critical supply chains. The end result will be a China that is protected from the pressures of the global economy, while shaping the global economy in accord with its policy priorities.

Finally, Xi seeks to transform the values and norms that underpin the international system. In 2014, he delivered a speech in which he called for China not only to write the rules of the game but also to create the playgrounds on which the games are played. He and other Chinese officials argue that the current rules-based order does not adequately reflect China's voice or that of the developing world. Instead, it was created and perpetuated for the advantage of a small number of liberal democracies that were committed in principle to universal human rights, the rule of law, free markets, and limited state intervention in the political and social lives of their citizens.

Chinese officials have worked assiduously in the United Nations and other international bodies to transform norms around Internet governance, human rights, and technical standards in ways that elevate state control over individual rights and liberties. In each of these areas, China has sought to secure leadership positions for Chinese officials or other friendly actors in the relevant institutions and supporting committees, flooded meetings with Chinese participants, and poured financial resources into trying to shape the agendas and outcomes of policy debates. Over time, the strategy has paid off. For example, in October 2022, China won a vote in the UN Human Rights Council to prevent debate on Beijing's treatment of its Uyghur minority population. It was only the second time in the council's history that a debate has been blocked.

Over the past three years, Xi has also proposed sweeping global initiatives—the global development initiative (GDI), global security initiative (GSI), and global civilization

[14] Emile Dirks and Diana Fu, "China's Overseas Police Stations: An Imminent Security Threat?" February 16, 2024.
https://www.brookings.edu/articles/chinas-overseas-police-stations-an-imminent-security-threat/#:~:text=Between%202016%20and%202022%2C%20four,Europe%2C%20Africa%2C%20and%20Asia.

initiative (GCI)—that reinforce the norms and values he has advanced since coming to power. The GDI, launched in 2021, supplements the BRI by supporting small-scale projects that address poverty alleviation, digital connectivity, climate change, and health and food security. It also advances Beijing's preference for economic development as a foundation for human rights. One government document on the program, for instance, accuses other countries of the "marginalization of development issues by emphasizing human rights and democracy." The 2022 GSI, in turn, advocates that countries "reject the Cold War mentality, oppose unilateralism, and say no to group politics and bloc confrontation." The better course entails building a "balanced, effective and sustainable security architecture" that resolves differences between countries through dialogue and consultation and that upholds noninterference in others' internal affairs. Behind the rhetoric, the GSI is designed to end U.S. alliance systems, establish security as a precondition for development, and promote absolute sovereignty and indivisible security—or the notion that one state's safety should not come at the expense of others'. China and Russia have used this notion to justify Russia's invasion of Ukraine, suggesting that Moscow's attack was needed to stop an expanding NATO from threatening Russia. Finally, the 2023 GCI advances the idea that countries with different civilizations and levels of development will have different political and economic models. It asserts that states determine rights and that no one country or model has a mandate to control the discourse of human rights. As former Foreign Minister Qin Gang put it: "There is no one-size-fits-all model in the protection of human rights."

In pursuing its normative preferences, China is both persistent and highly opportunistic. For over fifteen years Beijing has sought to advance the rise of the renminbi and de-dollarization of the global economy to little avail. However, in the past two years, it has used Russia's invasion of Ukraine and the resulting Western sanctions, to make significant inroads in encouraging other countries to move away from the dollar. China's trade with Russia is now mostly settled in renminbi, and Beijing is working through the BRI and multilateral organizations, such as the BRICS (which 34 countries have expressed interest in joining), to advance de-dollarization more broadly. The Shanghai Cooperation Organization, led by Russia and China, for example, is developing a roadmap for using local currencies as opposed to the dollar in trade and investment. As Brazilian President Luiz Inácio Lula da Silva said during a 2023 visit to China, "Every night I ask myself why all countries have to base their trade on the dollar. Why can't we do trade based on our own currencies?"

Will China Succeed?

At the Central Conference on Work Relating to Foreign Affairs in December 2023, Xi boasted that Beijing was (in the words of a government press release) a "confident, self-reliant, open and inclusive major country," one that had created the world's "largest platform for international cooperation" and led the way in "reforming the international system." He asserted that his conception for the global order—a "community with a shared future for mankind"—had evolved from a "Chinese initiative" to an "international consensus."

Indeed, it is easy to find evidence that Xi's vision is resonating outside China, particularly among emerging and middle-income economies. In 2023, China brought more than 100 senior military officials from almost 50 African countries and the African Union to Beijing for the third China-Africa Peace and Security Forum. The participants publicly embraced the BRI and the GSI, alongside the African Union's Agenda 2063 development plan, as a way to pursue economic development, promote peace, and ensure stability on the continent. African officials and think tank leaders have also touted the benefits of the GDI. And there is more tangible evidence of Chinese influence: Huawei has built about 70 percent of Africa's 4G networks.

Nonetheless, overall support for China and Chinese-backed initiatives remains mixed. For example, a detailed study of China's Digital Silk Road investment in Africa found that although eight African DSR members supported China's New IP proposal for increasing state control over the Internet, more African DSR members did not write in support of it. And the February 2023 vote to condemn Russia's invasion of Ukraine—in which 141 countries voted in favor, seven voted against, and 32, including China and all other members of the SCO except Russia, abstained—suggests widespread rejection of the GSI's principle of indivisible security.

Even if its vision is not fully realized, however, unless the world has a credible alternative, China can take advantage of dissatisfaction with the current order to make significant progress in materially degrading the international system. The uphill battle the United States has waged to persuade countries to avoid Huawei telecommunications equipment is an important lesson in addressing a problem before it arises. It would be far more difficult to overturn a global order that has devalued universal human rights in favor of state-determined rights, significantly de-dollarized the financial system, widely embedded state-controlled technology systems, and deconstructed U.S.-led military alliances.

China is right: the international system does need reform. But the foundations for that reform are best found in the openness, transparency, rule of law, and official accountability that are the hallmarks of the world's market democracies. The global innovation and creativity necessary to solve the world's challenges thrive best in open societies. Transparency, the rule of law, and official accountability are the foundation of healthy, sustained global economic growth. And the current system of alliances, although insufficient to ensure global peace and security, has helped prevent war from breaking out among the world's great powers for more than 70 years. China has not yet managed to convince a majority of the planet's people that its intentions and capabilities are the ones needed to shape the twenty-first century. But it is up to the United States and its allies and partners to create an affirmative and compelling alternative.

Ruminations of a Reactive Statesman[15]

Vladimir Putin's foreign policy, from his own point of view

Anna Arutunyan

Associate Director, Mayak Intelligence; Author of"The Putin Mystique"

In 1994, when Russia was already awash with cash yet still socially and economically broken following the wholesale institutional collapse it had survived just three years earlier, a middle-aged Russian bureaucrat, a *chinovnik*, found himself in Hamburg, attending a lavish dinner for distinguished guests in a beautiful palace.

Like many middling civil servants, the *chinovnik*'s career had been obliterated by the fall of the Soviet Union, so much so that at one point he had found himself scrounging for cash to feed himself, his wife and his two small daughters, and he was impressed by the opulence, and especially by the chance to mingle with such high company. By 1994, he was coming up in the world, but only meagerly – with rampant inflation, there was not much one could afford on a civil servant's salary, even that of a senior city official. Not legally, at least. In St. Petersburg and in Moscow, whole families were still crammed into decrepit shared apartments with leaky pipes and intermittent hot water and struggled to buy food, while the so-called New Russians – entrepreneurs who started making fast money in the newly liberalized economy – built themselves McMansions on the outskirts, and drove Mercedes and BMWs to the roaring, flashy clubs that dotted the two cities. "At one point, I was making so much cash I was literally stuffing it into bags and didn't know what to do with it," said one Russian entrepreneur who later emigrated.[16]

The *chinovnik,* too, embezzled when he could. They all did. He was smart, and while he had always been a patriot of his country and had been deeply devastated by the collapse of the Soviet Union, he knew full well, just like many of his rank did, that communism was a pipe dream that could never work, could never economically sustain the citizens of a great nation with the dignity that they deserved. He welcomed the economic reforms and believed in the power of money to raise one's station. He also believed in win-win – it was part of his job, after all, to help the government and private businesses, especially foreign ones, make as much money as they could together. As he helped foreign companies get rich by working in Russia, he too tried to make himself rich. It was only natural; after all, he was doing his bit to help Russia transition to the new economy.

The *chinovnik* had had an impoverished childhood, born to parents who had known real hunger. Not the kind that that many experienced during *Perestroika,* when store shelves were bare and families had to subsist on potatoes and gruel, but the kind of hunger that

---

[15] This is an excerpt from *Hybrid Warriors: Proxies, Freelancers, and Moscow's Struggle for Ukraine*. Hurst, 2022.

[16] Conversation, Russian émigré, Washington, DC, 2020.

sent mothers scavenging for city cats and boiling leather to feed the remaining child who had *not* starved to death. During the Soviet period, his station afforded him certain perks, but he never rose far enough to take advantage of the full privileges enjoyed by the Soviet *nomenclature*. One official of the same rank, who had worked in the same offices as the *chinovnik* then, described him as an average, amicable guy who swung his arms in an easy-going manner as he walked. The official was only entitled to a three-room apartment in an old building, far from the prestigious accommodation afforded to generals and high-ranking party officials. For all its communism, the Soviet Union remained a society of strict castes, with a class system of its own. It was no wonder, then, that once he could afford to, the *chinovnik* developed a taste for all the attributes of wealth: he affected the oversized maroon jackets that were in vogue among the super-rich, and, when he became much wealthier years later and could afford to refurbish himself a palace, he adorned its interior with artificial blue marble. Why artificial? It was more expensive.[17]

But in 1994, he was still frustrated by the social and infrastructural decrepitude that surrounded him. Having emerged from the grip of the Soviet pipe dream, society was undergoing a deep reckoning with the horrors and crimes of communism, and particularly Stalinism. It was a painful process, not least because the persecuted and the persecutors were often part of the same family: it was not unheard of for the relatives of an NKVD officer to acquire the real estate vacated by the latest purge victim, only for the NKVD officer himself to be purged the same year. The reforms of Mikhail Gorbachev liberalized society from the top: first it was the *nomenclature* that began speaking of *glasnost*, openness, and truth. Then, when the Soviet Union collapsed, it was still the wealthier former Soviet *nomenclature* and the more privileged, urban intelligentsia who were the most vocal in decrying communism, the old, Soviet way of life, and, sometimes with it, Russia itself. Who remembered Russia *before* the Soviet Union, after all? Many of those who were poorer thought differently: they were the ones who had lost more and didn't feel they were gaining much in the new economic turmoil. But general frustration with the poverty, government ineptitude, and most of all the seeming historical *inability* of Russians to build a normal, prosperous, European-style life for themselves fed into deep divisions. A vocal Russophobia emerged among the pro-Western intelligentsia, émigrés and ethnic minorities oppressed during the Soviet Union who had found sovereignty on the one hand, while a simmering, revanchist nationalism and even antisemitism built up among those who believed they had lost from the Soviet collapse, on the other. Both narratives fed each other's in a twisted, toxic dance: the more the one called the other a *Sovok* (a derogatory term for an uneducated middling beneficiary of the Soviet lifestyle) and a loser, the more the other camp decried them as traitors, Jews and Americans out to rob the country.

The *chinovnik* was aware of all this, but didn't pay it much heed at the time, finding the anti-Semitism of the nationalists particularly distasteful and, more importantly, not exactly conducive if one wanted to be accepted in high society. He was smart and more

[17] According to a guided tour of Konstantinov Palace, attended by the author in 2004.

focused on his career; his visit to Hamburg was a chance to enjoy some of that good German beer, to revel a bit in how he had made it for himself, sitting at a table served by waiters in frock coats, rubbing shoulders with dignitaries in an ancient European city.

The guests were ushered into an ornate conference hall, and the head of state of a European country took the podium. The *chinovnik* heard words about freedom of the mind, freedom of the economy and democracy, about a Europe breaking with its totalitarian past. But then it became about something else. "What is currently brewing in Russia." "Irrationalism." "Imperialism."

"Why does the new, post-communist Russia," the European president asked, "which claims to have broken with the evil traditions of the USSR, stubbornly refuse to admit that the Baltic nations - Estonians, Latvians and Lithuanians - were occupied and annexed against their will?"

Listening to those words, the *chinovnik* heard them as if they were addressed to him. Not *Soviet* occupation, but *Russian* occupation. As if he, personally, was to blame for what had happened in the past. "One unwittingly becomes an accomplice," the president said, "of imperialist forces in Russia who believe that they can solve their country's immense problems by outward expansion and by threatening their neighbors."[18]

Here I am, thought the *chinovnik*, heading a Russian delegation to Europe, demonstrating that our country is opening up to you, that we are changing, that we want to be your partners and equals, and you call us occupiers? *Sovoks*? Is that what we'll always be to you?

The *chinovnik* suddenly felt that enough was enough. He got up from his seat, walked down the aisle, his heels clacking conspicuously on the parquet, opened the heavy door of the conference hall and left. He didn't mean to slam the door, but it was so heavy that it slammed loudly shut behind him anyway.[19]

***

It was June 2000, and less than a month after the *chinovnik* was sworn in as president of Russia in his first inauguration, he invited his American counterpart, Bill Clinton, for a visit to Moscow. He treated him to a lavish informal dinner of boiled boar and goose, proudly gave him a tour of the Kremlin, and brought the country's best jazz musicians to play. They talked about many things, from arms control to the situation in the Balkans,

---

[18] Goble, Paul, "When Putin couldn't take the truth spoken by Lennart Meri", *Estonian World,* 30 Jan. 2022. https://vp1992-2001.president.ee/eng/k6ned/K6ne.asp?ID=9401

[19] "Путин рассказал о "захваченном самолете" во время Олимпиады в Сочи" (Putin talked about seized airplane during the Sochi Olympics), *KP,* 11 March 2018. https://www.kp.ru/daily/26804.5/3839535/ See also: Televised documentary, https://www.youtube.com/watch?v=0a9UvJxxRog

both issues on which Moscow had considerable disagreements with the United States.[20] But one thing that the Russian president remembered, although he didn't mention it at the time, was what happened when he asked Clinton about Russia eventually joining NATO. Though Clinton had just days earlier, while speaking at a European capital, floated the idea of eventual Russian membership in both NATO and the EU, the Russian president was struck by the way Clinton didn't react with any enthusiasm at all, something he would still remember many years later.[21]

When the United States decided to invade Iraq in 2003 on the pretext that Saddam Hussein was developing weapons of mass destruction, the Russian president was particularly dismayed. "There was no need for military action to answer the main question that was directly raised by the international community, namely, whether or not there are weapons of mass destruction in Iraq," he said at the time. "We must not allow international law to be replaced by the law of the fist, according to which the strong are always right and have the right to everything." [22]

At the Munich Security Conference in 2007, the president denounced the danger of a unipolar world: "Today we are witnessing an almost uncontained hyper use of force – military force – in international relations, force that is plunging the world into an abyss of permanent conflicts."[23] He may have meant it as a warning, he may have wanted to scare them like they were scaring him, or he may have felt he needed to issue a threat: whatever it was, his words were clearly taken to mean the latter. For some Western leaders, and for some in Central Europe in particular, the Munich speech was the best excuse to strengthen and unite NATO against Russia they could have hoped for. And it certainly didn't mean NATO was going to start paying attention to Russian concerns.

On February 17, 2008, Kosovo, then a disputed province of Serbia populated predominantly by Albanians, declared its independence. Despite Serbia's protests that the declaration was illegal and calls on Russia from Kosovar Serbs to send military aid, the following day the United States and most EU member states recognized the declaration.

The president felt his country had been once again ignored.

---

[20] "Vladimir Putin and Bill Clinton had their first meeting as the US president visited Moscow", *Official Site of the President of Russia,* 3 June 2000. http://en.kremlin.ru/events/president/news/38511, See also Tyler, Patrick, "Clinton and Putin meet at Kremlin with wide agenda," *The New York Times,* https://www.nytimes.com/2000/06/04/world/clinton-and-putin-meet-at-kremlin-with-wide-agenda.html

[21] "Путин рассказал, как спросил Клинтона о возможности РФ вступить в НАТО" (Putin described how he asked Clinton about the possibility of Russia joining NATO), *Interfax,* 21 Feb. 2022. https://www.interfax.ru/russia/823529

[22] "В.Путин: Война в Ираке грозит катастрофой всему региону" (V. Putin: War in Iraq threatens catastrophe in the whole region), *RBC,* 20 March 2003. https://www.rbc.ru/politics/20/03/2003/5703b5509a7947783a5a45bb

[23] See transcript of speech, official Presidential website, 10 Feb. 2007. http://en.kremlin.ru/events/president/transcripts/24034

At first, Russia's Foreign Ministry was non-committal on Kosovo's independence: "We will, without doubt, have to take into account a declaration and recognition of Kosovo independence in connection with the situation in Abkhazia and South Ossetia."[24]

Since 2004, when the pro-Western, NATO-oriented Mikheil Saakashvili was elected president of Georgia, there had been saber rattling on the border over the two breakaway states. When he came to power, Saakashvili had reined in Ajaria without firing a shot, and had been talking ever since of doing the same with Abkhazia and South Ossetia. Reuniting Georgia was crucial if it was to have a chance at NATO membership, and Saakashvili was so taken with Western promises that he seemed to have come to believe that NATO would back him up in a confrontation with Russia. Moscow, still smarting from losing the Baltics to NATO, had been angry about Georgia's aspirations since 2004 and started bringing increasing military, diplomatic and economic pressure to bear on the country. As a result, for years leading up to 2008 the two had been engaged in military brinkmanship, with Russia building up forces preparing for a Georgian offensive, and Saakashvili waiting for the right moment to seize the breakaway states. After Kosovo, time was running out: Russia felt it had an international precedent, George Bush was pressing Europe to accept Georgia and Ukraine into NATO, and Saakashvili was drawing up military plans.

Russia saw its position as defensive: it was trying to prevent the seizure of the statelets, which would open Georgia's way for NATO membership, but it didn't want to strike without a pretext. It wanted to see if the other side would take the bait, strike first and do, finally, what it had been bragging about. Irregular forces in South Ossetia – themselves eager for Russian protection, money and recognition – sniped at Georgian positions that summer, Georgians fired back; after a bit of this back-and-forth, Tbilisi launched an assault on South Ossetian capital Tskhinvali on August 7. Saakashvili had underestimated Moscow's preparedness on the one hand and overestimated Western inclination to back him on the other. Russia countered with an offensive that pushed Georgian forces back from Abkhazia and South Ossetia in eight days, and, now that it had a reason, recognized the statelets as independent.

Aside from an increased NATO presence in the Black Sea, there was not much of a response – no sanctions, no NATO membership for Georgia. But the Western condemnation of Russian actions only served to prove to the *chinovnik* what many hawks in his circle, and particularly Nikolai Patrushev, had already come to be convinced of: *they* get to, *but we don't*. When the *chinovnik* finally caved and pulled the trigger on Crimea in 2014—but not on Donbas, he was too cautious—he became adamant: the condemnation, the isolation, the sanctions, even if they were not deemed nearly enough, *was what they had planned all along*.

---

[24] Lowe, Christian, "Russia warns of Kosovo repercussions", *Reuters,* 15 Feb. 2008. https://www.reuters.com/article/us-kosovo-serbia-russia-idUSL15709042008O215rre

***

As of January 2022, even the CIA believed the Russian president had still not made up his mind on whether to invade Ukraine or not.[25] He felt he was being backed into a corner. “What is it that they don’t understand?” the *chinovnik* had retorted to a Western journalist in December. “We want to ensure our security.”[26]

Clearly, the President felt his country was not *secure*. Nikolai Patrushev had once remarked of similar American warnings the previous spring: “If they are predicting, then that means they are planning, and if they are planning, then they can make it happen.”[27] In other words, just as Moscow had once needled Saakashvili into take a self-destructive first step, so too Washington was not just predicting a war – it wanted one.

Maybe the President was simply trying pre-empt what he saw as the West’s plans. Maybe he was just looking for confirmation of his own assumptions and fears. Maybe he felt he was too far gone to step back. Either way, on February 21, he finally did what so many nationalists had been wanting him to do for so long: he officially recognized Donetsk and Lugansk People’s Republics and, two days later, launched a full-scale invasion he thought would succeed in three weeks. As he was running out of options, he seemed to be trying to create as many new ones as possible – even as he was feeling the closeness of the wall against his back, and the threats of his enemies, distorted by his own fears, nearing.

Over 100,000 troops amassed at the border, he may have thought, *the full force of our military, backed by our nuclear arsenal, and you* still don’t understand?

[25] “U.S. Intelligence Says Putin Made a Last-Minute Decision To Invade Ukraine,” *The Intercept*, 11 March 2022 https://theintercept.com/2022/03/11/russia-putin-ukraine-invasion-us-intelligence/
[26] Transcript of Putin’s annual news conference, Official Presidential Site, 23 Dec. 2021. http://en.kremlin.ru/events/president/news/67438
[27] See interview with Nikolai Patrushev, March, 2021, https://www.youtube.com/watch?v=WfNvJcu7jDY

Emerging Issues in Chinese Economy[28]

Yasheng Huang
Professor, Sloan School of Management,
Massachusetts Institute of Technology

In this essay, I will tackle three issues—overcapacity, emerging risks, and economic and policy tensions. I will end my essay with a recommendation on Chinese capital investments in the United States

The Deeper Cause of Overcapacity

The overcapacity issue is not just about EVs and solar panels. In fact, EVs, solar panels, and renewable energy industries are a small component of the Chinese economy, ranging between 3.5% to 7% of the Chinese economy. It is a rudimentary mistake to believe that these renewable industries will rescue the Chinese economy. In fact, that strategy is self-defeating. The Chinese terms of trade have deteriorated in the past year, as seen in the graph below.

Source: Trading Economics

Overcapacity is a macro, not a micro, issue. The fundamental cause of overcapacity is that the personal income of the Chinese people—the paychecks—has lagged China's GDP growth. In 2023, Chinese per capita GDP to that of the United States ranges from 15%

[28] This essay draws from my forthcoming book (Huang 2025).

based on exchange rate calculations and 30% in PPP terms. By a measure that is a closer proxy of a person's living standard, China is nowhere near the United States. In 2023, the Chinese per capita disposable income was US$5,511, which is only 8 % of American per capita personal income at US$68,550. Here is something very few people know: China has a big economy, but it does not have a big purchasing power and that purchasing power is further reduced by a high savings rate.

Businesses have benefited from low-cost but efficient Chinese labor, giving rise to a China as a "factory for the world." But low costs to the businesses are low income flows to the labor. Since 1990, the labor share of income has declined, from 61% in 1990 to as low as 55% in 2004[29], although it has rebounded since then to 58% today. (Using per capital personal income to per capita GDP yields even lower ratios, around 43% as of 2022.) Here is the bad news: A significant contributor to that rise was driven by the increasing share of property income among urban Chinese[30] and that source of income increase is likely to moderate as the prices of the real estate sector are falling sharply.

To be clear, Chinese labor income has grown and it is emphatically not true that Chinese competitiveness is due to 'slave labor.' But from a macroeconomic perspective, what matters is that the income growth has been sluggish relative to the GDP growth, and this drives a wedge between production capacity and the consumption capacity. There is nothing natural or economically inevitable that China has to grow this way. For a continental size country, China could have grown by cultivating domestic demand and by increasing the labor share of the GDP. In fact, China did not grow this way in the 1980s.

But the Chinese leadership gave up that strategy and adopted an urban-centric strategy since 1989. A crucial feature of this strategy is achieving GDP growth by sacrificing the income growth gains of the rural Chinese. The rural Chinese—40% to 60% of the population—have not benefited proportionately from GDP growth and China's incredible property boom. To understand overcapacity from a macro perspective, keep three ratios in mind: (1) a low labor share of income, (2) a high savings rate, and (3) these two ratios applied to China's rural population which stands at 40% to 60% of the population.

The reason is straightforward: The rural Chinese have weak or non-existent protection of land rights. Unlike other successful East Asian economies that implemented land reforms, in China the land is state-owned. As late as 2011, only 20.9% of land contracts and 40.3% of land certificates, respectively, contained "all the legally required information and can be considered strictly law-compliant, reducing the contribution of

[29] Bai and Qian 2010
[30] Tu, Yan, and Zheng 2024

documentation to the security of land rights" in the opinion of Landesa Rural Development Institute.[31] In 2011, China was well into its second decade of a property boom, a boom that happened when the land rights of the rural Chinese were haphazardly tenuous.

The impressive skyline and infrastructure in urban China are a result of a combination of relatively strong protection of real estate assets in the cities and the weak or nonexistent protection of land rights of the rural Chinese. The stronger urban rights stimulated demand for urbanization whereas the weak and the predatory arrangements in the countryside obliterated the transaction costs of the land supply and what is known as the "hold-up" problem.

A predictable outcome of this asymmetrical arrangement of rights is land grabs. The scale of the land grab is enormous according to a multi-year survey project jointly conducted by the Chinese People's University and Michigan State University. In the 2005 survey, 30% of the respondents reported illegal reallocation of their land and the frequency of illegal taking increased by some fifteen folds during the prior decade. Only in 22% of the transactions, the villagers were consulted about the compensation issues and among them, two thirds of the respondents felt that the compensation was inadequate and in one third of the cases the promised compensation never arrived.[32]

The 2011 survey reveals an equally grim picture.[33] In the survey, 43.1% of respondents experienced takings of land for non-agricultural uses and received some compensation in 77.5% of cases. In 9.8% of the cases, compensations were promised but never delivered; in 12.7% of the cases, there was neither any promise nor any receipt of compensations. The level of compensation was extraordinarily low. It amounted to a paltry 2.4% of what the local governments received in their land auctions, broadly in line with 3% to 6% of what another researcher estimated to be "the regular compensation rate" in the state construction projects."[34]

The land grabs amounted to a gigantic transfer of wealth from rural Chinese to the Chinese state, developers, and, indirectly, to the urban Chinese. In China's land transactions, the state, mainly local governments, alternates between two sides of the market and between diametrically opposing rules. On the bright side, the local governments, acting as the monopsonist, do not permit competition. No bids are held, and all the transactions are carried out in closed doors. On the sell side of the land, the local governments, now the monopolist, maximize competition by organizing bids and

[31] From ("Landesa 6th 17-Province China Survey: Summary of 2011 Findings" 2018).
[32] Summarized in Zhu and Prosterman (2006).
[33] See ("Landesa 6th 17-Province China Survey: Summary of 2011 Findings" 2018)
[34] See (Li 2009).

transparent auctioneering. In addition, the local governments use the banks and local financing vehicles they control to fund developers to bid up their offerings.

The rural Chinese—on the sell side of land transactions—lose massively; the local governments, the counterparty to both rural Chinese and developers, end up with the biggest gains. At a time when the rural households were forced to forgo the upside of the real estate boom, revenues from the land sales exceeded tax revenues of some local governments and a part of the margin also went to the pockets of corrupt officials. (Real estate was plagued by corruption.) Land sales by the local governments have powered the buildup of the supply side of the Chinese economy while they have not grown the demand side at a proportionate scale.

Emerging Risks

Many foreign investors are impressed with the 'Chinese speed' and infer from that speed the conclusion that the Chinese economy is formidably efficient. The Chinese economy, in fact, is formidably inefficient. Sectors of its economy are efficient, such as its manufacturing, delivery services, and building construction, but its infrastructure is efficient only in its construction aspect. The operations of China's infrastructure are notoriously inefficient.

In 2022, the costs of logistics amounted to about 8% of America's GDP, a high for the country, but this is a bargain for China. In China, logistical costs of shipments within the country usually account for more than 14% of the Chinese GDP.[35] The U.S. highways may be dotted with potholes; trains do not run very fast, and its airports are bereft of modernistic structures, but the American infrastructure performs its basic functions well—moving goods and people from one place to another in a cost-effective way.

In 2005, there were 135 civilian airports in China; in 2018, the number was 235 and 259 in 2023. The airport construction contributes to GDP through the conventional multiplier effects of fixed-asset investments. Infrastructure, once built, should contribute to GDP through another channel—by lowering transportation costs, saving travel time, and improving logistics of shipments. This is the productivity effect of infrastructure, and it depends on how the infrastructure is operated.

This is where the Chinese airports have fallen short. According to *The Economist* magazine, "[o]f the world's 100 busiest airports, the seven that suffer the longest delays are all in China, including the country's major hubs in Beijing, Shanghai and Shenzhen" (The Data Team 2017). This inefficiency shows up in China's deteriorating productivity.

[35] See the data from the website, Statista ("China: Social Logistics Costs as a percentage of GDP 2023," n.d.).

Robert Solow, the MIT economist who pioneered the economics of productivity, once observed, "You can see the computer age everywhere but in the productivity statistics." The Solow paradox has a Chinese version. China as a technological superpower is hailed by its leaders and feared by its rivals. Xi Jinping unveiled many high-tech initiatives, such as "Made in China 2025."

All except in productivity statistics. Several studies on China's total factor productivity (TFP) converge on the following finding: beginning in the second decade of 21st century TFP growth slowed sharply compared with the previous period. The annual TFP growth slowed from 2.8% in the ten years prior to the global financial crisis to only 0.7% between 2009 and 2018 (Brandt et al. 2020). China has misallocated its capital (Hsieh and Klenow 2009). A measure of capital efficiency is the incremental capital-output ratio (ICOR)—the amount of additional capital investment required to generate an additional unit of output. Since 2007, the ICOR in China has tripled from 3 to 9, while the growth rate of GDP has fallen almost by half from the Hu Jintao years (Gill 2019).

Economic and Policy Tensions

The low productivity of Chinese capital stock is both a cause for, and a cause for worrying about, China's high and rising debt. The high debt itself is not automatically alarming, but high debt *and* low productivity are an economically lethal combination. Paul Krugman (1994) is widely credited for predicting the 1997 Asian Financial Crisis, but Krugman's prediction was based on the academic work of his then MIT colleague, Alywn Young (1992), who uncovered a surprising finding that the vaulted East Asian growth was fueled by investments rather than by productivity. Latin America is known for its long history of frequent financial crises, but also as a region chronically marred by low productivity (Lüdtke 2020).

Would China run into an overt financial crisis? Probably not, mainly because much of its debt is domestically denominated, but it is all but impossible to avoid rising stresses on its banking system as bad debt increases. China may enter a vicious spiral—incipient low growth fueling debt increases and low productivity stalling growth. The stalled growth then impairs the incomes and savings of the Chinese household sector. The China Model has endured because of a mechanic—the high savings rate ensures the liquidity flows to the Chinese banking system. If the level of bad debt rises precipitously and China's pool—or even its rate—of savings declines, that will be a Lehman moment for the China Model, not necessarily in the form of a crash but in the form of a sharp growth deacceleration.

In 2022 and 2023, China's share of global GDP shrank by 1.4%, the largest drop since the Mao era. If the decline continues, it will be an unpalatable situation. On the one hand, Xi has amassed a long and costly list of expenditures—BRI, many high-tech initiatives, replacing the entire global supply chain of semiconductor production, war-like military spending, and mounting pension and other social liabilities with a rapidly aging population. All of these are on top of the high fixed costs of operating the Chinese government itself, with its large headcount, multiple agencies, generous pensions to former officials, and various and numerous programs and functions.

On the other hand, paradoxically, despite this massive outlay requirement, Xi has gone out of his way to suppress growth that is needed to finance these costly expenditures. An acute disequilibrium between low inflows and high outflows of resources is looming on the horizon. The CCP has to either go back to the reform playbook of the Deng era, or it has to accept low growth and all the unpleasant retrenchments of the policy programs, technological ambitions, civil service salaries, and living standards that will come with a prolonged slowdown.

Recommendation

Given the state of the Chinese economy, we are likely to be inundated with both goods and capital from China. On the goods side, Xi's supply-side is only going to worsen the imbalance between supply and demand. On the capital side, Xi's crackdown on the private sector is leading to capital outflows from China.

We use tariffs to restrict goods from China, which, if done right, can advance American interests. The current thinking on Chinese capital inflows is to recognize the issue as a complex issue but then proceeding to a simple solution—restriction. My own recommendation is that we take advantage of the upside of the Chinese capital inflows while minimizing the downside. We can carve out special procedures and processes dedicated to vetting and regulating Chinese investments. For example, Congress can pass a law that makes it mandatory for Chinese investments to have American joint venture partners and subjects Chinese operations in the United States to a level and a range of scrutiny that we do not apply to investments from other countries. The rise of China and the multiple challenges that rise presents to us warrant a dedicated policy and regulatory instrument rather than sticking to our traditional most-favored nation approach.

Bibliography

Bai, Chong-En, and Zhenjie Qian. 2010. "The Factor Income Distribution in China: 1978–2007." *China Economic Review* 21:650–70.

Brandt, Loren, John Litwack, Elitza Mileva, Luhang Wang, Yifan Zhang, and Luan Zhao. 2020. "China's Productivity Slowdown and Future Growth Potential," June. https://doi.org/10.1596/1813-9450-9298.

"China: Social Logistics Costs as a Percentage of GDP 2023." n.d. Statista. Accessed June 8, 2024. https://www.statista.com/statistics/949249/china-national-logistics-costs-as-a-percentage-of-gdp/.

Gill, Indermit. 2019. "Joyless Growth in China, India, and the United States." Brookings Institution. January 22, 2019. https://www.brookings.edu/articles/joyless-growth-in-china-india-and-the-united-states/.

Hsieh, Chang-Tai, and Peter J. Klenow. 2009. "Misallocation and Manufacturing TFP in China and India*." *The Quarterly Journal of Economics* 124 (4): 1403–48. https://doi.org/10.1162/qjec.2009.124.4.1403.

Huang, Yasheng. 2025. *Statism with Chinese Characteristics: The Treadmill of Economic Reforms in China*. New York: Cambridge University Press.

Krugman, Paul. 1994. "The Myth of Asia's Miracle." *Foreign Affairs* 73 (6): 62–78. https://doi.org/10.2307/20046929.

"Landesa 6th 17-Province China Survey: Summary of 2011 Findings." 2018. December 28, 2018. https://resourceequity.org/record/2176-landesa-6th-17-province-china-survey-summary-of-2011-findings/.

Li, Cheng. 2009. "Hu Jintao's Land Reform: Ambition, Ambiguity, and Anxiety." Brookings. January 1, 2009. https://www.brookings.edu/articles/hu-jintaos-land-reform-ambition-ambiguity-and-anxiety/.

Lüdtke, Lisa. 2020. "Examining Latin America's 'Puzzle' of Low Growth." *GIS Reports* (blog). December 2, 2020. https://www.gisreportsonline.com/r/latin-america-economic-growth/.

The Data Team. 2017. "Why China Leads the World in Flight Delays." *The Economist*, October 30, 2017. https://www.economist.com/graphic-detail/2017/10/30/why-china-leads-the-world-in-flight-delays.

Tu, Xunhua, Jie Yan, and Jing Zheng. 2024. "Income Composition Inequality of Chinese Residents and Fiscal Redistribution Effect: An Empirical Analysis on Individual Income Tax and Transfer System." *PLOS ONE* 19 (1): e0296129. https://doi.org/10.1371/journal.pone.0296129.

Young, Alwyn. 1992. "A Tale of Two Cities: Factor Accumulation and Technical Change in Hong Kong and Singapore." In *NBER Macroeconomics Annual 1992*, 7:13–63. Cambridge: MIT Press.

Zhu, Keliang, and Roy Prosterman. 2006. "From Land Rights to Economic Boom." *China Business Review*, August.

Geo-Economics: Challenging Resilience

Chris Weafer
CEO, Macro-Advisory

Most of the world's major economies have proven to be very resilient against the backdrop of a series of crises in recent years, any one of which could have caused more serious and longer-lasting damage. The International Monetary Fund (IMF) expects global growth to average 1.7% this year, up marginally from last year's 1.6% growth, and moving ahead to 1.8% growth next year. But that growth is not uniform across even the major economies and some regions of the world continue to struggle and face growing pressures.

Of the major developed nation economies, the United States is showing the strongest growth, with 2.7% expected this year, up from 2.5% in 2023. The Eurozone is struggling with only 0.8% expected growth this year, although that is up from 0.4% last year. Within the developing world category, India is again showing the strongest growth, expected to be just under 7% this year, down from 7.8% last year. Chinese growth is also trending lower with 4.6% expected for this year, from 5.2% in 2023. The Russian economy is showing good headline number growth, expected to be just under 3% this year, down from last year's bounce-back growth of 3.6% after it contracted by 2.1% in 2022.

So, at the headline level, the world economy looks to be in modestly good shape. But the reality is that most countries are facing some challenges which threaten to either cap or reduce the growth trend in the next few years or, in some instances, those challenges could cause more serious reversals in the 2nd half of this decade if not quickly and effectively dealt with over the next twelve to eighteen months.

One of the main issues for governments is how to fund, or incentivize, investment to sustain future growth. Because of the need to support their economies through the past four years, which included the pandemic lockdowns and the impact of the energy and food crisis cause by supply-chain disruptions and the war in Ukraine, most countries have dangerously high levels of national debt and are running high fiscal deficits which, in turn, is adding to the debt pile. Agencies such as the IMF are now warning that governments cannot afford to keep raising debt levels to fund future growth or for social programs without risking a financial crisis.

The U.S. is expected to run a fiscal deficit of over 7% to GDP this year and to maintain a 5-6% level through to the end decade. If the government were to aggressively try to reduce that deficit by, e.g. cutting spending or raising taxes, then the danger of a slowdown in the economy, and even greater social and political instability, would increase. But Washington's already high national debt, at 126% of GDP, is more likely to continue rising and, according to IMF estimates, will reach the highest level since the immediate aftermath of World War II, at 135%, by 2030. Debt is sustainable provided you can service the cost of the debt without straining the economy, so this should not be a problem for a couple of years as the U.S. Federal Reserve Bank is expected to start reducing the policy rate from this summer.

The eurozone has a lower fiscal deficit – now at around the 2.6% level – and a lower national debt than the U.S. It is holding at just under 90% of GDP. But Europe is under a lot more social and political pressure, especially after the political changes in both national governments and in the EU parliament, to significantly boost social spending, to fund job creation and to continue supporting Ukraine.

Another problem is the legacy of several supply chain disruptions and the risk of more such problems. Accidents in the Suez Canal have exposed the vulnerability of that major transport corridor while water shrinkage in the Panama Canal shows the fragility of that equally important link. Then there is the dangerous situation at the entrance to the Red Sea, where the Houthis in Yemen are now regularly attacking shipping. Finally, the China to Europe trade routes have been disrupted, and are having to be rerouted, because of the sanctions against Russia.

All of this means that not only is there a danger of further supply chain disruptions, but shippers are having to adjust routes to avoid problem areas. That means longer and more expensive transit journeys to avoid the risk of industry disruptions, e.g. if components are delayed, and to energy and food supply chains.

Apart from the physical threats to trade, there is also a real danger of trade disputes emerging to disrupt the global economy. Specifically, China's trade imbalance with most of the rest of the world is again growing. The problem is that because of decades of allowing this to happen, e.g. it is cheaper to buy from China than to invest in the U.S. or Europe to make many products, especially in the consumer and construction sectors. Now the world is very dependent on Chinese made products and it would be hugely expensive for western nations to build facilities to make those products which would then be uncompetitive versus the Chinese products. As mentioned earlier, most governments simply do not have that money to invest or, especially in Europe, the workforce to fill the factories.

Migration is another major problem which is both increasingly expensive and which is causing considerable social and political divisions in the U.S. and in Europe. The fact is that many EU states, such as Germany and Italy, need to bring in migrant workers to compensate for the steady and long-term decline in their domestic workforce. So, longer term, migration is a positive. But over the medium-term, assimilation is expensive and destabilizing and will continue to cause both fiscal and policy problems for governments.

The energy crisis, especially in Europe, and the food price spikes which resulted from the disruption and uncertainty caused by the war in Ukraine and several supply-chain breakdowns, appears to be contained and prices have returned to trend. But the crisis has resulted in (1) the need for much greater domestic investment in agriculture to ensure shortages do not again arise and spike food price inflation and (2) a costly return to 'dirty power' generation for several years. The momentum towards green energy and achieving climate emission targets had slowed because of the pandemic and the Ukraine war but governments are now starting to re-focus on the agenda which will also require considerable state investment, and which may also boost utility costs for industries and consumers.

All of which keeps the threat of inflation elevated and is forcing many central banks to delay easing monetary conditions or to move towards easing more slowly. Inflation has been brought under control in most economies, but the legacy of the economic and social damage done will last longer. Governments everywhere remain fearful of a reversal of the current trend. It means that interest rates have stayed higher for longer and acted as a drag on economic growth. This cautionary, or hawkish, stance which central banks are expected to keep for this year and into next, is another reason why growth will be sluggish and private sector investment low.

The other key factor causing uncertainty for businesses and investors, and which is also acting as a drag on future investment, is the rapid expansion of Artificial Intelligence or A.I. A.I. is a major game-changer for industry, for governments, for economies and for people. But, for now, there is no clear idea of exactly what will be the impact. Will it, for example, displace millions of existing jobs and change how service sectors work? Will it create new industries and new areas of mass employment? There are certainly more questions than answers at this stage. The only point which is clear is that A.I. will have a major impact on the global economy. But the current uncertainty means that investors and businesses are more reluctant to embark on major expansion and investment in areas likely to be impacted by A.I. until they can better assess what that impact will be and how they should position for it.

China

China's economy, which has a nominal value of almost $20 trillion, versus $25.4 trillion for the U.S. economy and $14.1 trillion for the Eurozone, is showing slower growth than its historic average. This year headline growth is expected to be 4.6%, down from 5.2% in 2023, and to slow further to 4.1% next year. Partly this is to be expected as the economy has a much bigger base – ten years ago the value of GDP was $10 trillion – but also because the government is taking measures to try and tackle the most critical issue facing the country - the real-estate valuation bubble and the huge level of mortgage and other real estate related debt. Household debt in China is now at 63% to GDP, up from 34% ten years ago.

If the government does not manage to resolve the speculative status in real estate and reduce debt, then there is a very real risk of an economic crisis caused by a collapse in real-estate valuations, and a debt crisis which would severely hit consumption and investment. This is China's ticking time-bomb and an issue concerning which the government in Beijing needs to be very careful. It also means that measures now being taken to try and contain this problem are affecting state spending and reducing the availability of financing for industry. Hence the slowing rate of growth.

It also means that China is manufacturing whatever products it can sell to the global market, often with direct or indirect subsidies, and effectively dumping these products to both keep domestic employment and activity high and to generate export earnings. Eventually this will lead to a more serious trade conflict with the G7 and EU, possibly as early as 2025 when the major elections in the U.S. and the EU are over and legislators start to focus on the broader picture.

India

Can India eventually overtake China to be the driver of developing economic growth? Probably not, or, not for a very long time. India is reporting the strongest growth of all big economies in the world. This year it is expected to grow GDP by 6.8%, down from last year's 7.8% growth but still well above the developing world average of 4.2%. The economy is valued at $3.4 trillion or one-sixth that of China, so a very big gap to close.

The main problem for India is that it has one of the most unequal wealth distribution structures in the world and a huge poverty problem. It is estimated by the World Bank that only 80 million people, out of a population of 1.44 billion (estimated by worldoweters.info), have a western standard of living. Only 1 million people (0.07% of the population) control 80% of the country's wealth. It means that while the country can perform competitively in some sectors, it is a very long way from creating the depth and breadth of activity and growth drivers which can challenge other large economies.

Russia

The Russian economy has proven to be much more resilient in the face of sanctions since early 2022. Headline GDP fell by 2.1% that year before bouncing 3.6% last year. This year headline growth is expected to be close to 3.0%. That of course may change depending on additional sanctions and the effectiveness of enforcement measures for existing sanctions, especially those restricting cross-border financial transactions. The Russian government's ability to negotiate workarounds, and the effectiveness of its response to increasing pressures is also critical.

The reason why the almost 30,000 sanctions now applied to Russia have not crashed the economy is because of a couple of key factors: Russia had time to prepare for tougher sanctions between 2014 and 2022; the EU was not able to cut off energy imports for almost one year, allowing Moscow to earn windfall export earnings and to build up its financial reserves; new markets for oil exports were found relatively quickly in Asia so export receipts, especially budget tax receipts, have remained high; there has been very limited impact on people with, for example, the unemployment rate just below 3%.

But when looking below the headline, the two main drivers of the growth are (1) state spending in the military-industrial sectors and (2) consumer spending. The former is critically helped by the fact that oil tax receipts have remained high, and thus allowed the state to fund spending without the need for extra borrowing or dipping too much into financial reserves. The latter masks a major structural problem which is the decline in workforce demographics, i.e. Russia is seeing a decline in available workers. It means employers are having to bear wage cost growth well above inflation and there are growing job vacancies.

So long as Russia can export oil at above $70 per barrel (average) and is able to deploy the so-called ghost tanker fleet to transport that oil, then the budget will continue to receive enough money to fund not only the military but also social program spending and key industry support. The current stability in the economy, and therefore in the country, can be sustained over the medium term.

But there is a limit as to how long stability can be sustained without major problems emerging in the structure of the economy and the state's ability to maintain a normal lifestyle for people. A lack of investment into infrastructure, into economic diversification, into healthcare, etc. – because of the diversion of money to the military, will eventually take its toll. The break in economic and political relations with the advanced economies in the G7/EU also means that Russia is not able to access new technologies or to benefit from shared expertise.

It will eventually be able to replace some of this with the new partnerships now formed with Asian, Middle Eastern, and African countries but there will be a growing technology and efficiency gap which will restrict economic development so long as sanctions remain, and Russia is isolated from the West.

Summary

The global economy, especially in the developed world, is in good shape currently and has survived the several crises of the past four years remarkably well. But challenges remain and some new challenges are emerging. There is considerable uncertainty in key areas caused by the continuing war in Europe, supply-chain threats and global trade disputes. The role of governments and policy makers over the next couple of years will be to try and create conditions and enough economic, political and trade certainty to persuade private sector investment to grow. Governments have carried the investment can to a dangerous degree since early 2020 and cannot afford to keep doing so without risking a major financial crisis before the end of the decade.

The Myth of Accidental Wars[36]

Matt Pottinger and **Matthew Turpin,** *Visiting Fellow, the Hoover Institution, Stanford University*

> *No wars are unintended or "accidental." What is often unintended is the length and bloodiness of the war. Defeat too is unintended.* — Geoffrey Blainey, The Causes of War (1988)

In this chapter, we challenge some myths about what causes wars, explore neglected variables that may be influencing Xi Jinping's calculus, and argue that some well-intentioned actions by Washington and its partners that are meant to avoid "provoking" Beijing into a war over Taiwan could, paradoxically, make Xi more optimistic about the utility and costs of war.

The Myth of Accidental Wars

"The only thing worse than a war is an unintentional war," Joe Biden told Xi more than a dozen years ago when they were both vice presidents.[1] Biden and members of his cabinet have repeated that phrase numerous times in recent years, including in the context of the Taiwan Strait, where US, Taiwanese, and Chinese warplanes and ships are coming into closer proximity to one another. "We've prioritized crisis communications and risk-reduction measures with Beijing" to help prevent an "unintended" conflict, Secretary of State Antony Blinken said in a major policy address about China in May 2022.[2]

Taking care to mitigate the risk of accidents is a reasonable aim. But a military mishap is a good example of something that might serve as a pretext for war but not a cause. "Wars have been called accidental or unintentional by many political scientists and a few historians," the Australian historian Geoffrey Blainey wrote in his seminal book The Causes of War after carefully examining the origins of nearly every war from the seventeenth through the twentieth centuries. "It is difficult however to find a war which on investigation fits this description."[3]

Western diplomats and journalists reflexively assume more hotlines and communication channels with Beijing are a key to preventing a mishap from spiraling into war. What they fail to recognize is that if war follows a military mishap, it wouldn't be because of a misunderstanding. Quite the opposite: it would be because Beijing has made a deliberate decision that the time is advantageous to fight a war it has spent decades equipping and rehearsing for. Leaders start wars when they believe war will pay strategic dividends that couldn't be obtained through peaceful means — not because their anger got the better of them on a particular afternoon or because they couldn't find a working phone number for the White House.

[36] This chapter is an excerpt from *The Boiling Moat: Urgent Steps to Defend Taiwan*, published by Hoover Institution Press (Pottinger 2024).

Consider previous military mishaps between the United States and China, such as when an American warplane mistakenly bombed China's embassy in Belgrade in 1999, or when a Chinese fighter pilot mistakenly steered his plane through the propellor of a US EP-3 spy plane in 2001. Those incidents resulted in fatalities and sharply increased bilateral tensions. But they produced no serious possibility of war. The exact same incidents, were they to occur today, would in and of themselves be equally unlikely to cause a war. But Beijing might be more inclined to use either incident as an elaborate excuse for a conflict if it had been aiming to launch one anyway.

Beijing understands this better than Washington does and uses Washington's misapprehension to its advantage. That may be why Chinese leaders, in contrast with American ones, rarely mention "accidental" or "unintentional" wars in their official statements, doctrine, and internal propaganda. The only examples we could find of commentators in the People's Republic of China (PRC) using the phrase "accidental war" were in articles pointing out that US leaders are preoccupied with the concept. In their first call after Biden became president, Xi reportedly reintroduced the theme. "I remember during one of our conversations years ago, you told me your father once said, 'The only thing worse than conflict that one intends is a conflict one does not intend,'" Xi said, according to a recent book about the Biden presidency.[4] It is a reasonable bet Xi made the remark with a forked tongue, with the aim of stoking, rather than empathizing with, Biden's anxiety.

Moreover, it is conceivable that Washington's fixation on unintentional conflict and hotlines may have emboldened Beijing to undertake more aggressive behavior, such as increasing its tempo of dangerously close intercepts of US ships and planes in the South China Sea and the Taiwan Strait. In orchestrating these close encounters, Beijing enjoys a psychological advantage over Washington: it knows there is no such thing as an unintentional war. Thus, Beijing may have calculated that even a midair or at-sea collision with the US military carries limited downside risk and appreciable upside potential, since it might persuade Washington — ever fearful of that mythic accidental war — to reduce its military operations in the Western Pacific.

A clue that Beijing assigns low value to hotlines may be the fact that it has suspended military-to-military communication with the United States on several occasions since the turn of the century (Washington, by contrast, has initiated a brief suspension only once during that time, in 2021, as part of an unsuccessful attempt to establish a more senior- level Chinese counterpart for the US secretary of defense).[5] Beijing always restores military talks, typically in return for concessions from the United States, recycling what has become a form of manufactured leverage. If Washington adopted a similarly nonchalant attitude toward these communications channels, Beijing might be less inclined to suspend them in the first place.

An argument could be made that Taipei and Washington should be careful to avoid steps that would give Beijing even a pretext for starting a war. (Ivan Kanapathy explores this question in chapters 5 and 6 with respect to how Taipei should respond to Beijing's military activities near Taiwan.) But without a clear and common baseline understanding that accidents don't actually cause wars, Taipei and Washington are liable to be so tentative that they signal weakness or otherwise erode deterrence.

The "Provocation" Misconception

A close cousin of the accidental war fallacy is the widespread misconception that Taiwan might "provoke" a war by shoring up its national defenses. Beijing shrewdly weaponizes this misconception to dupe some politicians in Taipei, Tokyo, and Washington into second-guessing the wisdom of strengthening deterrence in the Taiwan Strait.

This playbook has been used before by Russia — and with catastrophic consequences. For years, the United States and its allies were too timid to provide defensive weapons to Ukraine, even after Russia first invaded the country in 2014. Washington eventually began providing such assistance in 2017. But it would periodically "freeze" weapons shipments to Ukraine, such as before a Biden-Putin summit in mid-2021, on the apparent assumption that withholding defensive articles might earn Putin's goodwill.[6] Judging by his full-on invasion of Ukraine in February 2022, Putin more likely viewed Washington's gestures as signs of weakness.

In a variation on this theme, autocrats in Beijing and Moscow also implicate the mere existence of alliances as "provocative." No doubt Moscow under Putin doesn't like the North Atlantic Treaty Organization (NATO) any more than his Soviet forebears did. He doesn't like the fact that NATO membership expanded to Russia's doorstep after the Cold War ended three decades ago either. But it would be a stretch to say that NATO, a defensive organization that has gone to war only once in its history (in response to the al-Qaeda terrorist attacks of September 11, 2001), provoked Russia to invade Ukraine. History suggests something more like the opposite: that NATO's existence helped maintain peace in Europe, exemplified by the fact that Russia has never attacked a NATO member since the alliance was founded in 1949. When Russia and Ukraine eventually transition from war to peace, key NATO countries will probably guarantee some form of security for Ukraine that ensures that the peace holds.

It is true that nations sometimes choose to go to war to prevent a rival from acquiring military capabilities that could pose a grave offensive threat over time. This dynamic fueled Israel's decision in 1981, and Washington's in 2003, to attack Iraq over its suspected development of nuclear weapons. But this is a less credible casus belli in cases where the aggressor already enjoys an overwhelming military advantage and faces little prospect of being threatened offensively by the country in question.

It is hard to conceive that Taiwan would choose to initiate a war with the PRC in coming decades. It is true that in the aftermath of the Chinese Civil War, Chiang Kai-shek and his followers dreamed of returning to the mainland from Taiwan and reversing the Communist victory of 1949. But today, Taiwan lacks anything like a capability to coerce, much less invade, the PRC. Its defense budget is about 10 percent that of China's publicly stated budget, a disparity comparable to that between Finland and Russia. Taiwan no longer harbors an ambition to build nuclear weapons. (Those dreams were definitively squelched decades ago by Washington, before Taiwan was a democracy.)

Granted, Beijing wants assurances from Taipei and Washington that Taiwan will not declare formal independence. But ever since Jimmy Carter and Deng Xiaoping established formal diplomatic relations in 1979, US policy has provided such assurances and balanced them with military deterrence of Beijing. As Xi's quotations in chapter 1 make clear, Beijing's goal — unlike Washington's and Taipei's — isn't to maintain the status quo in the Taiwan Strait but to change it. Secretary Blinken acknowledged as much at a speaking event at Stanford University in October 2022: "There has been a change in the approach from Beijing toward Taiwan in recent years," including "a fundamental decision that the status quo was no longer acceptable and that Beijing was determined to pursue reunification on a much faster timeline." This central fact must be kept front of mind in any serious policy discussion in or about Taiwan.

We must also acknowledge that Beijing's goals are bigger than annexing Taiwan. In much the way Putin has duped some Westerners into believing NATO's mere existence is an act of belligerence, Chinese officials are making a similar case today about US alliances in Asia.

American defense pacts have existed with Japan, South Korea, the Philippines, Thailand, and Australia dating back to the 1950s. It is a telling clue that Beijing is much more preoccupied with the "threat" posed by these treaties now, when China is strong, than it was in past decades when it was economically and militarily weak. This suggests Beijing views US alliances less as a threat to China's security than as an obstacle to its regional and global ambitions. Beijing's Global Security Initiative, launched in recent years, appears to be an effort to replace US alliances with a China-led security architecture for Asia.

As with Russia, Beijing's campaign to disintegrate US alliances appears to be in the service of building an empire.

The Myth of the Rogue General

Another variant of the "accidental war" shibboleth is the idea that rogue military leaders might initiate an external war for their own purposes, à la the character General Jack D. Ripper in the 1964 film Dr. Strangelove. Under this popular trope, warmongering military subordinates drag their countries into an overseas conflict against the wishes of their political leadership.

Blainey, in his investigation, found such cases to be rare as a cause of war during the last four centuries. It was true centuries ago that European empires granted generals and admirals a degree of independence in deciding whether to fight when they were far from their capitals.[7] But that was in the days before the telegraph, when communication between a monarch and his squadrons required weeks or months of transit time. A rare exception from the modern era that Blainey cites was the Imperial Japanese Army's decision in September 1931 to capture the city of Mukden (known today as Shenyang), followed by the rest of Manchuria, without receiving authorization from the government in Tokyo.[8] It was a rare case that, in any event, could hardly have been classified an "accidental" war, writes Blainey.

Could Chinese generals today go rogue and launch a war against Taiwan or Japan or the United States against Beijing's wishes? In the PRC, soldiers swear an oath not to a constitution but to the Chinese Communist Party, giving supreme leader Xi ultimate and unambiguous control of the gun. A ubiquitous new slogan chanted by Chinese soldiers goes as follows: "Obey Chairman Xi's commands, be responsible to Chairman Xi, and put Chairman Xi at ease."

Even during periods of domestic turmoil when PRC military chains of command broke down and some units fought one another inside China, such as during the Cultural Revolution (1966–76), the PRC's brief external conflicts (e.g., border clashes with India in 1967 and with the Soviet Union in 1969) were not the actions of rogue military commanders but campaigns authorized by Chairman Mao Zedong in Beijing.

In short, China has one of the most centralized systems of military command and control in the world — so much so that some foreign analysts view the lack of delegated authority as a liability for China during wartime. It seems improbable, then, that a Chinese general would go off the tracks and launch an external war. (Nor, we suspect, would he be likely to resist a command to fight if so ordered by Xi.)

Western statesmen should, in our view, worry less about potential mishaps or rogue soldiers and concentrate on addressing factors that might increase Xi Jinping's confidence that a war could be quick, relatively low cost, and victorious for Beijing.

Inflated Optimism: The Harbinger of War

World War I, because of its sheer scale and complex origins, is a favorite topic of study for scholars interested in war. Yet an easily overlooked fact about the Great War is that it was preceded by a high degree of optimism by so many of the main participants. True, there were some grim premonitions in the summer of 1914 that a collision between Europe's industrial giants would be highly destructive. It is also true that some leaders were influenced by their anxiety about longer- term national decline. But European leader after leader — regardless of what side he was on — expressed optimism that the war would be short and victorious for his respective side.[9]

"If the iron dice are now to be rolled, may God help us," said German imperial chancellor Theobald von Bethmann Hollweg on August 1, 1914, upon revealing to his federal council that Germany had sent its fateful ultimatum to Russia and France.[10] His use of the phrase "iron dice" signifies he was aware of the ever-present element of chance in war. But he also had conviction that the dice would roll in Germany's favor. He wasn't alone in his optimism. Some German military leaders estimated Germany would mostly or completely defeat France within four to six weeks and have enough forces left over to whip Russia too — regardless of whether Britain entered the war against Germany.

The short-war delusion was hardly unique to Germany. Most British ministers also expected a speedy outcome but with the roles of victors and losers reversed: they were optimistic that Germany would suffer a decisive defeat within months.[11] French leaders were confident that they had learned the lessons of the Franco-Prussian War of 1870–71 and that they could reverse the outcome with even faster mobilization and more élan in the attack. In Russia, the tsar was anxious about how a war might turn out, but his war minister, General Vladimir Soukhomlinov, publicly and privately conveyed his belief that Russia could trounce Germany within a few months. Most Russian ministers agreed.[12] There were recent precedents for short wars that fed the Europeans' prevailing sense of optimism, such as the six-month Franco-Prussian War.

But in 1914, the iron dice would roll quite differently than expected. The Great War would last more than four years and kill an estimated twenty million people, half of them civilians. Another twenty-one million would be wounded.[13] European leaders had entered the war with deliberate intention. As Blainey's research showed: World War I was no accident, only its consequences were.

Misplaced optimism of a quick and decisive victory precedes wars time and again throughout history. So confident in Russian military superiority was Vladimir Putin in February 2022 that he reportedly didn't inform many of his army commanders that they were being sent into war just days before the invasion began.[14] Russian battalions on Ukraine's border believed they were participating in a mere exercise and carried only a few days' rations.

> *In The Causes of War (third edition, 1988), his pathbreaking study on what causes outbreaks of war and peace, Geoffrey Blainey found that overweening optimism is a recurring prelude to war—and that anything that dampens it is a cause of peace.*

Autocracies and democracies alike are prone to such miscalculations. Estimations that "the troops will be home by Christmas" were indulged not only by German and other leaders in 1914, but also by American ones in Korea in 1950 and again in Afghanistan and Iraq in the early 2000s, as they calmly embarked on what would turn out to be multiyear conflicts.

Overweening optimism isn't merely an ironic footnote of history; it is an indicator that war is near — and a sign that deterrence is failing. "Why did nations turn so often to war in the belief that it was a sharp and quick instrument for shaping international affairs when again and again the instrument had proved to be blunt or unpredictable? This recurring optimism is a vital prelude to war," Blainey writes in The Causes of War. "Anything which increases that optimism is a cause of war. Anything which dampens that optimism is a cause of peace."[15]

Anger, of course, contributes to tensions in international affairs. Diplomatic slights, wounds to national pride, and other injuries can induce hostility or even hatred. But "rivalry and tension between countries can exist for generations without producing a war," Blainey observes.[16] It is optimism — specifically the optimism that important political objectives can be gained through war that cannot be gained through peace — that can actually result in a decision to wage war.

It should go without saying that public assessments by American military and intelligence officials that Beijing would prefer to achieve its goals peacefully should give us little comfort. In 1940, Adolf Hitler confidently made several peace overtures to London before having to fight the Battle of Britain. In 1941, Hitler also would have preferred it if Tokyo hadn't struck Pearl Harbor when it did. He made clear to adversaries and his inner circle alike that he would have preferred to attain many of his goals peacefully. But if warfare was needed, his goals were a higher priority than peace and, by his reckoning, worth the price of war.

This has been the case with democracies too. The United States has at numerous points in its history stated its preference for peaceful means to secure objectives that it nonetheless resorted to war to achieve. Xi's reported comment to Biden, while discussing Taiwan during their November 2023 summit in San Francisco, that "peace is . . . all well and good but at some point we need to move towards resolution more generally" carries similar overtones.[17]

Simply put, statements by or about Xi that he would prefer to annex Taiwan peacefully rather than through war should be regarded as rhetorical diet soda — cheap and calorie free.

Key Influences on a Decision for War

If Xi launches a war over Taiwan, it will be a consummate act of optimism on his part. To deter him, Taiwan and the United States and their friends should focus their efforts on eroding whichever of Xi's assumptions might contribute most to his sanguinity about war.

According to Blainey's study, national leaders, in deciding for war or peace, seemed to be strongly influenced by at least seven factors. We list those factors here and how they might impact Xi Jinping's calculus on whether to initiate a war.

1. *Military Strength and the Ability to Apply That Strength Efficiently in the Likely Theater of War*

This is probably a source of growing confidence for Xi Jinping. Beijing has been engaged in the most comprehensive peacetime military buildup of any nation since World War II, accumulating quantitative and qualitative advantages in traditional weapons like missiles, bombers, and warships, as well as advanced capabilities in space, electronic, information, and cyber warfare. Its nuclear weapons and missile expansion programs, despite reported setbacks, are growing so rapidly that China is expected to double its number of operational nuclear warheads to one thousand by the end of the decade.[18]

2. *Predictions of How Outside Nations Will Behave If War Should Occur*

The possibility that Washington enters a war over Taiwan is, in our view, Beijing's single greatest cause for hesitation. Beijing's main consideration in deciding whether to invade is probably its perception of (1) whether Washington would come to Taiwan's defense and (2) whether Washington could do so quickly enough to prevent Taiwan's fall. President Biden's public remarks — on four occasions — that the United States would defend Taiwan against a Chinese attack appear to be a calculated effort to strengthen deterrence. Future US presidents should at least match Biden's commitments or risk signaling a weakening in resolve to Beijing.

3. *Perceptions of Whether There Is Internal Unity or Discord at Home and in the Lands of Their Enemies*

Blainey's investigation shows that governments suffering from serious civil unrest preferred to avoid war if at all possible. Even for countries already at war, serious disunity at home was a powerful incentive to sue for peace. Think of Russia in 1905 and 1917, Germany in 1918, and the United States in the early 1970s. Even though China's economy is slowing, youth unemployment is high, Xi's handling of COVID was lackluster, and people are frustrated, there are few signs of the sort of social turmoil that make nations reluctant to pursue expeditionary wars. With the exception of a brief period in the fall of 2022, when street protests erupted in numerous Chinese cities against Xi Jinping's "zero-COVID" lockdowns, China appears to be socially stable. The United States, on the other hand, is facing its gravest political divisions since the Vietnam War and Watergate in the early 1970s. Leaders in Beijing are aware of these divisions (in fact, they expend significant resources to exacerbate them through disinformation operations on social media platforms). American disunity may encourage China's leaders to conclude that US politics are too fraught to forge a consensus to intervene in a Taiwan crisis. Beijing's activities to foment disunity within Taiwan, Japan, Australia, and Europe could similarly embolden Beijing and fuel its optimism about war.

4. Knowledge or Forgetfulness of the Realities and Sufferings of War

The Chinese People's Liberation Army hasn't seen significant combat since its costly punitive war against Vietnam in 1979. Contrary to conventional wisdom, this lack of recent combat experience could make a new generation of military officers more inclined to fight because they lack any visceral connection to the agony and unpredictability of war.

5. Nationalism and Ideology

Ideology in the era of Xi Jinping is laced with fatalism about the inevitability of struggle and confrontation. "Our struggle and contest with Western countries is irreconcilable, so it will inevitably be long, complicated, and sometimes even very sharp," Xi is quoted as saying in an internal military textbook.[19] Xi frequently states his confidence — overconfidence, we would argue — in the idea that Western democracies are in irrevocable decline. Xi, as mentioned in chapter 1, gave a major address in November 2021 in Beijing in which he said "no matter how strong the enemy is, how difficult the road, or how severe the challenge, the Party is always completely without fear, never retreats, does not fear sacrifice, and is undeterrable."[20] He also glorified a chilling quotation by the late chairman Mao Zedong: "Do not hesitate to ruin the country internally in order to build it anew." On the other hand, Xi's paragons — Mao and Stalin — weren't reckless in their use of military force during the Cold War. Stalin carefully read the odds and refrained from committing land troops to the war on the Korean Peninsula (1950–53). Mao sacrificed huge numbers of troops in that war after estimating (overoptimistically) that the United States could be pushed off the peninsula. But neither the Soviet nor Chinese communist parties directly fought the United States again for the duration of the Cold War.

6. The State of the Economy and Also Its Ability to Sustain the Kind of War Envisaged

China's economic dynamism is waning for reasons that are deeper than Xi's since-abandoned zero-COVID policy. Headwinds in the form of debt, unfavorable demographics, and a recentralization of economic decision making under Xi should, at first glance, auger stability in the Taiwan Strait over the long run. But first you have to make it to the long run. These economic headwinds could persuade Beijing to use its accumulated military advantages in the near term while it still enjoys them.[21] One of China's greatest advantages is its industrial capacity, which grew from half that of the United States at the turn of the century to twice America's just two decades later. China's shipbuilding capacity is more than two hundred times greater than that of the United States.[22] "Despite the economy, they are delivering significant war fighting capability," a senior US military officer told us in early 2024. The Ukraine war, meanwhile, has served to highlight the shortfalls in US weapons and munitions–manufacturing capacity.[23] Xi, as also mentioned in chapter 1, is also assembling the means to mobilize China for a major war.[24] Many of the steps his government is undertaking, including stockpiling food and other supplies and calling on individual families to do the same, might be a sign of preparation for a conflict.

7. The Personality and Experience of Those Who Shared in the Decision

Xi, who secured a third five-year term in power at the October 2022 Party Congress, is a paramount leader in the mold of Lenin, Stalin, and Mao. He controls what he explicitly calls "the tools of dictatorship" to a degree his immediate predecessors rarely did. There is little question that Xi has the personal authority to decide whether and when to fight a war over Taiwan. But would he? Many of the seven factors discussed here lean unmistakably toward that possibility. But there are also important aspects of his personality that suggest he wouldn't wage war unless he was supremely confident of the outcome. For decades, Xi has shown he has a preternatural capability for strategic patience. He climbed the ladder of power carefully without revealing to his factional power brokers the extent of his political ambition and ruthlessness. Xi is someone who rarely makes U-turns (his COVID policy is the most notable exception). But he also proceeds cautiously — zou yi bu, kan yi bu (taking a step and observing before taking another step). He is a leader who has been careful to refrain from playing a card when he might lose, though he is willing to play one when he might not win. Xi's speeches consistently reveal that he relishes hardship and struggle in a ruling party that "forged vigor and qualities of not fearing strong enemies, daring to struggle, and daring to be victorious." But whereas Putin rolled the iron dice and may yet lose in Ukraine, Xi is probably weighing those dice more carefully.

Conclusion

One of Blainey's keenest insights in The Causes of War was that a true "balance of power" between rival nations is, contrary to the soothing image the phrase conjures, often a prelude to war. A lopsided balance of power, conversely, often promotes peace. In other words, it is when nations disagree about their relative power — something they're more likely to do when they are closely matched — that conflict often erupts, with war itself serving as the instrument of measurement for deciding which side really was more powerful. That peace has prevailed for so long in the Taiwan Strait owes much to the fact that China was militarily weak through the end of the twentieth century, while the United States enjoyed disproportionate strength in the Western Pacific.

Signs abound now that the People's Republic of China and the United States are more closely matched than ever before. Tabletop exercises that, fifteen years ago, produced overwhelming US victories over Chinese forces now display results that are more ambiguous. The path to shoring up deterrence in the Taiwan Strait, then, would be for the United States and its partners to reclaim decisive means to prevail in war, and to advertise those means to Beijing.

This is the recipe Washington employed to keep the peace during the Cold War. When the conventional forces of the Soviet Union achieved numerical superiority over NATO in the 1950s, Washington doubled down on its advantage in nuclear weapons to “offset” Soviet strength in Europe. In the 1970s, when Soviet nuclear capabilities achieved parity with the United States, Washington embarked on what became known as the “second offset strategy” — this time striving for dominance in conventional arms by leveraging superior technology. The capabilities that resulted — from precision-guided bombs and stealth aircraft to advanced sensors and “Star Wars” antiballistic-missile programs — gave the US military an unambiguous advantage over the Soviets despite NATO’s numerical inferiority.

Geography affords Taiwan and its defenders an advantage that precludes the need to match the People’s Liberation Army ship for ship, warplane for warplane, and rocket for rocket. Taiwan’s relative lack of suitable landing beaches, its mountainous coastline, and the hundred-mile-wide Taiwan Strait (something Ukrainians can only envy) are favorable ingredients for cooking up another Cold War–style “offset.” Provided that Taiwan and the United States — together with its allies — have the means to turn the Taiwan Strait into a “boiling moat,” deterrence can prevail. The chapters that follow explain how.

NOTES

[1] Chris Buckley and Steven Lee Myers, "'Starting a Fire': U.S. and China Enter Dangerous Territory over Taiwan," *New York Times*, updated November 10, 2021.

[2] Antony J. Blinken, "The Administration's Approach to the People's Republic of China" (speech, Washington, DC, May 26, 2022), US Department of State.

[3] Geoffrey Blainey, *The Causes of War*, 3rd ed. (New York: Free Press, 1988), 141.

[4] Franklin Foer, *The Last Politician* (New York: Penguin Press, 2023), 72.

[5] A former senior US Department of Defense official, private conversation with Matt Pottinger, January 2024. The US secretary of defense was — appropriately, in the view of the authors of this chapter — seeking to have as his formal counterpart one (or both) of the generals serving as vice chairmen of the CCP Central Military Commission. Those men, like the secretary of defense, report directly to the commander in chief in their respective systems, whereas the position of Chinese minister of defense is junior to those generals.

[6] Betty Woodruff Swan and Paul McLeary, "White House Freezes Military Package That Includes Lethal Weapons," *Politico*, June 18, 2021.

[7] Blainey, *Causes of War*, 143.

[8] Blainey, *Causes of War*, 144.

[9] Blainey, *Causes of War*, 35–51.

[10] Karl Kautsky, ed., *Outbreak of the World War: German Documents Collected by Karl Kautsky* (New York: Oxford University Press, 1924), 439–41 (as cited by Blainey, *Causes of War*).

[11] Blainey, *Causes of War*, 37.

[12] Blainey, *Causes of War*, 37.

[13] Nadège Mougel, "World War I Casualties," Centre Virtuel de la Connaissance sur l'Europe, REPERES Project, 2011.

[14] Bill Bostock, "Kremlin Staff Didn't Expect Putin to Invade Ukraine and Were Shocked by the Severity of Western Sanctions, Report Says," *Business Insider*, March 4, 2022; Seth G. Jones, "Russia's Ill-Fated Invasion of Ukraine: Lessons in Modern Warfare," Center for International and Strategic Studies, June 1, 2022.

[15] Blainey, *Causes of War*, 53.

[16] Blainey, *Causes of War*, 291.

[17] Jeff Mason and Trevor Hunnicutt, "Xi Told Biden Taiwan Is Biggest, Most Dangerous Issue in Bilateral Ties," Reuters, November 15, 2023.

[18] Office of the Secretary of Defense, *Military and Security Developments Involving the People's Republic of China 2023: Annual Report to Congress*, US Department of Defense, October 19, 2023, viii.

[19] See Ian Easton, *The Final Struggle: Inside China's Global Strategy* (Manchester, UK: Eastbridge Books, 2022).

[20] Xi Jinping, "以史为鉴、开创未来　埋头苦干、勇毅前行," *Qiushi*, January 1, 2022, https://archive.ph/3kxGX.

[21] Hal Brands and Michael Beckley, "The Coming War over Taiwan," *Wall Street Journal*, August 4, 2022.

[22] Joseph Trevithick, "Alarming Navy Intel Slide Warns of China's 200 Times Greater Shipbuilding Capacity," *War Zone*, July 11, 2023.

[23] Elbridge A. Colby and Alexander B. Gray, "America's Industrial Base Isn't Ready for War with China," *Wall Street Journal*, August 18, 2022.

[24] John Pomfret and Matt Pottinger, "Xi Jinping Says He Is Preparing China for War," *Foreign Affairs*, March 29, 2023.

The Future of Russian Military Power

Andrew Monaghan
Global Fellow, Kennan Institute, the Wilson Center

Whither Russia's bloodied military following Moscow's assault on Ukraine? How might Russian military strategy evolve given its experiences during the war? And how will Moscow reconstitute its forces – should we expect continuity or change looking ahead into the 2020s? These questions come to the fore because, despite a decade of investment, modernisation and reform, Russia's military has both endured a series of setbacks during its assault on Ukraine but also some development and growth.

Although Moscow's forces initially seized swathes of eastern and southern Ukraine, the original plan for the Special Military Operation (SMO) appears to have failed by mid-March 2022,[37] followed by a withdrawal from the Kyiv and Zhitomir regions and a narrowing of war aims. Ukrainian counter offensives through the autumn obliged them to make further retreats and withdrawals, and to initiate a 'partial' mobilization in September. Despite continuing to wreak much destruction across Ukraine, Moscow's efforts through the winter and spring to seize the Donetsk region yielded only very slow and limited progress, eventually capturing Bakhmut in spring 2023 and then Avdiivka in 2024. Having defeated Ukraine's offensive in the summer-autumn of 2023, Russian forces are currently again on offensive.

Widely discussed problems in command and control and logistics have compounded what appears to have been flaws in the overall plan for the assault, and particularly a mismatch between the plan and the pre-assault force structure.[38] Combined with determined Ukrainian resistance, the result for the Russian military is appalling losses, especially in ground forces. The precise cost in life and limb is debated, but is certainly high; those suffering from post-trauma stress disorder all the higher. Equipment losses are likewise staggering, with over 10,000 armoured vehicles lost.[39] Enormous quantities of ammunition are also already spent. Consequently, some suggest that Moscow's armed forces are now significantly weakened, even having lost half of their combat capability.[40]

The Foundations of Russian Military Strategy

Two reference points help us to interpret broader continuity and change in Russian military strategy and power, and what we can expect to be the trajectory through the

[37] «Shoigu, Gerasimov, gde **** boepripasy?» Prigozhin prigrozil vyvesti ChVK Vagner iz Bakhmuta, TV Rain, 5 May 2023, https://www.youtube.com/watch?v=5DtilNfHbh8
[38] Kofman, M. & R. Lee, Not Built for Purpose: The Russian Military's Ill-fated Force Design", War on the Rocks, 2 June 2022, https://warontherocks.com/2022/06/not-built-for-purpose-the-russian-militarys-ill-fated-force-design
[39] Attack on Europe: Documenting Russian Equipment Losses During The Russian Invasion Of Ukraine, Oryx, https://www.oryxspioenkop.com/2022/02/attack-on-europe-documenting-equipment.html
[40] "Russia Has Lost Half its Combat Capability", Financial Times, 4 July 2023.

next five years. The first regards how Russian military strategy fits into the broader context that is guided by Moscow's Grand Strategy: without major change in the direction of grand strategy, there will be no concomitant change in military strategy.

For fifteen years, Moscow has sought to build a strategy to cope with what it has anticipated would be a highly competitive international environment, characterised by the increasing use of armed force. Indeed, the Russian political and military leadership has long expected the 2020s to be a decade of increasingly intense global competition over access to resources, transit routes and markets. Even before Moscow annexed Crimea in 2014, senior officials anticipated the prospect of war, and these assumptions have since only become more explicit. Putin stated, for instance, that changes in the world order have usually been accompanied by 'if not global war and conflict, then by chains of intensive local-level conflicts', and that global politics is "above all about economic leadership and issues of war and peace."[41]

This sense of structural shift in international affairs and emerging competition characterised by force underpins Russian strategic thinking and planning to 2030 and beyond.[42] And since launching the assault on Ukraine, senior officials, including Putin, have frequently emphasised the view that Russia is now locked in a geopolitical confrontation with the West, one not limited to the Euro-Atlantic region, but global in aspect. The confrontation is not European in nature, but global, encompassing the Arctic and what Moscow still calls the Asia-Pacific region, especially through the establishment of AUKUS (Australia, the United Kingdom, and the United States) and U.S. efforts to provoke China regarding Taiwan's independence.[43]

This grand strategic horizon informs how the Russian leadership shapes its capabilities and assets. To be sure, Moscow has often used its military poorly and set its tasks for which it was not prepared, and that is unlikely to change. Even so, military power is seen as an essential tool of statecraft, one used alongside diplomatic, economic, and others to achieve the goals of the state.

This leads to the second point: Russian military strategy is guided and shaped by a series of long-running and familiar debates, for instance, about the dominance of the offensive or defensive, and the influence of technology or morale. The most important of these debates regards the advantages offered either by a 'strategy of destruction,' seeking a short, knock-out blow or a 'strategy of exhaustion' in a longer war. Through the last century, each of these approaches has had periods of fashion and prominence, and rejection and taboo.

Russia's assault on Ukraine since February 2022 has highlighted the tension between the two approaches: an initial 'blitzkrieg' type offensive to seek a fast conclusion, which,

---

[41] "Zasedanie Mezhdunarodovo diskussionnovo kluba "Valdai", Website of the Presidential Administration, 24 October 2014, http://kremlin.ru/events/president/news/46860
[42] "Statya Sekretarya Soveta Bezopasnosti Rossiiskoi Federatsii v "Rossiiskoi Gazete", 17 November 2019, http://www.scrf.gov.ru/news/allnews/2677/
[43] For instance: "Zasedanie Mezhdunarodovo diskussionnovo kluba "Valdai", Website of the Presidential Administration, 27 October 2022, http://kremlin.ru/events/president/news/69695

having failed, was followed by a shift to a more attritional approach. This shift was reflected not only in much political rhetoric about a long, 'Fatherland' type war, but also more practically in a 'partial' mobilisation of 300,000 men and the moving of the defence industry onto a war footing.

This was the context also for the announcements by Putin and then-Defence Minister Shoigu in December 2022 about their plan for the 'progressive development' of the armed forces. Putin emphasised that the experiences from Ukraine, Syria, and Nagorno-Karabakh be incorporated into the armed forces. For his part, Shoigu stated his intention to re-organise command by establishing two new strategic groups of forces in the Moscow and Leningrad military districts, and an army corps in Karelia. Underlining the shift to a greater scale of effort, he indicated changes to conscription and a target of 1.5 million personnel in an armed forces characterised by divisions. The target date for these 'developments' is 2026.[44]

It is hard to see how these plans will be implemented in practice, certainly in terms of their full scope. Through the 2010s, Moscow struggled to recruit the planned quantity of contract soldiers, little has changed to make that process easier; reforming and training the officer corps after the losses against Ukraine will require a major effort on its own. But it does serve to underline Moscow's intended emphasis on scale, and, perhaps, a shift to a 'strategy of exhaustion.'

Two important questions emerge from this, though, as we seek to interpret Russian military strategy and power. The first regards when Moscow began to lean towards focusing on scale. Rhetorically, in fact, even in 2014 and 2015 senior military officers were referring to the contemporary relevance of lessons of the Great Patriotic War. Practically, the military leadership began to unpick the New Look reforms, trying to revert to divisions and, in 2018, overturning a decision to scrap 6,000 Soviet-era armoured vehicles in storage, instead modernising them for a return to service.[45]

The second relates to how the state might seek to achieve its plans, and the answer appears to lie in a shift to what might be called a 'patriotic war footing' and an intensified whole-of-state effort to provide socio-economic support for the reconstitution of military power. The economy is not mobilised – Moscow currently appears to be seeking to fight this SMO with only limited economic investment. But the Russian leadership has mobilised the defence industry, and increased investment in the defence sector. Putin has emphasised that there are "no funding restrictions" on the 'progressive development' plan,[46] and promoted economists and industrialists to senior positions in defence to oversee this investment. To be sure, sanctions and sluggish economic growth will create limitations, but even when the economy is in dire straits, state investment in defence and security traditionally remains high.

---

[44] "Zasedaniye kollegi Ministerstva oborony", Website of the Presidential Administration, 21 December 2022, http://kremlin.ru/events/president/news/70159

[45] "Tankovyi manyovr", *Nasha Versiya*, 23, 16 June 2018, https://versia.ru/rossijskaya-armiya-vozvrashhaet-v-stroj-6-tysyach-ustarevshix-boevyx-mashin

[46] "Zasedaniye kollegi Ministerstva oborony", Website of the Presidential Administration, 21 December 2022, http://kremlin.ru/events/president/news/70159

Alongside the draft of the 'partial' mobilisation, Moscow has sought to garner a form of societal support for the military effort. The role of the Russian Orthodox Church, as well as Yunarmiya, a youth military-patriotic social movement, are important aspects of this 'patriotic war footing'. The All-Russian Popular Front is another such socio-political movement that seeks to provide support for the military and war effort. The implications are both growing militarisation of society and, likely, a more ideological flavour to the armed forces.

Continuity and Change in Russian Military Power

The way the current war continues to evolve will certainly influence the shape and character of the Russian armed forces, especially if there is a further escalation, for instance through a greater mobilisation effort. But Russian military strategy is evolutionary in nature, taking shape over a longer-term arc, guided by many factors including history, geography and changing international political conditions. It evolves through victory or defeat in individual wars, and even across the divides caused by radical changes in the Russian political leadership. So, we should be wary of assertions that Moscow has suddenly developed a 'new' theory of victory as a result of its experiences in Ukraine.

Instead, as noted, the starting point should be Moscow's grand strategic approach and forecasts about international affairs for the next decade, combined with Shoigu's 'progressive development' agenda. Russia's military leadership has outlined its thinking about the next three to five years, and these offer guide ropes for Western thinking, set against the context of the history and culture of Russian military strategy.

Some things will not change much. Moscow, like all other capitals, will continue to find that strategy is difficult: whatever the developments that result from the development agenda, Russian military power will continue to be inhibited, even afflicted, by numerous problems. These include accurately conceptualising the changing character of war and preparing for a future war, and the inherent difficulty of converting that theory to practise: organising the logistics for the supply and deployment of forces over long distances, and command and control, both in terms of coordinating commands, and indecision, negligence and sloppiness in the chain of command. The Russian military leadership has wrestled with such challenges for the last 150 years or more; it is unlikely to be able to suddenly resolve them in the next five.

Nevertheless, some points are clear and likely to become more visible. The modernisation of the strategic nuclear triad has long been a priority focus for Moscow and will remain a source of (deterrent) strength. Even so, this is likely to evolve, with greater reliance on nuclear capability through the mid 2020s. There is, for instance, already discussion in Russian military circles about how to enhance nuclear deterrence measures and "expand the repertoire of nuclear muscle-flexing options."[47]

[47] Adamsky, D. "Russia's New Nuclear Normal", Foreign Affairs, 19 May 2023, https://www.foreignaffairs.com/russian-federation/russias-new-nuclear-normal

Second, while the ground forces have suffered extensive losses, large parts of the Russian aerospace forces and especially the navy have not been committed to the assault. Indeed, one noteworthy shift may well be that the navy will take a more prominent role in Russia's military posture. Moscow sought to re-establish Russia as a maritime power through the 2010s, and the navy has benefited from significant investment. Although it still faces a range of problems, it is now once again a substantial force both in terms of numbers and capabilities.

Moreover, the navy's role has grown in Russia's military strategy. Traditionally, it has been a junior service, but in the second half of the 2010s, the military leadership has sought to shape a more flexible strategy, basing campaigns not just on the ground forces but on the most relevant service in the circumstances – which, in theory, opened the door to the navy to play such a role.

The navy's role now includes conventional and nuclear deterrence, diplomacy and defence engagement through long-range deployments and exercises (including recently with Iran, China, and South Africa), and intelligence and research missions across the globe. In terms of warfighting, the navy's tasks have also evolved, and now includes not only the defence of Russian coasts, the protection of Russia's ballistic missile capability and support for the ground forces, but also a more offensive task to destroy enemy land-based facilities at long range.

The Russian navy has played an important role in the campaign in Syria, and, although it is largely being fought on land, the war against Ukraine. Russian naval activity in the Atlantic has grown significantly, and poses a multifaceted challenge. With this in mind, it is noteworthy that Moscow points to challenges that are essentially maritime in nature: the Northern Sea Route, AUKUS, and Taiwan. Indeed, more broadly, Western sanctions have accelerated Russia's dependence on the sea.

Conclusions

One of the most difficult challenges in shaping deterrence and defence will be to recognise quite the extent to which the Euro-Atlantic community and Russia now live in different worlds and the practical implications of this divergence. One illustration of this is how the war in Ukraine is understood. For many in the Euro-Atlantic community, it is a war being fought in Eastern Europe, albeit with wider economic effects across Europe, and with some influence on the wider global situation, especially in terms of grain and diplomacy with the so-called 'Global South'. Ukraine's territory and sovereignty is the core question, and while Russia represents an immediate and acute threat to Euro-Atlantic security, for many, it is China that is the real global challenge.

For Moscow, however, a long anticipated and long-term global geo-economic contest is underway, with fighting currently underway in Ukraine. The war in Ukraine is part of a wider struggle for the shape of the international order; it is the first real salvo in that struggle. To accurately interpret Moscow's intent, it is important to recognise the geo-economic and maritime aspects of the war, especially the control of the Sea of Azov, and connect that to efforts further afield in the Pacific and Indian Oceans and in Africa.

Despite enduring a number of setbacks, Russia retains considerable capability. Moscow's explicit rejection of the Euro-Atlantic community's policies and values, as well as its assumptions about the trajectory of international affairs, means that it will continue to pose a challenge to the Euro-Atlantic community that is global in scope. This is what will shape military strategy and the reconstitution and development of the Russian military across the next five years. Scale and state resilience will be the primary characteristics, and military power will be backed by state provided socio-economic and cultural, not to say ideological, support and linked to global economic interests. The Euro-Atlantic community should anticipate encountering Russian capabilities including elements of military power not only in the Euro-Atlantic region, therefore, from the Arctic to the Black Sea, but across the world, especially at important transit and choke points. A multi-dimensional contest for the global commons is underway.

Tawian and the True Sources of Deterrence[48]

Why America Must Reassure, Not Just Threaten, China

Bonnie Glaser, *Managing Director, Indo-Pacific Program of the German Marshall Fund*,
Jessica Chen Weiss, and Thomas Christensen

The growing might of China's military and its increasingly aggressive posture toward Taiwan have made deterrence in the Taiwan Strait a tougher challenge than ever before. It is incumbent on the United States to support Taiwan's efforts to develop a defensive "porcupine strategy." Washington can help Taiwan's military stockpile and train with coastal defense and air defense weapons, field a robust civil defense force, and create strategic reserves of critical materials such as food and fuel to deter and, if necessary, defeat an invasion or blockade of the island. The U.S. military should also better prepare to cope with China's expanding arsenal of missiles that pose a threat to U.S. regional bases and even aircraft carriers by creating a stronger, more agile, and more geographically dispersed military presence in the region.

But deterrence is not just a matter of weapons in arsenals, boots on the ground, planes in the air, ships at sea, or strategies on the planning table. Signaling a credible military threat is only part of a successful strategy of deterrence. It also takes assurances to keep potential adversaries at bay. A threatened state has little incentive to avoid war if it fears the unacceptable consequences of not fighting. As the Nobel Prize–winning economist Thomas Schelling wrote years ago, "'One more step and I shoot' can be a deterrent threat only if accompanied by the implicit assurance, 'And if you stop, I won't.'"

In truth, the more powerful and credible one's threat of military action, the more important and the more difficult it is to credibly assure the potential adversary. The three parties involved in the Taiwan Strait are not providing one another with sufficient assurances. For example, to enhance deterrence, Washington must make clear that it opposes any unilateral change to the status quo, not only an attempt by Beijing to compel unification but also a political move by Taipei to pursue independence. And as the United States works with Taiwan to strengthen its security, it must avoid giving the impression that it is moving toward restoring formal diplomatic relations or a defense alliance with the island. Combined with a conditional and credible threat of a military response by the United States and Taiwan to the use of force, such assurances will help prevent a war.

Ill-advised statements made in the past by former and current U.S. officials suggesting that the United States should formally recognize Taiwan as a sovereign state or restore a clear alliance commitment to defend the island would, if adopted, undercut assurances and weaken deterrence as surely as would a lack of military readiness. U.S. military threats will lose their potency if Chinese leaders believe that the United States will take advantage of their restraint to promote Taiwan's formal independence or to prevent

[48] This essay originally appeared in Foreign Affairs on November 30, 2023

unification under any circumstances, even if it were to result from peaceful, uncoerced negotiation. Beijing may determine that refraining from an attack would mean it would forever lose the possibility of unification or would allow the United States to restore something akin to a defense alliance with Taiwan. And if China comes to that conclusion, then Washington's focus on beefing up military power in the region may still fail to prevent a war.

Damned If They Do, Damned If They Don't

'Although the logic of deterrence through brute strength is intuitively appealing, both theory and history show that the threat of punishment fails to deter if it is not paired with assurances that those same military capabilities will not be used to in some way hurt the other side. "The purpose of combining conditional assurances with conditional threats," the political scientist Reid Pauly has noted, is to "present a choice; one that does not lead the target to believe they are 'damned if they do, and damned if they don't.'"

For effective deterrence, both threats and assurances must be credible. As the scholars Matthew Cebul, Allan Dafoe, and Nuno Monteiro have noted, "Power boosts the credibility of threats but undermines that of assurances." This dynamic is what political scientists have long described as the security dilemma. To issue credible threats and assurances simultaneously, leaders must cultivate "a reputation for restraint in the face of compliance" rather than simply a reputation for unconditionally inflicting punishment. And it is precisely because the United States should bolster and diversify its military presence in the region and help strengthen Taiwan's defenses that it must also provide clearer and more persistently conveyed assurances.

Beijing, Taipei, and Washington are all focused on demonstrating resolve and building convincing wartime capabilities to signal their preparedness and willingness to use force. Beijing hopes to prevent Taiwan from further consolidating its separation from the mainland, while Taipei and Washington hope to deter Beijing from attacking Taiwan to force unification. Yet all three parties have neglected corresponding efforts to signal to one another that these military preparations are not meant to alter the status quo or to preclude the prospect of an eventual peaceful resolution of cross-strait differences. To be sure, leaders on all sides have, to some extent, continued to offer assurances to one another. Senior Biden administration officials have reaffirmed that the United States does not support Taiwan's independence; Chinese leaders have reiterated that "peaceful reunification" remains their preferred option (although they tend to regard coercive efforts, short of war, as still peaceful); and leaders in Taipei have refrained from pushing for formal independence. Unfortunately, officials in all three capitals have also expanded the scope of what they believe are legitimate measures to signal resolve in response to perceived threats, fueling a potentially dangerous spiral of actions and reactions. Beijing, Taipei, and Washington have not reiterated key statements that once made an eventual peaceful resolution at least conceivable. Such assurances were never meant to promote a near-term resolution or to specify the details of any eventual resolution; they were meant to convey that there still might be peaceful ways of settling cross-strait differences.

For instance, Beijing's proposals regarding the governance of a future Taiwan unified with the mainland have grown less generous over time. The "one country, two systems" offer that Beijing made in a 1993 white paper included allowing the island to "have its own administrative and legislative powers, an independent judiciary, and the right of adjudication" as well as "its own party, political, military, economic, and financial affairs," and a pledge that Beijing would not send troops or administrative personnel to be stationed in Taiwan. The former assurance disappeared in China's 2000 white paper on the topic, and the latter was removed in its 2022 iteration. "One country, two systems" was never a popular concept in Taiwan, and it has become even less so now that Beijing has tightened its hold on Hong Kong, where it had pioneered the approach. Combined with increasingly aggressive and frequent Chinese military operations near Taiwan, the failure to offer more attractive options for Taiwan's future only makes Beijing seem both more threatening and less trustworthy.

As for Taiwan, the ruling Democratic Progressive Party has a long tradition of supporting independence, but since 1999 it has ceased calling for the creation of a Republic of Taiwan and instead maintains that Taiwan, formally known as the Republic of China, is already an independent sovereign state. The current DPP president, Tsai Ing-wen, has refrained from seeking formal independence and has sought to alleviate Beijing's worst fears, adhering to her 2016 pledge to act in accordance with the Republic of China's constitution, which defines China as including both sides of the strait. At the same time, she has refused to accept the "1992 Consensus," an alleged understanding between representatives of Beijing and the KMT (Kuomintang, the Chinese Nationalist Party) that mainland China and Taiwan belong to one and the same country even as they disagreed about whether that country was the Republic of China or the People's Republic of China.

DPP members and many scholars dispute that such a consensus ever existed. Still, Beijing accuses Tsai of altering the status quo by failing to accept the 1992 consensus, which her rivals in the KMT continue to endorse. And although she has resisted pressure from radicals in her own party to pursue measures that would likely be interpreted in Beijing as moves in the direction of independence—such as ceasing to use the Republic of China national anthem or insisting on the use of the moniker "Taiwan" rather than "Chinese Taipei" at international sporting events—Tsai has allowed the teaching of Taiwan's history separate from the history of China in high schools.

And questions remain about the sustainability of Taiwan's restraint in the future. The current DPP vice president and front-runner in the presidential election scheduled for January 13, 2024, Lai Ching-te, has in the past advocated for independence more stridently than Tsai, describing himself in 2017 as a "political worker for Taiwan independence." More recently in July 2023, Lai told supporters at a campaign event that his party's ambition is to have a sitting president of Taiwan "enter the White House," which implies his goal is to upgrade Taiwan's relationship with the United States, raising alarm in Beijing and prompting a request for clarification from Washington.

As for the United States, the Biden administration has regularly reiterated that it "does not support Taiwan independence" and opposes unilateral changes to the status quo by either side. These statements are consistent with the traditional U.S. policy of "strategic ambiguity" in which the United States avoids specifying under what conditions it would intervene in a cross-strait conflict and thereby does not give a green light to independence advocates in Taiwan or provoke Beijing by appearing to restore the U.S. alliance commitment to Taiwan. But the credibility of those statements has been called into question by Biden's repeated insistence that the United States would come to Taiwan's defense if attacked because it made a commitment to do so, even though the United States has not had a formal obligation to defend Taiwan since it abrogated the alliance with Taipei in 1979 as a precondition to normalizing diplomatic relations with Beijing. Biden administration officials have also noticeably failed to confirm that the United States would accept any peaceful resolution of cross-strait differences achieved through negotiations and without coercion. The Biden administration's omission of this assurance has increased Beijing's suspicions that Washington would never accept any form of cross-strait integration, even if achieved through nonviolent means. So have statements by Ely Ratner, the assistant secretary of defense for Indo-Pacific affairs, that Taiwan is "located at a critical node within the First Island Chain" in the Western Pacific, implying that the island is strategically indispensable to the defense of U.S. allies and thus no form of unification would be acceptable to the United States.

Chinese officials no doubt perceive Washington's efforts to strengthen ties with Taiwan and pursue a stronger military posture in the region as a serious demonstration of resolve. But U.S. actions, paired with the rhetoric of American officials, have also raised fears in Beijing that the United States seeks to "use Taiwan to contain China," as China's State Councilor and Foreign Minister Wang Yi charged at a press conference in August 2022, and to restore something akin to the alliance that existed with Taipei before 1979. Some analysts in Beijing fear that recent U.S. attempts to reopen high-level diplomatic channels with Beijing merely mask continued efforts to weaken China and prevent even peaceful unification from ever occurring. Such fears are exacerbated by statements by members of the U.S. Congress, former senior officials, and leading scholars who call for everything from restoring official relations with Taiwan to resurrecting the U.S. alliance with it to stationing large numbers of U.S. forces on the island.

Doubts and Fears in the Strait

To shore up peace and stability in the Taiwan Strait, all sides must recognize that credible assurance is essential for effective deterrence. Credible assurance is not a reward or a carrot. It is a guarantee that a threat is fully conditional on the behavior of its target. Such assurances are not the same as trust-building measures, which are incremental compromises made in a gradual and reciprocal manner. By contrast, an assurance does not have to be reciprocated, as it is not a concession or an effort to build trust. It can and should be made unilaterally to strengthen deterrence, as long as it does not weaken the credibility or capacity to respond to perceived threats. On its own, a credible assurance would strengthen deterrence. If reciprocated, it could, over time, build trust among the parties and reduce tensions.

Beijing has long threatened to adopt "nonpeaceful" means if Taipei appears to be pursuing permanent separation or formal independence. But the Chinese military buildup and intense military drills near Taiwan have fueled fears that Beijing is shifting from a policy of deterring any pursuit of independence by Taiwan to compelling unification through coercion or military force. As these doubts and suspicions multiply, all sides will lose the incentive to avoid provocative moves. When Beijing fails to reassure Taipei that its military preparations are not a harbinger of a coming attack, it undercuts incentives for people in Taiwan to support moderation by its political leaders. The lack of credible Chinese assurances also strengthens the hand of American politicians and commentators who want to scrap strategic ambiguity, upgrade ties with Taiwan from unofficial to official relations, and restore defense commitments to the island akin to those that obtained before 1979.

To strengthen the credibility of Beijing's commitment to a peaceful process, China should dial back its military operations near Taiwan. Having used such operations to register displeasure with U.S. Speaker of the House Nancy Pelosi's visit to Taiwan in August 2022, Chinese air and naval exercises should be reset to the two-decade practice of tacitly observing the Taiwan Strait centerline. Beijing also codified into a 2005 law its right to use force against Taiwan if it perceives that peaceful unification is no longer possible. The vague conditions and implied impatience of such a threat have failed to convince people in Taiwan that the island will not be attacked as long as they do not attempt to permanently separate from China. Without such an assurance, Taipei has less reason to refrain from pursuing unilateral changes in the status quo. China should revise this language to incorporate the assurance that as long as Taiwan does not pursue formal independence, Beijing will not use force. If Beijing's leaders truly prefer peaceful unification with Taiwan, as they continue to claim, they should keep the door open to precisely that outcome.

For its part, Taiwan must accompany needed measures to bolster its defense with credible assurances to Beijing that as long as the Chinese military refrains from attacking Taiwan, Taipei will not pursue independence or permanent separation. Taiwan should refrain from potentially provocative actions, such as holding a referendum to change its official name, the Republic of China, or revising its territorial claims to exclude mainland China—changes that would indicate a declaration of formal independence. Regardless of who is elected Taiwan's next president, Taipei will need to convincingly reassure Beijing that it has no intention of fundamentally altering the status quo. But the need for such guarantees will grow in the event of the victory of Lai, the DPP candidate; Chinese officials deeply mistrust him since he has endorsed the pursuit of formal independence for Taiwan in the past. The pledge that Lai made, in an October 2023 speech in Taipei at a dinner attended by nearly 100 foreign dignitaries and guests, to maintain Tsai's cross-strait policy, with its emphasis on refusing both to bow to Chinese pressure and to provoke Beijing, is a good start. If elected, Lai could use his inaugural address to reaffirm the commitments Tsai made in her inaugural speech in 2016 to conduct cross-strait affairs in accordance with the Republic of China's constitution and the 1992 act governing relations between the two sides of the strait, Taipei's law on how the island should manage relations with Beijing.

As Taiwan strengthens its military deterrent—including by increasing its ability to withstand a blockade and to defeat an invading Chinese force—it must also implement additional measures to reinforce the credibility of its assurances. In August, Lai took a step in the right direction when he made his stance on the naming question clear: "President Tsai has used the term Republic of China (Taiwan) to describe our country. I will continue to do so in the future." This and other statements provide China with rhetorical assurance, but because his party's 1991 charter still calls for the creation of a "Republic of Taiwan" and a new constitution, doubts persist in Beijing about his willingness to hold to this position as president. If he wins the election, Lai should consider revisiting a proposal made by DPP legislators in 2014 to suspend the independence clause in the 1991 party charter, a nonbinding and reversible step that would give any rhetorical commitment to the status quo more weight and credibility. Such a step could also be part of a gradual, reciprocal process to reduce tensions and build trust, as advocated by Richard Bush, the former chairman of the American Institute in Taiwan.

Just as the United States must not rule out the possibility of an eventual peaceful integration of the two sides of the strait (as long as such a move has the assent of the people of Taiwan), Taipei should also not take actions that would permanently foreclose that outcome. To deter war, Taiwan must allow leaders in Beijing to believe that peaceful unification remains possible.

Discretion and Discipline

As the third party to this dispute, the United States must also think carefully about its mix of threats and assurances. Its priority is to prevent the Chinese military from attacking Taiwan, but deterrence will not work if Beijing does not believe U.S. assurances. For instance, it is in the United States' interest for China to remain hopeful that sometime in the future it might be able to resolve its differences with Taiwan without resorting to violence. China would have to persuade Taiwan's public of the merits of some form of peaceful integration—a hard sell, but not impossible given China's economic clout and the possibility that a more attractive government may someday emerge in Beijing. To the extent that Washington can influence Chinese President Xi Jinping's thinking on this crucial issue, it should do so; the United States should avoid making statements or taking actions that could lead Beijing to conclude that unification can only be achieved through force.

Consistent with its "one China" policy of not supporting an independent Taiwan or seeking to restore a formal alliance with Taipei, the U.S. government should not use in its official communications symbols of Taiwan's sovereignty, such as the flag of the Republic of China, or refer to Taiwan as either a country or an ally, as the Trump administration did in a 2019 Defense Department report. If U.S. officials do so inadvertently, such as when U.S. Secretary of State Antony Blinken referred to Taiwan as a country on two occasions in 2021, a correction should be swiftly issued. An example of the laudable handling of such a blunder was the White House's admission that it made an "honest mistake" after including the image of the Republic of China flag in a tweet about the United States supplying COVID-19 vaccines to Taiwan that same year. And since Beijing fears that Taiwan may merely be a pawn in a wider American game of containment, U.S. officials should not imply that Taiwan is a strategic asset essential to U.S. national security.

The Biden administration insists that it has made no changes to the "one China" policy. But Biden's remarks have repeatedly broken with strategic ambiguity and mischaracterized U.S. policy. During an August 2021 interview with ABC News, Biden stated, incorrectly, that the United States has a treaty commitment to defend Taiwan, comparing the U.S. "sacred commitment" to the pledges it has made to Japan and South Korea. In the most egregious misstatement of U.S. policy on Taiwan to date, Biden told reporters in November 2021 that Taiwan "is independent" and "makes its own decisions," a description that contravenes long-standing U.S. policy that does not recognize Taiwan as an independent, sovereign state.

These statements do far more to undermine deterrence than they do to bolster it. Beijing has long anticipated that Washington will intervene if China tries to force unification. The Taiwan Relations Act, a law Congress passed in 1979 to define the now informal relations between Washington and Taipei after the normalization of relations between Washington and Beijing, states that "any effort to determine the future of Taiwan by other than peaceful means, including by boycotts or embargoes," would be considered a "threat to the peace and security of the Western Pacific area and of grave concern to the United States." The U.S. commitment to Taiwan does not need further clarification or beefing up, and certainly no U.S. official should invoke or even suggest anything akin to a restoration of a formal alliance. Such an unqualified commitment to Taiwan could be seen on both sides of the strait as a green light for more strident pro-independence voices in Taiwan to pursue a formal separation from China.

The U.S. government should provide a comprehensive and high-level statement laying out its "one China" policy and explaining why Taiwan matters to the United States in language that is comprehensible to the American people, beyond the rote repetition of the U.S. "one China" policy as comprising the Taiwan Relations Act; the three U.S.-China joint communiques in 1972, 1979, and 1982; and the Six Assurances that the Reagan administration gave to Taipei in 1982. A more complete statement, such as a speech by the national security adviser or the secretary of state, should restate the positions that Biden has reportedly made clear to Xi, including that the United States does not support Taiwan's independence, opposes any unilateral change to the status quo by either side, does not pursue a "two Chinas" or "one China, one Taiwan" policy, and does not seek to use Taiwan as part of a strategy to contain China or embolden Taipei to push for independence. Such a statement should include the assurance provided by prior administrations that the United States will accept any outcome reached peacefully by both sides and that has the assent of the people of Taiwan.

Until recently, no Biden administration official had publicly called for the resumption of cross-strait dialogue to reduce misunderstandings and manage problems, a position that was central to U.S. policy before the Trump administration. It is welcome that American Institute in Taiwan Chair Laura Rosenberger, in a roundtable with the media in Taipei in October 2023, said that the United States supports cross-strait dialogue and called on Beijing to start a dialogue with Taiwan. Even though Beijing is responsible for the breakdown of cross-strait dialogue, the failure of the United States to encourage a return to talks has been interpreted by Beijing as further evidence that Washington does not want the two sides of the strait to settle their disputes. If Beijing believes that

Washington does not truly want cross-strait tensions to be resolved, it will be much harder for the United States to deter an attack on Taiwan.

U.S. officials should also work to ensure that Taiwan does not upset the status quo. Taiwan has laudably begun to strengthen its defenses under Tsai, but her administration has also tactfully refrained from pushing pro-independence initiatives. That marks a departure from her DPP predecessor as president, Chen Shui-bian, who held a referendum in 2008 on pursuing membership in the United Nations under the name Taiwan, rather than the Republic of China, which was rightly interpreted by both Beijing and Washington as a ploy to promote independence. Since the UN is an international institution for which statehood is a requirement for membership, to apply under the name Taiwan instead of the Republic of China would assert the full sovereign separation of the island. If a future government of Taiwan or key political figures appear to be promoting such a change in the status quo, U.S. officials should voice concerns in private, in public, or both. The United States should never coordinate its Taiwan policy with Beijing, but if a rebuke to Taiwan about unilateral efforts to assert independence is delivered only privately, Washington should inform Beijing of that admonition through diplomatic channels so that American assurances remain credible.

The United States could be more transparent about the parameters of its "unofficial relationship" with Taipei, including self-imposed limits on visits to Taiwan by the U.S. president, vice president, secretary of state, and secretary of defense. Taiwan's president and vice president have long been permitted to make transit visits through the United States en route to other countries, but they do not visit Washington. Such transits are private, unofficial, and arranged for the "safety, comfort, convenience, and dignity of the traveler," according to the U.S. State Department. As such, these transits should not be occasions for large-scale, public, politically charged events. Following this precedent and acting consistently will make more believable the U.S. position that the United States is not treating Taiwan as it would a sovereign, independent state.

U.S. officials, including members of Congress, should refrain from making statements that are inconsistent with the Taiwan Relations Act. Resolutions calling for the United States to recognize Taiwan as an independent sovereign state or provide an unconditional defense commitment ironically weaken deterrence by suggesting Washington intends to restore the alliance with Taipei that it abrogated in 1979. Legislation should focus on helping Taiwan defend itself and on bolstering U.S. military capabilities in East Asia in ways that are consistent with the Taiwan Relations Act, while avoiding symbolic actions that do nothing to strengthen Taiwan or U.S. forces but could undermine the credibility of U.S. assurances to China.

Just as the executive branch does not send the holders of the top four positions in the U.S. government to Taiwan, similarly, as a matter of policy, Congress should not send to Taiwan the president of the Senate (who is also the vice president of the United States), the Senate president pro tempore, or the Speaker of the House. There are sufficient informal channels for these officials to give and receive messages from Taiwan and to support Taiwan without providing a convenient occasion for Beijing to ratchet up military pressure while blaming Washington and Taipei for sparking tensions. Such expressions of U.S. support for Taiwan are counterproductive as they only make the island less secure.

True Deterrence

Some policymakers and analysts make the mistake of conflating assurances with appeasement or outright capitulation. This is wrong-headed. Alongside credible threats, credible assurances are an integral part of deterrence. Given the dramatic ongoing modernization of the Chinese military and China's increasing assertiveness, the United States needs to strengthen its military posture in East Asia and assist in improving Taiwan's defensive capabilities and helping the island withstand a potential blockade. The United States will need cooperation from regional allies to make necessary adjustments in its military posture. But failure to provide assurances to Beijing about the purpose of such adjustments will reduce the likelihood of allied cooperation—and make China harder to deter.

Many might argue that assurances would signal weakness and invite Chinese aggression. On the contrary, these assurances would help strengthen a deterrence strategy that includes reinforcing the U.S. military presence in East Asia and hardening Taiwan's defense. It is precisely because tough measures are needed that it is imperative that Washington and Taipei accompany them with productive diplomatic ones, assuring Beijing that it will not be punished if it forgoes the use of force.

Meeting the Challenge of Russian-Chinese Strategic Partnership

Thomas Graham

Distinguished Fellow, the Council on Foreign Relations

The United States faces no greater strategic challenge today than the burgeoning partnership between China and Russia. China is providing Russia dual-use items that have enabled it to continue to produce the weaponry it needs for war against Ukraine. Chinese consumer goods, including most prominently cars and smartphones, have filled the vacuum left by departing Western brands, thus helping the Kremlin avoid the popular discontent that might undermine the war effort. Russia, for its part, is exporting greater volumes of oil and gas to China at discounted prices, as well as sophisticated military equipment, thereby bolstering China's challenge to the United States. Meanwhile, the two countries are coordinating their policies at international fora and reinforcing each other's disinformation campaigns in a joint effort to erode the foundations of the U.S.-led rules-based world order and dispute U.S. global leadership.

Although the Intelligence Community has warned of the growing threat of China-Russia partnership, U.S. administrations have yet to take it very seriously. Policy toward the two countries is still made in bureaucratic silos, with little thought given to the impact of one on the other. The result is a policy of dual containment, which aims to erode Russia's capacity for aggression abroad by isolating it, while denying China the technology and other resources to compete successfully for global leadership. The net effect, however, is to drive the two countries closer together in a more dangerous collective challenge to the United States.

The reason for this approach is two-fold. First, U.S. policy-makers do not believe that the partnership is sustainable. The prevailing view is that historical grievances, nationalist fervor, and racial prejudices will eventually undermine relations. Russian pride will not allow it to accept junior status to a China that is outpacing it in most dimensions of power. Second, U.S. policy-makers have little respect for Russian power. In their assessment, it adds little to the challenge they face from China alone. Russia is a persistent threat to be dealt with harshly; China is a near-peer strategic competitor to be managed carefully.

Both views overlook important truths. The partnership has been growing since the last years of the Cold War, when the two countries came together to stymie the US practice of playing them off against each other to advance its strategic goals. Russia and China signed a Treaty of Good-Neighborliness and Friendly Cooperation in 2001 and settled disputes along their 2,600-mile-long border in the 2000s so that each could focus on the challenge the United States posed in their most important strategic theater, Europe for Russia and the Western Pacific for China. The pace picked up after the West imposed sanctions on Russia for its illegal annexation of Crimea and instigation of rebellion in Eastern Ukraine in 2014. They went into high gear after Russia's full-scale invasion of Ukraine in February 2022 and the ensuing rupture with the West.

In recent years, relations have been institutionalized, with regular meetings between the top leaders—Putin and Xi Jinping have met more than 40 times in the past decade—frequent meetings between parliamentary leaders, and ongoing discussions in joint working groups. Bilateral trade is booming. It rose to $240 billion in 2023 from just over $100 billion in 2018. Most of it is conducted in rubles or yuans, as the two countries seek to limit the role of the dollar in their commercial relations and erode its standing as the primary international reserve currency. Meanwhile, the two countries' militaries are conducting more frequent and ambitious joint exercises, including joint strategic air and maritime patrols, and have stepped up defense-industrial cooperation. The "comprehensive partnership of coordination in the new era," as they now call their relations, may eventually fall victim to latent tensions, but for the foreseeable future it will thrive on deeper mutual frictions with the United States.

As for Russian power, the country might be in decline, but it still retains impressive strengths, which are of great value to China. Russia is selling China sophisticated weapons it is not yet capable of producing on its own, such as the advanced Sukhoi SU-35 jet fighter and S-400 air defense system. Russia is helping China erect a ballistic missile early warning system, which when complete will make China one of only three countries to have such a system, Russia and the United States being the other two. China continues to benefit from Russian advanced jet engines and submarine technology, which is more sophisticated than its own. In addition, Russia is a vast store of critical natural resources, which China requires to fuel its robust economy. Because of Russia's rupture with the West, China can obtain these resources at a sizable discount. They also come with the added advantage that they can be imported over land—and are thus invulnerable to interdiction by the U.S. Navy.

In short, the China-Russia strategic partnership will be dangerous to US interests for years, if not decades, to come. Accordingly, the United States needs a set of policies that deal not only with China and Russia in isolation from one another but also with their strategic alignment.

Dual containment will not work. The past two-plus years have underscored the difficulty of isolating Russia. Sanctions have not crippled the economy, as anticipated. Quite the contrary. After a slight dip in 2022, the economy grew 3.4 percent in 2023, and is on track for a similar rate this year. Russia has found workarounds that have enabled it to sell its oil at rates above the $60 dollar cap imposed by the G-7 and ensure the flow of revenue to support the war effort. As for China, it is simply too critical to the global economy to be effectively contained. At best, it might be possible to deter it from overreaching geopolitically and economically by bolstering alliances in East Asia and limiting its access to certain high-technology items. In practice, dual containment only fuels strategic alignment between the two powers, which are now laying the basis for an alternative global trading regime to circumvent sanctions and a new security order in Eurasia, based on the Shanghai Cooperation Organization.

One alternative approach, popular among some realist thinkers, is to actively drive wedges between the two countries. Some talk about a "reverse Kissinger," that is, instead of playing the "China card" against the Soviet Union, as Henry Kissinger allegedly did in the 1970s, Washington should now play the "Russia card" against China. But this approach misunderstands the context in which Kissinger pursued triangular diplomacy. In the 1970s, China and the Soviet Union were bitter enemies—border skirmishes in 1969 threatened a wider war. Kissinger exploited the mutual antagonism to draw strategic benefits from relations with both countries. Today, by contrast, the two countries are closely united against the United States. There are no obvious cracks that could be exploited to turn the countries against one another. Indeed, it is hard to see in concrete terms what incentives could be offered to Russia to turn against China. Even abandoning Ukraine to Russia, a non-starter, would likely not prove sufficient, since Ukraine in the Kremlin's eyes is only one part of a broader confrontation with the West.

A less dramatic approach, but one that promises to bring at least modest results, would be to seek to attenuate Russia-China relations, that is, to diminish the intensity of their partnership, as a part of a long-term effort to create a more balanced world order, more favorable to American interests. This approach would be based on two insights: First, that Russia values its strategic autonomy, a marker of great-power standing, and, second, China seeks to reshape the world order to its advantage, while Russia is intent on disrupting it.

The United States can take modest steps to encourage Russia's strategic autonomy, and the lesser reliance on China that would entail, without jeopardizing the achievement of its long-term goals. The task is to provide Russia with options other than China. That will not be possible during the intense phase of the war in Ukraine. But once that phase has passed, several steps could be taken, including the normalization of relations and the calculated easing of sanctions. Normalization would provide Russia with a diplomatic alternative to China. The easing of sanctions—in exchange for concrete steps by Russia to resolve the Ukraine crisis on an enduring basis—could be done in a way that opens up opportunities for US and other Western companies to return to the development of the Russian Far East and Arctic, as well as Central Asia, at times in joint ventures with Russian companies, but generally in competition with Chinese firms. Such steps would not cause Russia to abandon China by any means, but they would ensure that any deals, geopolitical, political, or commercial, it makes would not be so heavily tilted in favor of China, as is the case today. And that would benefit the United States in competition with its primary strategic rival.

At the same time, in conversations with Chinese counterparts, US officials should underscore the disruptive character of Russian actions in Europe, the Middle East, and farther afield, which undermine productive economic and commercial cooperation between China and the West. While there is strategic sense to limiting China's access to certain cutting-edge technologies, whenever possible, there is little sense in using political measures excessively to squeeze China out of lucrative markets in strategic regions of the world, especially Europe and the Middle East. That unnecessarily alienates China and inclines it to be more supportive of Russia in Ukraine. Rather, the goal should be to keep the promise of markets open to China to the greatest extent possible, while preparing for stiff competition with Chinese companies in markets around the world.

As the United States formulates policy, it is important to remember that neither the Russia nor the China challenge is going to disappear. Neither country is going to magically abandon its authoritarian system for democracy. Russia is not going to break up and the Chinese economy is not going to collapse. Both countries will remain fixtures on the global stage and likely pillars of any future world order. As has been true in past decades, they will remain rivals of the United States, with different worldviews and opposing geopolitical interests. While countering Russian threats in Europe and energetically competing against China across the globe, the United States will have a vital interest in avoiding war with either country, and the threat of nuclear annihilation that would entail. It will also have to find ways to cooperate with them to deal with long-term global challenges, including climate change, strategic stability, the non-proliferation of weapons of mass destruction, and pandemic diseases, among other things.

Confronting the challenge of Chinese-Russian strategic alignment will thus take subtlety and creativity. The United States needs to avoid policies that drive the two Eurasian powers ever closer together, as it counters the unique threat each country poses on its own. The goal should not be to thoroughly defeat either power—a task that is probably beyond the United States in any case. Rather, it should be to find a form of peaceful coexistence with each of them that attenuates their partnership while supporting the creation of a flexible balance of power, at the global level and in critical regions, that protects and advances American interests.

RECOMMENDED READINGS

RECOMMENDED BY OKSANA ANTONENKO

Michael Kimmage and Hanna Notte	*Containing Global Russia*
Angela Stent	*Russia, the West and the 'World Majority'*

OTHER RECOMMENDED

Thomas Graham	*What Russia Really Wants*
Yasheng Huang	*Why US-China Relations Are Too Important to Be Left to Politicians*

Containing Global Russia[49]

Michael Kimmage and Hanna Notte

"It is clear that the main element of any United States policy toward the Soviet Union," George Kennan wrote in 1947, "must be that of long-term, patient but firm and vigilant containment of Russian expansive tendencies." When Kennan devised this famous sentence, he did not only have Europe in mind: Asia and the Middle East were catalysts of early Cold War contestation. Soviet expansive tendencies proceeded from the universal sway of communism and from the legacy of the Russian empire, which had been active in Europe, Asia, and the Middle East. In 2024, with Russian expansive tendencies once again in evidence, the global thrust of Kennan's thinking is as salient as his recommendation that U.S. policy cohere around the idea of containment.

Russia's 2022 invasion of Ukraine was meant to prove that the United States and its allies do not write the rules internationally. To prove this point in Europe, the heart of the liberal international order, is to hasten the advent of a post-Western order globally. Russia has recalibrated its entire foreign policy to fit the needs of a long struggle. Prior to 2022, Russia was already expanding its trade and political relations with non-Western countries and tangling with its Western counterparts in international fora. Since 2022, Russia has dramatically expanded these pre-existing trend lines, while improvising at every turn.

The four pillars of Russia's global foreign policy are self-preservation, decompartmentalization, fragmentation, and integration. Russia has secured lifelines for its economy and defense enterprises, while navigating to retain its military influence outside of Europe — successfully in Syria and the Sahel and less successfully in the South Caucasus. On a host of policy issues, Russia has abandoned compartmentalization with Western states. Waging a war of narratives, gumming up legacy multilateral institutions, and pushing for the de-dollarization of international finance, a diplomatically hyperactive Russia has sought to fragment the existing international order. Russia has also been integrating partners into clubs that exclude Western states (like the BRICS alliance of Brazil, Russia, India, China, and South Africa) and working with alliances that are openly anti-Western (like the new Alliance of the Sahel States).

Russia's progress has been substantial enough in these four domains to give it the upper hand in the war and to place the Russian economy on a non-Western foundation. Russia's successes have not just been a matter of savviness: the Kremlin has benefited from the West's many mistakes in rallying global public opinion. At the same time, Russia's redirected foreign policy generates costs and risks to the Kremlin. For Russia, much depends on the war. Victory in Ukraine would prove that Russia is an autonomous

[49] This essay originally appeared in War on the Rocks on March 4, 2024.

global actor capable of thwarting formidable adversaries. Should the war linger indefinitely or should Ukraine surge forward, Russia's extreme anti-Westernism may start to look short-sighted, accident-prone, and self-defeating.

The United States and its European allies should respond to global Russia with a multi-part containment strategy. One task is analytical: to connect the dots in Russia's global foreign policy. Another is to confront Russia selectively — where its activities are especially malign. A third is to define its own global outreach positively and not simply as a default strategy for opposing Russia (or China). Most importantly, the United States should help Ukraine to frustrate Russia's European war aims. These aims are central to Russia's global aspirations.

Self-Preservation

To deter Russia in 2022, the West had bet on markets. It had counted on its own centrality to the worlds of finance, technological innovation, and commerce, hoping that the threat of massive sanctions would restrain Russian President Vladimir Putin. Once the war began, the West wagered that Russia would be so damaged by sanctions that either its war machine would malfunction or a frustrated population would curtail Putin's ambitions. An undeterred Russia preserved lifelines for its economy and military machine, leveraging an already robust relationship with China and many other bilateral ties in Asia, Africa, the Middle East, and Latin America. Russia found markets for its energy products in Asia and reliable sources of weaponry in Iran and North Korea. Turkey, Central Asia, and the South Caucasus emerged as conduits for the "roundabout trade" of sanctioned goods into Russia.

For Putin, Russia's economic break with the West may not have been an opportunity cost of the war. It may have been one of the war's strategic objectives. In the 1990s, Russia's deep dependence on the West hemmed in its foreign policy. Because Russia relied on the West for loans and for investment, then-President Boris Yeltsin could do nothing to halt NATO expansion. Having shown in 2014 and again in 2022 that Russia's economy can ride out Western sanctions, Putin has reduced the efficacy of future Western sanctions, a virtuous circle for him. Russia's growing reliance on Iran and North Korea, often dismissed as technological backwaters, has given it real-time advantages vis-á-vis Ukraine.

While pouring resources into Ukraine, Russia has not stood still elsewhere. In Syria, Russian troops relinquished several positions to groups affiliated with their partner Iran after February 2022. At the same time, Moscow pushed for Syria's normalization with Arab states and Turkey, hoping to attract the reconstruction funding for Syria that Russia itself cannot provide. Both measures have been aimed at protecting Russia's influence. In Africa, Russia has similarly ensured its staying power, most recently by restructuring and rebranding the Wagner private military company into the Africa

Corps, which the Ministry of Defense holds on a tight leash. Only in the South Caucasus, where Russia's nominal ally Armenia mourns the forced exodus of ethnic Armenians from Nagorno-Karabakh, has the war in Ukraine visibly dented its military clout.

Decompartmentalization

Before 2022, compartmentalization in Russia's relations with the West was already an endangered practice. Following Russia's annexation of Crimea, the United States had suspended cooperation with Russia on a range of issues — to punish it and to elicit a change in Russian foreign policy. Yet Moscow and Western capitals managed to insulate areas of critical interest from their mutual grievances, continuing to talk about the future of nuclear arms control, the Arctic, or ways to bring much-needed humanitarian aid to Syria.

With the 2022 war, Russia has become much more categorical. Moscow suspended its participation in the New Strategic Arms Reduction (New START) Treaty and rejected multiple overtures from the Joseph Biden administration to resume discussions on nuclear arms control. With this, Russia is sending several signals: that something resembling a state of war obtains between Russia and the West; that for Russia to give an inch on any one issue might mean undermining itself on other issues; and that winning the war in Ukraine is a priority far above the value that cooperation on arms control, climate change, or the Arctic might provide for Russia.

Putin's willingness to jettison any collaborative agenda with the West creates dangers for Russia itself. Arms control, not to mention setting global norms for climate change, is an effort that makes Russia safer and improves Russians' quality of life. Having emboldened (near-nuclear) Iran and (nuclear) North Korea, the Kremlin cannot be certain that these countries will forever be ruled by regimes friendly to Moscow. A medium-sized economy, Russia does not have endless resources to compete in a multipolar nuclear arms race — one that its own policies may well be fueling. Just as compartmentalization had once contained conflicts between Russia and the West, a global escalation with the West could rebound against Russia. Should current tensions in the Middle East ignite an all-out war, for example, Russia would struggle to protect its presence in Syria.

Fragmentation

Ever since Foreign Minister Yevgeniy Primakov's celebration of "multipolarity" in the mid-1990s, post–Cold War Russia has taken issue with the West's global dominance. In the years leading up to the 2022 invasion, Russia had chipped away at support for existing multilateral institutions and regimes. It propagated a narrative about a dysfunctional "rules-based international order," Russia's derogatory reference to presumed Western hegemony. For years, Russian diplomats lamented that Western states were bending the rules in organizations like the Organization for the Prohibition of Chemical Weapons.

Since 2022, Russia has upped the ante. Moscow has intelligently exploited global discontent with the West. By arguing that the West has been invading sovereign countries and redrawing the map since time immemorial, Russia has deflected criticism of its war against Ukraine. Hamas' attack against Israel on Oct. 7 and its aftereffects have given Moscow new tools of persuasion. While the West backs Israel's assault on Gaza, Russia has been watching from the sidelines. It can amplify a global outrage that would be proliferating with or without Russia. Without a blueprint, Russia jumps on the West's travails wherever they materialize.

Russia has also grown more obstructionist in multilateral institutions. Amid heightened acrimony at U.N. agencies, Russian diplomats have been creative in causing paralysis, tabling texts to compete with Western-backed resolutions and causing procedural hiccups. Russian diplomats have used the U.N. rulebook "as if they were sleeping with it under their pillow," according to one official. At the U.N. Security Council, the fragile modus vivendi that had still held between Russia and Western states in 2022 also became more precariousover time. The paralysis cannot be blamed on Russia alone: Western diplomats took their grievances with Russia over Ukraine to each and every forum, alienating counterparts from the Global South. Post-invasion demands by Western states that the Global South fall in line with their position on Ukraine have backfired spectacularly.

Finally, Russia's intent to fragment Western-led international systems includes international finance. Hit with unprecedented Western sanctions and cut off from the financial messaging infrastructure of the Society for Worldwide Interbank Financial Telecommunication, Russia has embraced the idea of de-dollarization, although Russia's reliance on the yuan and rupee has come with problems. While the Kremlin dreams about the BRICS moving toward a single currency, practical obstacles remain, and Russia has failed to induce other countries to bypass the U.S. dollar. Here, Russia's push for fragmentation has made little headway thus far.

Integration

The most confounding of Russia's global projects is the integration of non-Western structures of partnership and allegiance. Moscow has labored to expand both the BRICS and the Shanghai Cooperation Organization, cheering growing integration among what Russian diplomats term the "global majority." As chair of the recently enlarged BRICS, Russia is planning to host over 200 events this year, including a ministerial in Nizhny Novgorod and a summit in Kazan.

Moscow is also exploring less institutionalized forms of integration. At Russia's behest, synergies are emerging among constellations of states that are hostile to the West.

Russia's ally Belarus and Iran are strengthening their defense cooperation. This spring, Russia will conduct routine joint naval drills with China and Iran, having also proposed similar three-way exercises with China and North Korea. China, Iran, North Korea, and Russia are attempting to tie down the American Gulliver in intersecting crises and war zones. Synchronization is not necessarily gamed out in advance, but it is already having a cumulative effect. The United States faces the prospect of simultaneous security crises in Asia, Europe, and the Middle East.

In the Sahel, a region that continues to tip toward military dictatorships, Burkina Faso, Mali, and Niger signed a tripartite mutual defense pact in the fall. Amid their joint departure from the Economic Community of West African States, Moscow signaled its interest in enhancing cooperation with the Alliance of Sahel States. After recent successes in fighting in Mali, the Africa Corps has been invited into Burkina Faso and may well emerge in Niger. Successfully branding itself as the only external force serious about fighting terrorism, Russia is creating a new axis of partners.

Closer to home, Russia's integration projects have foundered. For decades, Russia has been the leading force in the Collective Security Treaty Organization, a military alliance made up of post-Soviet states that was established in 1992. In January 2022, the treaty had its moment in the spotlight when it successfully performed a regime maintenance operation amid protests in Kazakhstan, but since the invasion of Ukraine, it has failed to impress. When its members Kyrgyzstan and Tajikistan rekindled their longstanding border dispute in September 2022, the Collective Security Treaty Organization was unable to mediate. In the conflict between Armenia and Azerbaijan, it also played a muted role. An irritated Armenian government eventually turned to France and India for arms and held joint military exercises with the United States. In the economic sphere, Russia's regional integration efforts have performed somewhat better. Amid the flourishing of Russia's roundabout trade, the Eurasian Economic Union — designed to pursue a common market among Russia, Belarus, Kazakhstan, Kyrgyzstan, and Armenia — witnessed a re-entanglement of business elites after February 2022.

A Balance Sheet

When Russia failed to take Kyiv and was pushed back in eastern and southern Ukraine in late 2022, low expectations crystallized for Russian foreign policy. The U.S. government identified Russia's "strategic defeat" as the end state of its Ukraine policy. This optimism was premature — not just for the military configurations on Ukrainian territory, which have gradually begun to favor Russia, but also for Russia's redesigned statecraft. Russia has been adept at the political economy of war, at styling itself as a David taking on the American Goliath, while thus far avoiding entanglement in costly blunders outside of Europe.

The open question for Russia's foreign policy is whether its global ambitions are coherent. They are sustainable for Russia, though dangers for the Russian economy loom on the horizon. But if Russia's improvisatory opportunism gives it agility, it also bespeaks a certain nihilism, as if Russian foreign policy exists for the war and not the war for some larger set of policy aims. This nihilism is most pronounced in Russia's almost obsessive anti-Westernism, which globally is always in vogue but is too abstract and too empty a position on which to build anything really solid. It also makes for a lot of strange, disparate bedfellows.

Contending with a Global Russia

To recognize the scale of the challenge Russia represents is, first and foremost, to connect the dots of its global foreign policy. To diminish Russia's sources of self-preservation, the United States should continue to close the loopholes on sanctions. Disrupting weapons transfers from Iran and North Korea will be a tall order, but other efforts to starve Russia's war machine are having an effect — as shown by the growing number of foreign banks that are restricting their business with Russian clients. Although Russia's military presence outside of Europe remains modest, the United States should counter Russia's support for malign actors in the Middle East, where possible, while buttressing partner governments in Africa to limit the further expansion of Africa Corps. Since Washington cannot (and need not) take on Moscow everywhere, it should focus on those theaters where Russian military activities risk producing the greatest negative spillover effects.

The United States should not expect Russia to return to compartmentalization any time soon. Efforts at restraining a nuclear North Korea and preventing Iran from crossing the nuclear threshold will have to be done not just without, but also in opposition to, Russia. Washington should call on Russia to return to nuclear arms control talks before New START expires in 2026, while seriously planning for the eventuality that Putin will not cooperate.

Contending with Russia's efforts to upend the international order and to advance its own integration projects will be very difficult. Washington's support for Israeli Prime Minister Benjamin Netanyahu's irresponsible government has further degraded trust in the West, elucidating a simple lesson: The more the United States and its allies have to offer the Global South in its terms, whatever those may be, and the more respect they show to the foreign policy autonomy of those countries, the more they will expose the many points of hollowness that inform Russian foreign policy. The power of example will in every case outshine the power of argument. The same is true for the power of negative example.

Most urgent is continued support for Ukraine. If Moscow wins the war, its efforts to remake international order will accelerate. A Russia in control of Ukraine would feel more self-confident, and it would suffer from fewer resource constraints. Its appeal as a partner to non-Western states would grow, while Western credibility in Europe and elsewhere would be in ruins. Russia's global game runs through Ukraine. That is where it must be stopped.

Russia, the West and the 'World Majority'[50]

Angela Stent

As Russia begins its one-year presidency of the BRICS in a turbulent world, great power competition in the Global South will intensify. The Russia-Ukraine war and the Israel-Hamas war have enabled the Kremlin to solidify and increase its influence in the Global South, or what Russia now calls the "World Majority." The Global South comprises those developing or less- developed countries in the Southern Hemisphere. The Russian definition of the World Majority, however, is not economic, but political. It refers to a community of non-Western countries that have no binding relationships with the United States and the organizations it patronizes.

While the U.S. and its allies struggled to persuade these countries to support Ukraine and reject the Kremlin's narrative about the origins and course of the war, Russia has largely succeeded in convincing them that the West is to blame for both the Russia-Ukraine war and the Israel-Hamas wars. Foreign Minister Sergei Lavrov, in his December interview with leading Russian TV propagandist Dmitri Kiselev, praised the "World Majority" countries "who have not publicly declared Russia as an enemy." These countries, he declared, "are ready to work with us honestly, mutually beneficially and mutually respectfully, including in the economy, in politics, in the security sphere," and he went on to predict that ties with these counties would further intensify in 2024. The West, Russia's top diplomat proclaimed, does not respect these countries' interests. In the interview, Lavrov also highlighted the 2024 Russian presidency of the BRICS, which began on Jan. 1, and now has expanded to include Egypt, the United Arab Emirates, Ethiopia and Iran, bringing the group's share of world GDP and population to 34% and 45%, respectively (see tables 1 and 2 below).[1]

Why has Russia succeeded in strengthening its standing with many countries in the Global South even as it pursues its brutal war of attrition in Ukraine? Moscow starts out with a major advantage—deep skepticism amongst these countries about the West, especially the United States. Many Global South countries assert that they see no difference between what Russia is doing in Ukraine and what the United States did in Vietnam, Iraq or Afghanistan. Russia also taps into the alienation and resentment in many countries that both the war and the West's rivalry with China are distracting attention and shifting resources away from their own urgent challenges, such as debt, economic growth, food, energy, climate change and health**.** These countries view the United States and many of its European allies as neo-colonial powers who still treat them with condescension. They do not accept that what Russia in doing in Ukraine is a

[50] This essay originally appeared in Russia Matters on January 25, 2024

form of colonialism, because Russia repeatedly invokes the Soviet past and the USSR's support for anti-colonial liberation movements to prove its bona fides as the leading anti-colonial power. Indian Foreign Minister Jaishankar Subrahmanyam told European ministers that they should "grow out of the mindset that Europe's problems are the world's problems, but the world's problems are not Europe's problems."[2]

Votes in the United Nations General Assembly tend to reflect these sentiments. In February 2023, the votes in favor of condemning Russia's invasion as a violation of the U.N. Charter and demanding that Russia withdraw its troops from Ukraine were 141 in favor, 7 against, with 32 abstentions, including China, India and other countries in the Global South. However, a significant number of Global South countries did vote to condemn Russia.

Although Western countries have much more to offer the Global South economically than does Russia, Moscow does retain levers of economic influence. Energy remains the most important. Europe has largely weaned itself off Russian hydrocarbons, but cheap Russian oil remains attractive to many countries. India, a traditional partner of both the Soviet Union and Russia, has been the second largest purchaser of Russian oil after China, enabling Russia to continue to earn billions of dollars despite Western sanctions on Russian energy and the oil price cap. Nuclear energy exports, which are not sanctioned, are also growing. Rosatom has a 74% share of the world's nuclear power plant market, with 73 projects in 29 different countries. Russian fertilizer and grain exports are important for a number of countries. Recently Russia shipped free grain to six African countries, no doubt to counter the fact that its refusal to renew the earlier Black Sea grain deals had harmed its reputation in parts of the Global South.

Arms sales have been a significant element in Russia's competition with the United States in parts of the Global South. However, the sub-par performance of the Russia military in Ukraine and the shoddy condition of some of the weaponry made Russia's customers question the wisdom of continuing to purchase its arms. Western sanctions have also curbed Russia's ability to export weapons, as Russia needs to use its own weapons in Ukraine. According to the Stockholm International Peace Research Institute, Russia's share of global arms exports fell from 22% in 2013-2017 to 16% from 2018 to 2022, while the U.S. increased its share from 33% to 40%.[3] India has cut back on its imports of Russian weapons. Nevertheless, during Jaishankar's December 2023 visit to Moscow, Lavrov announced that they had made significant progress on plans to jointly produce military equipment. [4]

One of the most important reasons why Russia has held its own, and in some cases gained ground, with the Global South has less to do with its own efforts and more to do with the changing international environment. The Russia-Ukraine war has opened up new opportunities for these countries to assert more agency. They refuse to take sides in this conflict and to become caught up in geopolitical competition. They hope that, when the war is over, they will play a greater role in forming or strengthening regional alliances. Moreover, they are concerned about the possible consequences of Russia's strategic weakness. Some believe the war is hastening Russia's long-term decline and they fear a Russian defeat would create a power vacuum which would destabilize countries in Eurasia and beyond**.**

China has endorsed Russia's narrative that the West caused the war with Ukraine and that Russia has the right to "indivisible security." It appeals to the Global South in similar ways to Russia. But China has much more to offer these countries economically through trade, the Belt and Road and other projects. Although Russia and China announced their "no limits" partnership in 2022, they compete in parts of the Global South. This competition has facilitated Russia's return to Africa in the past few years because of African countries' concerns about countering China's dominant position there.

The Israel-Hamas war has strengthened Russia's position in the Global South. Since the outbreak of violence, most of the Global South has focused on condemning the Israeli bombing of Gaza, as opposed to Hamas' murder of Israeli citizens. Putin seized the moment and shifted Russia's policy on Arab-Israeli relations, criticizing Prime Minister Benjamin Netanyahu—with whom he had developed a good working relationship—and backing Hamas. This support for Hamas has boosted Russia's international clout.

Events in the Middle East make it less likely that the U.S. and its allies can sway much of the Global South away from its neutrality. Most of these countries identify the United States and many of its allies with Israel—and with Ukraine—and criticize their support for Israel. In 2024, the U.S. and its allies will have to redouble efforts to engage politically and economically with countries in the Global South and to improve their public diplomacy to counter the Russian narratives, which find deep resonance in much of the world. The U.S will continue to develop ties with key countries like India, which is part of the Quad alliance with Japan and Australia, and with Turkey, a challenging NATO ally. But the Biden administration's policies in the Middle East could make outreach to the Global South more difficult. The same would likely be the case in a second Trump administration.

Table 1: Expanded BRICS' shares of world GDP (Gross domestic product based on purchasing-power-parity (PPP) share of world total, 2022. Source: IMF)

Country	Share of world GDP, PPP in 2022

Brazil	2.34%
China	18.44%
Egypt	1.02%
Ethiopia	0.22%
India	7.26%
Iran	0.99%
Russia	2.91%
South Africa	0.58%
UAE	0.51%
Total	**34.28%**

A recent report for the Russian President Vladimir Putin by authors Sergei Karaganov, Dmitri Trenin and Alexander Kramarenko warns "it is advisable to prepare the ruling circles and societies of the World Majority countries for a possible conflict escalation, including through political or even—in extreme cases—direct use of the nuclear factor."[5]

Table 2: Expanded BRICS' shares in world population (Source: World Bank)

Country	Share of world population
Brazil	2.708%
China	17.761%
Egypt	1.396%
Ethiopia	1.552%
India	17.824%
Iran	1.114%
Russia	1.814%

Country	Share of world population
South Africa	0.753%
UAE	0.119%
Total	**45.041%**

References:

1. Argentina, which was to have joined the BRICS in January, decided not to after its new conservative president, Javier Milei, came into office. Meanwhile, Saudi Arabia is still considering whether to join.
2. Cited in "How to Survive a Superpower Split," The Economist, April 11, 2023.
3. Stefan Hedlund, "Russian Arms Exports in a Tailspin," Security, Sept. 14, 2023.
4. https://thediplomat.com/2024/01/india-turns-the-page-on-ties-with-russia-after-ukraine-war/
5. https://www.mid.ru/upload/medialibrary/c98/cjmfdf73760bme0y99zqllj51zzllrvs/Russia%E2%80%99s%20Policy.pdf

What Russia Really Wants[51]

How Moscow's Desire for Autonomy Could Give America an Edge Over China

Thomas Graham
Distinguished Fellow, the Council on Foreign Relations

As the war in Ukraine rages, it is difficult to imagine a constructive relationship between Russia and the West. The prospect is made unlikelier still by the Kremlin's relentless anti-Western vitriol. Yet even if Russia's strategic designs are defeated—hardly a sure bet, as the slow, uncertain unfolding of Ukraine's much-anticipated counteroffensive shows—the country is not about to disappear from the global stage. Even a defeated Russia would still retain vast territory in the heart of Eurasia, the richest endowment of natural resources in the world, a colossal nuclear arsenal, and a permanent veto-wielding seat on the UN Security Council, among other assets. Like it or not, the United States must find a way to live with Russia.

Washington tends to see Moscow's conduct as a malevolent and enduring threat to U.S. interests. The list of Russian transgressions is long and crystalizes the image of an implacable foe: the war in Ukraine, interference in U.S. domestic affairs, cyberattacks on critical infrastructure, global anti-American disinformation campaigns, cheating on arms control agreements, the armaments buildup in the Arctic, growing strategic alignment with China and Iran, and support for Syria's brutal dictator, Bashar al-Assad. Yet there is one core element of Russia's identity that the United States could harness for its own purposes: Russia's sense of itself as a great power that conducts an independent foreign policy in pursuit of its national interests. Russia has long seen itself as a country with strategic autonomy, meaning that it has the freedom to assemble coalitions to defend and advance its interests. This has been a cardinal principle of Russian foreign policy since the eighteenth century, a constant in both tsarist Russia and the Soviet Union. Even after the end of the Cold War, Russia still sought this freedom, looking to China as a strategic counterweight to the United States as it sought to rebuild its influence in the former Soviet empire.

For decades, the United States has opposed Moscow's efforts to shore up Russian strategic autonomy. And given the enmity between the two countries, which has only

[51] This essay originally appeared in Foreign Affairs on October 9, 2023

grown in the wake of Russia's brutal full-scale invasion of Ukraine, it may be hard to imagine a shift in Washington's stance. But Russia's quest for autonomy offers the United States potential leverage—and a potential edge in its competition with China. By abandoning efforts to turn Russia into an international pariah and restoring normal diplomatic relations, Washington could use Moscow to help create regional balances of power across Eurasia that favor U.S. interests. Consequently, as the United States works with its allies and partners to thwart Russia in Ukraine, it should nonetheless begin considering steps that could preserve Russia's strategic autonomy in the future—especially ones that would reduce Moscow's growing dependence on Beijing.

Three Bad Decades

After the collapse of the Soviet Union, in 1991, Moscow struggled to regain its strategic autonomy. Amid a profound economic crisis, only the West could provide Russia with the investment, management skills and technology that it needed. Moscow was therefore in no position to resist when Washington, in the Russian view, trampled on Russia's interests in the Balkans, expanded NATO eastward toward its borders, or encroached on its prerogatives in the former Soviet empire by backing political forces, especially in Georgia and Ukraine, that Russia considered hostile. Moscow chafed at U.S. actions; at times it bitterly complained; but ultimately, with no other strategic option, it acquiesced. To be sure, Russia continued to improve relations with China—a policy begun in the late Soviet period to prevent Beijing and Washington from ganging up on Moscow. But in the 1990s, China was still in the early phases of its ascent and depended on U.S. goodwill. Beijing did not have the means or predisposition to act as a reliable strategic counterweight for Moscow's benefit.

Russia's situation improved in the first decade of this century. Its power grew as Russian President Vladimir Putin restored order and soaring oil prices fueled an economic recovery. Fissures opened in the Western alliance as France and Germany resisted the United States' bellicose approach to Iraq. Meanwhile, China's vigorous growth increased its global economic sway, and its geopolitical ambitions began to spread beyond the western Pacific, across Eurasia, and into Africa and Latin America.

Closer ties with France, Germany, and China emboldened Russia to push back more aggressively against what it considered to be U.S. hostile policies and initiatives. In 2008, Moscow launched a short war against Georgia to derail that country's NATO ambitions. The conflict dramatically demonstrated Russia's determination to resist U.S. encroachments, as did its seizure of Crimea in 2014. Even as its troops surged through

Georgia, Moscow maintained extensive economic ties with European countries, which accounted for roughly one-half of Russia's bilateral trade and three-quarters of foreign direct investment in Russia. An uneasy cooperation continued with Washington on counterterrorism and nonproliferation. This situation enabled Moscow to maintain balanced relations with Beijing despite the rapidly widening gap in economic fortunes that greatly favored the latter. Russia was reaping the benefits of its regained strategic autonomy.

But Moscow then jeopardized this progress. Its growing aggression against Ukraine, starting in 2014 and culminating in the invasion of February 2022, ruptured relations with the West. Europe's share of Russia's overall trade collapsed, and diplomatic contacts were reduced to a minimum. Although sanctions have not changed Russian conduct or crippled the Russian economy, the West continues to enforce them as it steps up military, financial, and humanitarian assistance to Ukraine.

Friends and Rivals

Isolated from the West, Moscow has fallen ever deeper into Beijing's embrace. Although the Kremlin touts its close strategic alignment and "no limits" friendship with China, the reality is not so rosy. Beijing has offered Moscow diplomatic support but so far has refrained from providing lethal military aid. Although China has increased trade with Russia, replacing the supply of consumer goods from departing Western companies, it has hesitated to make major investments in Russia, out of fear of Western sanctions. At the same time, Beijing has exploited Moscow's isolation from the West to cut commercial deals on terms that inordinately favor its interests. China has also expanded its commercial ties in Central Asia at Russia's expense.

China and Russia have a long history of troubled relations, which have been thinly papered over by the post–Cold War rapprochement. China continues to outstrip Russia's economic and military power: in the early 1990s, the two countries' economies were roughly the same size, but China's is now ten times as large and still growing. So the Kremlin needs a counterweight to China to retain its strategic autonomy. Alienated from the West, Russia is looking to greater Eurasia and the global South. Moscow hopes to repurpose the institutions it played a key role in creating in the decades after the Cold War to counter the West—principally the Shanghai Cooperation Organization and the BRICS—to create a web of relations to constrain China's ambitions. Moscow is expanding its diplomatic, commercial, and security ties with non-Western countries, especially in Africa and the Middle East, and working to sustain its traditionally close relations with India. But the harsh reality is that a credible strategic counterweight cannot be fashioned out of any combination of states from those regions, which lack sufficient economic weight, technological prowess, and military might. If Russia wants to avoid strategic subordination to China, it cannot rely on inchoate multilateral groupings that have little chance of rivaling Western-dominated global institutions. Nor can Russia count on highly transactional bilateral relations with countries weaker than itself. The only genuine option, then, is the West—principally, the United States. Only Washington and its partners can provide Russia with the commercial opportunities, technological cooperation, and geopolitical options that it needs to preserve its strategic autonomy and avoid becoming a permanent junior partner to China.

Putin will never acknowledge this reality. His anti-Americanism is too deeply entrenched, and he has lashed his fate to Chinese President Xi Jinping too tightly, to seek an opening with the United States, even if it is strategically beneficial. But future Russian leaders will not be burdened by the same psychological and political constraints. The challenge for the United States is to persuade these leaders that the West can assist the Kremlin's effort to preserve its strategic autonomy. Washington should offer to restore normal diplomatic contacts and reopen Western markets to Russian trade and investment. At the same time, it should adopt a constructive approach to Russian security concerns and create a respectable place for Russia in Europe's security architecture—all on the condition that Moscow end its aggression against Ukraine by, at a minimum, stopping its bombardment of towns and cities, agreeing to a cease-fire, and helping to prepare negotiations for an enduring settlement. This bargain would multiply Russia's options on the global stage, granting it genuine strategic autonomy. For its part, Washington would gain an advantage over Beijing by depriving China of a strategic partner that it can use as a wedge between the United States and its Western allies and partners.

Tactical Arrangements

Some might object that the United States has little reason to help a hostile Russia out of a predicament of its own making. But Russia's strategic autonomy would also bring significant strategic benefits to the United States. Most obviously, it would attenuate, if not necessarily undo, Russia's close strategic alignment with China. This closeness has allowed China to exploit Russia's isolation from the West to enhance its own capabilities. Beijing has gained access at heavily discounted prices to critical natural resources beyond the reach of the U.S. Navy. It has received sophisticated military equipment that it is not yet capable of producing on its own, including an advanced ballistic missile warning system, which is currently under construction. When it is complete, only China, Russia, and the United States will have such systems. And with a settled border to the north and no pressing need to worry about Russia's strategic intentions, China can focus on competing against the United States in the Indo-Pacific region.

At a minimum, greater strategic autonomy would help ensure that whatever deals—geopolitical, political, commercial, or technological—Russia cuts with China will tilt less in the latter's favor and reduce the advantage Beijing might gain in its rivalry with Washington. Beyond that, a more strategically autonomous Russia would also open up room for new diplomatic and commercial arrangements in Central Asia, Northeast Asia, and the Arctic. Although these arrangements would complicate China's calculations, they need not be directed against Beijing. Rather, China could be included in many ad hoc coalitions created to deal with matters including nonproliferation, counterterrorism, and regional security. But they would help ensure that China could not exploit Russia's weakness to dominate these regions to the detriment of the United States.

The conundrum that Washington faces is how to make the Western option attractive to Moscow without rewarding its aggression or jeopardizing U.S. interests in Europe. The challenge, in other words, is balancing the United States' need to back Russia with bolstering Ukraine's independence and Europe's security. Russia is not likely to reconcile with the West if the United States continues to insist that Moscow abandon the Ukrainian territory it has seized, make a major contribution to Ukraine's reconstruction, and accept NATO's expansion eastward.

That would be possible only if the West remains united behind Ukraine and Kyiv's forces make progress on the battlefield. In that situation, instead of pressing for a total, humiliating defeat of Russia, the United States should make clear to the Kremlin that it is prepared to deal constructively with its security concerns, to lift sanctions, and to promote the restoration of Russia's commercial relations with the West. Arms control measures that either Russia or the United States has abandoned in recent years—including the Conventional Armed Forces in Europe Treaty, the Intermediate-Range Nuclear Forces Treaty, and the Open Skies Treaty—could be revived and adapted to current realities. In this scenario, Washington and its partners should remain open to rebuilding energy ties between Europe and Russia—without, however, allowing Europe to return to a state of excessive dependence on Russia.

Russian leaders should find an offer of a respectable position in Europe very much in their interest, particularly if the alternative is a stinging defeat.

Undoubtedly, many would decry any such effort at reconciliation—especially the Balts, the Poles, and the Ukrainians. Segments of the U.S. public who have come to see Russia as a "persistent threat," as the Biden administration's national security strategy terms it, would also object. They would reject any U.S. effort to help Russia preserve its strategic autonomy as rewarding its aggression when the goal should be to defeat and so weaken Russia that it can no longer threaten Europe. To ease those concerns, Washington should show, in words and deeds, that it is committed to NATO as the foundation of European security against any future Russian aggression.

The United States cannot afford to look at Russia solely through the European prism. It needs to appreciate the varying roles Russia plays across Eurasia. Total victory in Ukraine through Russia's crushing defeat would create strategic problems for the United States elsewhere. Despite its revulsion at Moscow's conduct, Washington will still need a Russia strong enough to effectively control its own territory and to create regional balances of power in Asia that favor Washington. The United States need not fear Russian power. Rather, it needs to think creatively about how it can harness Russian strengths, interests, and ambitions to advance its own. As the superior power, the United States should not find that to be an impossible task.

Why US-China Relations Are Too Important to Be Left to Politicians[52]

Yasheng Huang

Professor, Sloan School of Management,
Massachusetts Institute of Technology

In an age of geopolitical tensions, researchers need to be realistic and think beyond fundamental science to chart a safe path for collaboration.

At the end of August, the US-China Science and Technology Cooperation Agreement (STA) is set to lapse. This historic pact to support joint research has been renewed every five years since it was first signed in 1979, when the two nations normalized diplomatic relations. But in a heated election year and with only one bipartisan consensus in US politics — antagonism towards China — it is uncertain whether the STA will be renewed this time.

In February, the STA was extended for another six months after an open-letter campaign — launched by physicists Steven Kivelson and Peter Michelson at Stanford University in California — called on US President Joe Biden to renew the agreement. The letter, which was signed by more than 1,000 researchers, including Nobel laureates, argued that the STA is a framework for open, fundamental research and that such research benefits the United States and the world.

Such research is a bedrock principle of scientific enterprise. In the United States it is protected under the National Security Decision Directive 189 (NSDD-189), issued by the administration of president Ronald Reagan in 1985 during the cold war and reaffirmed by president George W. Bush in 2001 after the terrorist attacks on 11 September. NSDD-189 establishes that the products of fundamental research should remain unrestricted to the maximum extent possible, promoting open and free communication of scientific findings. The directive is intended to support US leadership in science and technology and acknowledges that the sharing of fundamental scientific knowledge is rarely a security threat.

In the past decade, however, geopolitical dynamics have shifted, leading the US government to increasingly overlook this bedrock principle. US-based researchers who have conducted normal academic activities with their Chinese counterparts have been branded as spies. Agents of US Customs and Border Protection have interrogated scientists simply because of their Chinese backgrounds and their research disciplines. In

[52] This article was originally posted in Nature magazine, Volume 631, July 25, 2024.

2023, Florida enacted a bill restricting the hiring of graduate students from a "country of concern", mainly China, in state universities' academic laboratories. In January this year, the US Congress attempted to resurrect the 'China Initiative', a programme set up by the US Department of Justice to prosecute perceived Chinese spies in US research and industry, even though the initial programme that was launched in 2018 was plagued with flaws and was shut down in 2022. In June, the US House of Representatives proposed a bill that would prohibit the Department of Defense from giving funding to any US university that has research collaborations with China.

Regrettably, these policy actions — poorly thought out in my view and tainted with racial profiling — are a sign of things to come. At a practical level, the era of close and unfettered collaborations between US and Chinese scientists and technologists has come to an end.

I think that scientists should now consider going beyond arguing for openness just for fundamental research and craft a pragmatic case for continuing bilateral collaborations in certain areas. More pragmatic narratives and an operational programme that fully addresses the national security imperatives while preserving some aspects of productive collaborations between the two countries are needed. Here, I propose some ideas for discussion.

Science and Politics are Interlinked

Three obstacles stand in the way of further scientific and technological collaborations between the United States and China.

First, rightly or wrongly, there is an anti-collaborative bias embedded in US government support for science. Federal government steps up funding for research and development (R&D) not during times of geopolitical amity but during spells of animosity. For example, the launch of the Soviet Union satellite Sputnik 1 in 1957 pushed the United States to make large investments in science and technology during the cold war.

Academic leaders and scholars (see go.nature.com/4cpzz53) in the United States have used this historical analogy to argue for more federal spending for R&D in the face of mounting geopolitical and economic challenges from China. But researchers should recognize an inherent disconnect when they call for more government support while simultaneously pressing for continued collaborations with China. Only the most acute geopolitical enmity can encourage the federal government to act, but that acute sense of rivalry also galvanizes opposition to collaborations with China, the country that motivated the ramping up of support for science in the first place.

Second, policymakers and the public do not differentiate between science and technology as sharply as many in the academic community do. After all, the public foots the bill for scientific research and has a right to expect tangible benefits from that investment and to not be harmed by it. The distinction between fundamental and applied research is extraordinarily difficult to register in the mind of the public and of their representatives, the politicians.

Advocates of US–China collaborations can be conflicted and selective on this issue. They have pointed to the intrinsic value of fundamental research as well as to the practical benefits for the US economy and society when scientific collaborations lead to technological advancements. Both positions are valid, but putting them together also highlights the concern that when an adversary is in possession of such science, it poses a threat in the form of applications of the research. Once you acknowledge the potential benefits through the applied channel of science, you are forced to recognize the potential harm through the same channel.

This is not a refutation of the fundamental research argument but an acknowledgement that science and technology are intricately connected. In March, the US National Science Foundation (NSF) released a report[53] by an elite science advisory group called JASON, which provides guidance to the US government. The report accepts that 'technology readiness levels' should be a consideration in deciding how open a particular research project should be. The JASON report makes that point on technical grounds — that the speed of translation of research concepts to applications in certain fields has accelerated owing to factors such as increased globalization and the Internet. My point is that logical consistency requires us to be upfront about both sides of applied science — the upside to the US economy, environment and health arising from scientific and technological progress in China, but also the downside of deploying such knowledge for military purposes.

Third, the geopolitical context of our time is truly grave. The cautious and measured JASON report makes this point: "Recent efforts of the People's Republic of China (PRC) to preferentially direct fundamental research toward military needs, and its decision to restrict the flow of information out of the country, may severely limit the benefits of collaborations with research organizations within the PRC."

One example is China's Military–Civil Fusion (MCF) programme that integrates civilian and military sectors in technology. The MCF programme was elevated in 2017 when the Central Commission for Military– Civil Fusion Development was established as one of the highest-level government agencies; it is headed by President Xi Jinping (see go.nature.com/467c3sf). The MCF programme is of paramount concern for US national

[53] JASON. Safeguarding the Research Enterprise (The MITRE Corporation, 2024).

security, and it presents a vexing dilemma to those in the US scientific community who advocate openness and collaboration.

Collaborations in a Geopolitical Age

The JASON report acknowledges that the evolving global environment necessitates new research security approaches, noting that advanced military technology increasingly emerges from the civilian sector. It proposes a risk mitigation process tailored to individual projects rather than imposing broad controls on fundamental research that is deemed sensitive. In this geopolitical age, how to strike the right balance between open science and national security interests is extremely challenging[54] [55]. Here are four further considerations.

First, in the past decade the United States has moved towards applied research, which is partly behind calls to curtail the number of Chinese students on US university campuses. Originally conceived as the Endless Frontier Act — a visionary and bold approach based on the idea of competition rather than exclusion — the 2022 CHIPS and Science Act signals a shift in R&D priorities, a move towards emphasizing applied over fundamental research.

Both expansive and exclusionary, the CHIPS and Science Act has increased investments in specified areas to reduce reliance on foreign supply chains, particularly from China, carving out an exclusion zone of collaborations with that country. In the future, in the name of safeguarding research security, more research topics might move from university labs to national labs, creating more zones of exclusion. National research labs require security clearances, a hurdle that foreign researchers cannot overcome.

The JASON report recommends that funding programmes train more Americans to conduct research in sensitive areas. Although it is laudable to cultivate supplies of domestic talent, in the foreseeable future the domestic pipeline is unlikely to make up for the losses if students from China are cut out. Chinese students have a high level of participation in the fields of science, technology, engineering and mathematics (STEM), and China has a vast scientific workforce. In 2020, 3.6 million students in China graduated in STEM fields, more than quadruple the United States' 820,000 students (see go.nature.com/3w4k3zx).

Also, science and technology are becoming more demanding in terms of human capital. To achieve Moore's Law — the doubling of the number of components in electronic circuits every two years — requires 18 times as many researchers as it did in the early

[54] Lester, R. et al. Science **380**, 246–248 (2023).
[55] Kivelson, S. A. & Michelson, P. F. Proc. Natl Acad. Sci. USA **120**, e2314168120 (2023).

1970s (ref. [56]). Reallocating US personnel to sensitive areas of research will leave fewer people available to advance other fields.

In this sense, recognizing and protecting sensitive research can be reframed as a call for preserving and even expanding collaborations, including with China. To classify more research areas while curtailing collaborations is a self-defeating proposition. Without infusions of and alliances with foreign talents, US scientists will end up pitching research areas against each other. National progress will slow and narrow.

Second, a widely recognized risk of scientific exchange is dual-use technologies, which can be applied to both civilian and military purposes. Such technologies are subject to export controls.

But there is another kind of duality, which refers to the cross-national incidence of benefits. A cancer drug, wherever invented, is beneficial to people in China and in the United States. China is advanced in Earth and environmental sciences, especially in green energy and pollution control, highlighted by its leading position in these areas in the Nature Index, ahead of the United States (see Nature https://doi.org/m8pz; 2023). Therefore, US national security is served well if Chinese inventions help people in the United States and lead to solutions to climate change.

Third, collaborations with Chinese scientists offer a greater advantage to advancing knowledge because China is a scientific powerhouse. According to the Nature Index, in 2022 China had the highest output of research articles for natural sciences, surpassing the United States for the first time (see Nature https://doi.org/k86t; 2023). China is particularly strong in the physical sciences. Data compiled from the Web of Science by The Economist magazine show that China leads the European Union and the United States in materials science, chemistry and engineering (see go.nature.com/3wecdlb).

But from a national security perspective, it can be legitimately argued that China's scientific prowess poses a greater potential threat to the United States, especially because the physical and engineering sciences are closely connected to military capabilities.

There is no easy answer to this conundrum of the double-edged nature of China's capabilities, except to note that whether or not US scientists collaborate with China does not change the fact that the country has pulled ahead in certain areas of science and technology. And in a best-case scenario, collaborations might help to narrow the gap.

[56] Bloom, N. et al. Am. Econ. Rev. 110, 1104–1144 (2020).

Fourth, collaboration around science and technology can be a conduit for rebuilding some of the trust that has been lost between the two countries. During the cold war, scientists played a crucial part in stabilizing relations between the Soviet Union and the United States by advocating for arms control, promoting scientific diplomacy and fostering mutual understanding. The Pugwash Conferences on Science and World Affairs, initiated in 1957, brought together scientists from those two countries and provided a neutral platform for dialogue, an accomplishment recognized by the 1995 Nobel Peace Prize.

Even in the immediate aftermath of Sputnik, however, the Soviet Union and the United States did not cut all collaborations. The 1958 Lacy–Zarubin Agreement, a cultural exchange agreement between the United States and the Soviet Union, aided the movement and collaboration of students and scholars. And in the 1960s and 1970s, the two countries worked together on smallpox eradication, under the World Health Organization, a project that brought long-lasting benefits to humankind.

Similar dialogues and channels of communication are needed between the United States and China today. There is a natural affinity between scientists of the two countries, because of past collaborations, relationship ties and family connections. Even though China has edged closer to Russia in its foreign policy, that doesn't necessarily apply to Chinese scientists. Scientists from both countries share more common ground than the stark differences between their political systems suggest.

Researchers are well equipped to conduct people-to-people diplomacy across China leads the way in environmental sciences and clean technologies.
different cultures and political systems. Worldwide, they speak the same language — of mathematics, logic and evidence. Although the Chinese political system imposes increasingly strict controls on social-science research, it has granted researchers almost unfettered freedom in STEM research.

In 2013, nine Chinese universities, and a number of foreign organizations, issued the Hefei Statement on the Ten Characteristics of Contemporary Research Universities — a manifesto of Chinese aspirations to make their universities world-class in education and research. The signatories affirmed "the responsible exercise of academic freedom" and "a research culture based on open inquiry" (see go.nature.com/4d18xsz). Support is evident from the top. One of the signatories, Chen Jining, who was then president of Tsinghua University in Beijing, is now a member of the politburo of the Chinese Communist Party.

What Next?

In this age of heightened geopolitical tensions, scientists should not be mere bystanders; they should leverage their personal and professional connections to promote dialogue and understanding. US–China relations are too important to be left entirely to the politicians. My call to action is to preserve China–US collaborations by proposing concrete ideas and plans rather than just defending fundamental research as a first principle. Let me end this commentary with two further ideas.

First, scientists from both countries should get more involved in discussions on artificial intelligence (AI) in a neutral, third-party location. For example, during the cold war, Vienna was the home of the International Institute for Applied Systems Analysis, where Soviet and US scientists discussed mathematics, energy, food and environmental problems. A similar initiative can be launched today.
AI is close to what economists call a general-purpose technology. It is widely used to conduct scientific research, making it both a research topic and a technology for doing science. Without reaching a common understanding on the rules and conduct of AI, collaborations across the board will be impaired.

Second, the academic community might have to brace for the lapse of the STA. Alternative mechanisms will be needed in its absence. One idea is to shift to a more defined and organized approach, similar to the joint project on smallpox during the cold war, in which topics and research areas are mutually agreed and supervised by the two governments.

Collaborations in this age of geopolitics need to ensure two kinds of safety: for the nations and for the participating researchers. This curated approach will lead to some losses of autonomy and scale of research. It is not a method of choice but one of necessity, and a second-best alternative in this time of tensions and distrust.