



CHINA'S CHALLENGES AND EFFECTIVE DEFENSE: AMERICA'S CONUNDRUM

BY ROBERT SUTTER

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*This assessment draws from the major revision of his assessment of United States-China relations in the forthcoming volume *US-China Relations: Perilous Past, Uncertain Future: Fourth Edition* (Lanham MD: Rowman & Littlefield 2022).*

For more from this author, visit his recent chapter of [Comparative Connections](#).

This writer's forthcoming book underscores the breadth and depth of challenges to the US-supported open economic and political order posed by the headlong drive of the authoritarian Chinese party-state for ever greater wealth and power at the expense of others. China is [determined](#) to have its way in leveraging impressive economic and military power and using many controlling features of the Chinese party-state to carry out intimidating, coercive, and predatory [measures](#) at the expense of other countries. Beijing effectively exploits and manipulates the openness of international markets and the social and political order of developed and other countries in seeking regional dominance and ever greater global influence.

The challenges can be grouped in three categories.

First is the challenge posed by over three decades of rapid development of Chinese modern military power [tipping](#) the balance in the Indo-Pacific, supporting Chinese territorial expansionism and undermining US

alliances and partnerships in seeking dominance in the region.

Second is the challenge posed by China's similarly longstanding [efforts](#) using state-directed development policies to plunder foreign intellectual property rights and undermine international competitors having increasingly profound negative impacts on US and Western interests. Beijing does so with state-directed economic coercion, egregious government subsidies, import protection, and export promotion using highly protected and state-supported products to weaken and often destroy foreign competition in key industries. In this way, it recently seeks [dominance](#) in major world high-technology industries and related military power.

Third is China's challenge to global [governance](#). More than any other major power, Beijing leverages economic dependence, influence operations including elite capture, and control of important infrastructure to compel deference to its preferences. In the Indo-Pacific, these practices are backed by intimidating Chinese military power. China's preferences include legitimating the predatory Chinese economic practices and territorial expansionism, opposition to efforts promoting accountable governance, human rights, and democracy, opposition to US alliances seen as impeding China's rise, and support for the forceful foreign advances of Vladimir Putin's Russia and the rule of other [authoritarian](#) and often corrupt world leaders unaccountable to their citizens.

America's defense

Over the past five years, US government decisionmakers with full support from bipartisan majorities in Congress have shown ever clearer awareness of the [challenges](#) that China poses to the interests of the United States and the open world order it supports. A variety of approaches have been tried, but coming up with an effective strategy to protect America and its partners with a stake in the existing order remains a work in progress.

Perhaps the largest impediment to effective US defense against China's challenges is an unanticipated result of US policy of engagement begun actively in the 1990s. The Clinton administration endeavored to reduce tensions in US-China relations—no longer

bound by common opposition to the Soviet Union and divided by the Tiananmen crackdown and, most notably, by the acute tensions of the Taiwan Strait crisis of 1995-1996. In particular, US proposed engagement—often seen as a type of [enmeshment](#)—served to build interdependence that made China less likely to undertake disruptive measures against the United States. As the United States pursued this engagement, Chinese leaders saw a similar advantage in enmeshing the United States, thereby reducing the likelihood that the United States would take actions provoking China. In general, the results seemed to meet these expectations.

US officials also had expectations that the engagement would lead to moderation and greater conformity by China to US values and goals, which turned out to misjudge Chinese intentions to avoid such changes. For their part, Chinese officials steadily advanced and repeatedly exploited enmeshment of US businesses, universities, and other groups more closely interacting with China. These entities' dependence on China added to the impressive support China received from developed countries and the international financial institutions directed by leaders from developed countries. The support for China involved economic assistance, financing, technology, and market access. [Business](#) and other US organizations dependent on China also guarded against the United States taking stronger actions targeting often illegal and exploitative ways China acquired technology and other intellectual property as well as China's state-directed international economic practices, protectionist measures, industrial policies, and trade practices out of line with China's commitments to its agreement in joining the World Trade Organization in 2001. They also guarded against the United States taking stronger actions as Beijing, in the past decade, became more assertive with expansionist ambitions in Asia.

The symbiosis between US and international businesses, universities and others dependent on China and Chinese businesses and specialists has had a bearing on recent US curbs on Chinese access to US high technology. Chinese entities and specialists were often so enmeshed with US enterprises that it was [hard](#) to guarantee that breakthroughs achieved as a result of

US government billions of dollars of expenditure on high technology innovation would not easily become known by Chinese authorities.

Today, US businesses dependent on China remain influential in US policymaking and argue for greater moderation in dealing with China; they seek [exemptions](#) from various administration and legislative restrictions designed to counter Chinese challenges. Many US universities with involvement in China and other American groups and experts with involvement with China also argue for greater moderation. The Council on Foreign Relations is leading efforts by influential foreign policy specialists seeking greater moderation and [warning](#) of the dangers of growing tensions in US-China relations. A common thread in these arguments is that the China threat is exaggerated and that the negatives for the United States flowing from Chinese behavior can be better dealt with through more nuanced approaches featuring negotiations and dialogue.

How US policymakers can create a strategy that counters Chinese challenges and also takes account of significant domestic opposition to such tough measures remains to be seen. Adding to the conundrum facing the Biden administration, its purported strategy of close collaboration with allies and partners to deal with China's challenges from a position of collective strength faces countervailing pressures. One reason is that most of these countries have similar business and other interests that oppose measures to counter China. Many also do [not share](#) the sense of danger and urgency about China's challenges now seen in Washington.

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