

## "MODERATE" STRATEGIES ON CHINA PUT NECESSARY DEFENSE MEASURES AT RISK

## BY ROBERT SUTTER

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A broad policy consensus in Washington, now entering its fourth year, has directed the Biden administration and bipartisan majorities in Congress regarding China. This has resulted in unprecedented legislative initiatives and broad-ranging systematic policies targeting the challenges posed by Chinese behavior at home and abroad. The stakes are seen as high and the need for effective action urgent. A strong <u>perception</u> of danger and need for prompt countermeasures has been at the center of determinants explaining the policy <u>consensus</u> on China since 2018, despite the acute partisanship in the capital.

The challenges involve:

- Chinese military advances to counter and, if needed, destroy American forces
- closer collaboration with Vladimir Putin's Russia targeting US interests
- continuing state-directed development polices to <u>plunder</u> foreign intellectual property rights and undermine international competitors
- building and exploiting economic dependencies via the Belt and Road Initiative and other means
- fostering corrupt and authoritarian governments against the West
- <u>coercing neighbors</u> to defer to China's demands

- using hidden influence operations for subversive ends, and
- disregarding international law and accepted diplomatic practices.

If successful, the Chinese efforts are predicted to undermine and replace the existing world order with one dominated by an authoritarian party-state focused on advancing Chinese wealth and power at the expense of others. A sense of urgency prevails in Washington, as Beijing has reached "peer competitor" capacities, threatening to dislodge the United States from Asia and overtake it as leader in high-technology industries of the future, thereby establishing China as the world's economic leader with the most modern and capable military forces.

Strategies Emphasizing Nuance and Moderation

A number of specialists argue that existing US countermeasures have gone too far; they favor a more <u>moderate</u> and nuanced approach in carefully crafted <u>strategies</u> that would <u>avoid exaggerating</u> the threat posed by China and allow for easing of potentially dangerous tensions, and resuming or enhancing US-China collaboration. Unfortunately, these well-crafted policy proposals give little attention to what this writer sees as a more important objective: continuing strong efforts to develop effective American defenses to the challenges posed by China. Without such defenses, Chinese authorities will outmaneuver existing US efforts to deal with China from a position of strength, setting the stage for policy failure.

## Flaws in Current Policy

While much has been done in recent years, there are flaws in existing US countermeasures defending against Chinese challenges, especially in two areas:

1. Chinese authorities are resorting to <u>unprecedented</u> <u>efforts</u> to outmaneuver US-led restrictions on high technology exports to, and acquisitions by, Chinese firms in semiconductor and related software industries. Indirectly or directly cooperative with Chinese authorities in these efforts are a range of US and international firms, advocacy groups, and highly trained specialists pursuing their respective interests. In the process, these groups are assisting Chinese government-led efforts to undermine existing US restrictions and to emerge dominant in this field. US policy has yet to come to a clear judgment on what the US government should do in response as China raises the stakes in this arena of US-China competition. Chinese abilities to influence US and foreign firms, advocacy groups, and experts remains strong, and the latter in turn are essential constituencies in US politics, and important for US economic growth and other interests.

2. Many US firms, universities, and experts that will be recipients of the tens of billions of dollars being proposed for US high-tech competition with China are often well-integrated with Chinese entities and fellow specialists. Many of their high-tech achievements come through cross-border collaborations that, if stopped, are predicted to reduce their capacity for innovation. How US government policymakers can be secure, under existing circumstances, that the advances they fund will not come into the hands of Chinese authorities remains to be seen.

The problem for US policymakers in these two areas is how to develop and sustain effective defenses in the acute rivalry with China over semiconductors and high-tech industries of the future, while taking into account the interests of US advanced technology companies and experts, as well as those from other developed countries allied with the United States. Right now, there remain important flaws, and they appear important in determining the success or failure of current US policy.

Addressing these flaws in ways that influence the firms and experts to seek their interests in ways that align with US national interests appears unlikely if, as recommended by the specialists, the political atmosphere in Washington plays down the danger China poses and reduces the sense of urgency for effective countermeasures. A prevailing sense of danger and urgency may thus be what is needed to get the firms and individuals benefiting from collaboration with China to adjust their actions.

To conclude, one could use an analogy from American football. The highly nuanced US strategies

urging a more relaxed and moderate posture toward China without adequate treatment of important defensive measures resemble an overconfident, wellplanned passing game without adequate attention needed for an effective defensive ground game.

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