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REPORT

No New Cold War

Why US-China Strategic Competition
will not be like the US-Soviet Cold War

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The Asan Institute for Policy Studies

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About

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Professor Christensen has also taught at Cornell University and MIT. He received his BA with honors in History from Haverford College, MA in International Relations from the University of Pennsylvania, and PhD in Political Science from Columbia University. He has served on the Board of Directors and the Executive Committee of the National Committee on US-China Relations, as coeditor of the International History and Politics series at Princeton University Press, and as a member of the Academic Advisory Committee for the Schwarzman Scholars Program. He is currently the Chair of the Editorial Board of the Nancy B. Tucker and Warren I. Cohen Book Series on the United States in Asia at Columbia University Press. Professor Christensen is a life member of the Council on Foreign Relations and a Non-Resident Senior Scholar at the Brookings Institution. He was presented with a Distinguished Public Service Award by the United States Department of State.

Since the collapse of the Soviet Union (USSR), Chinese scholars, pundits, and diplomats have accused the United States (US) of adopting a “Cold War mentality” toward the People’s Republic of China (PRC), especially when Washington took measures to bolster the military position of the United States and its allies and security partners in East Asia. The contemporary history of US-China relations shows how far-fetched that accusation has generally been. US Cold War containment of the Soviet Union and its allies in the 1950s and 1960s—the real Cold War mentality—was designed to limit economic contact with those countries and, if possible, to cripple those nations’ economies at home while frustrating their diplomacy abroad. In stark contrast, since the beginning of the PRC’s reform era in 1978, it is hard to argue that any actor other than the Chinese people themselves has done more to assist Chinese economic development than the United States. Open American markets for Chinese exports, large scale US investment into Chinese industry, and hundreds of thousands of Chinese students in American universities were all essential to China’s fast-paced growth and technological modernization. Moreover, the United States has asked China to play a more active role in international diplomacy, to pull its weight as a “responsible stakeholder” on the international stage, an aspirational invitation that has only been answered in fits and starts but which belies the notion that Washington has been trying to prevent Beijing from gaining international influence and prestige. The only area in which the United States has persistently attempted to obstruct China’s rise to great power status in the past thirty years is in the military sphere. Since the massacre of students and workers on June 4, 1989 by units of the People’s Liberation Army (PLA), the United States and its European allies have maintained an arms embargo on China. Various limits on US military cooperation with China also have been placed by the executive branch and by the US Congress.

But this all may now be changing as a more hawkish consensus forms regarding China policy in Washington political circles. Especially since President Trump took office, many commentators in the United States are predicting a new Cold War between the United States and China. Some welcome such an outcome and others lament it; but commentators see a new Cold War brewing. They cite as evidence the intensifying military competition in the Indo-Pacific, the US-China trade war, Washington’s placement of Huawei and other Chinese companies and institutions on the Commerce Department’s export controls list, the December 2017 National Security Strategy lumping China and Russia together as revisionist adversaries of the United States, and the Trump Administration’s description of China’s international economic role as

“predatory.”¹ For promoters of this narrative about a new Cold War, the coronavirus (COVID) crisis and the mutual finger-pointing in Washington and Beijing about the origins and management of the pandemic, often including accusations about the deficiencies of the other state’s political system, has only accelerated the slide into a new ideological Cold War. And consistent with that narrative, On July 17, 2020 Secretary of State Mike Pompeo moved beyond the longstanding American criticisms of Chinese Communist Party (CCP) repression within what the CCP calls its own borders. Pompeo adopted sweeping language reminiscent of the early Cold War by accusing “Communist China” of trying to “crush the world’s freedoms.”² On July 23, he went even further calling for the formation of a new global alliance of democracies to confront the People’s Republic of China.³ Pompeo’s moralistic and ideological language indeed harkens back to the early Cold War. One is reminded of Winston Churchill’s 1946 Iron Curtain speech and the “Truman Doctrine” speech the following year.

I argue here that, despite such rhetoric and despite rising tensions in US-China relations, a second Cold War is almost certainly not in the offing. Pompeo’s July 23 speech basically declared a Cold War with China, but that does not mean one will happen. The US-Soviet Cold War was an international outcome involving many actors, not the foreign policy of a single country. One nation, however powerful, cannot simply create a Cold War on its own. There will likely not be a Cold War even if the United States

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1. See for example, Kaplan, Robert. “A New Cold War Has Begun.” *Foreign Policy*. January 7, 2019. <https://foreignpolicy.com/2019/01/07/a-new-cold-war-has-begun/>; and Mandelbaum, Michael. “The New Containment: Handling, Russia, China, and Iran.” *Foreign Affairs*. March/April 2019. <https://www.foreignaffairs.com/articles/china/2019-02-12/new-containment>; and Hadar, Leon. “The New Cold Warriors,” *The Business Times*. April 2, 2019. <https://www.businesstimes.com.sg/opinion/the-new-cold-warriors>. See *The National Security Strategy of the United States*, The White House, December 2017. <https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>. For arguments against allowing the US-China strategic competition from morphing into a Cold War, see “China is not an Enemy,” Open Letter to the Trump Administration, *Washington Post*; and Course Correction Asia Society. For a retort to the WaPo letter, see James Fannel.
 2. Secretary of State Michael R. Pompeo. “My Faith, My Work, My Country,” Speech July 17, 2020. <https://www.state.gov/my-faith-my-work-my-country/>.
 3. Secretary of State Michael Pompeo, “Communist China and the Free World’s Future,” <https://www.state.gov/communist-china-and-the-free-worlds-future/>.

itself were unwise enough to adopt the Cold War style policies toward China that might flow from Pompeo's remarks. We should be grateful that this is the case. The US-Soviet Cold War included a series of very violent proxy wars in Asia and posed an existential threat to humanity from the late 1950s to the mid-1980s. The current US-China strategic competition, which is real and carries dangers of its own, lacks three essential and interrelated elements of the US-Soviet Cold War: the United States and China are not involved in a global ideological struggle for the hearts and minds of third countries; our highly globalized world is not and cannot be divided into starkly separated economic blocs; and the United States and China are not leading the kind of opposing alliance systems that were the precursors of the bloody proxy wars of the 20th century.

Without any one of these three factors, the US-Soviet Cold War would have been much less violent and much less dangerous than it actually was. So while the rise of an authoritarian China carries real challenges for the United States and its allies and partners, we should not misconstrue the kind of threat China poses. Nor should the United States adopt Cold War style policies and rhetoric that may have been appropriate in that earlier era but, today, would only alienate US allies and partners and would, ironically, weaken the United States in its ongoing competitions with China in Asia and beyond. The voices proclaiming a new Cold War and calling for a containment strategy toward China misunderstand the nature of the China challenge and also prescribe responses that will only make the United States less effective in responding to that challenge.⁴ I am not arguing that an American declaration of a Cold War with China would lead to a self-fulfilling prophecy. Instead, I am arguing that, even if the United States were to pursue such an approach, a Cold War, as we knew it, would still not occur for the foreseeable future. In the meantime, the United States would have

4. See for example, Kaplan, Robert. "A New Cold War Has Begun." *Foreign Policy*, January 7, 2019. <https://foreignpolicy.com/2019/01/07/a-new-cold-war-has-begun/>; and Mandelbaum, Michael. "The New Containment: Handling, Russia, China, and Iran." *Foreign Affairs*, March/April 2019. <https://www.foreignaffairs.com/articles/china/2019-02-12/new-containment>; and Hadar, Leon. "The New Cold Warriors." *The Business Times*. April 2, 2019. <https://www.businesstimes.com.sg/opinion/the-new-cold-warriors>. Rejecting these positions are Mitrovich, Gregory. "A New Cold War? Not Quite." *Washington Post*. March 21, 2019. https://www.washingtonpost.com/outlook/2019/03/21/new-cold-war-not-quite/?utm_term=.d4523244634e; and Odd Arne Westad. "Has a New Cold War Really Begun." *Foreign Affairs*. March 27, 2018. <https://www.foreignaffairs.com/articles/china/2018-03-27/has-new-cold-war-really-begun>.

only managed to weaken itself in its strategic competition with China.

One could choose other points of comparison between the contemporary US-China strategic competition and the Cold War than the three I chose above. For example, one might argue from a structural realist, balance-of-power perspective that, despite China's meteoric rise, it is still primarily a regional power rather than a global power, especially in the military sphere. In other words, the United States lead in overall military, economic, and political power around the world prevents us from calling the international system "bipolar" as it was in the Cold War because China cannot yet play the global role that the USSR did during the Cold War. I have written at length about why China has not and will not be a global peer competitor of the United States anytime soon when one considers all aspects of national power.⁵ That having been said, I also recognize that China is already powerful enough to pose major challenges to United States forward-deployed forces and allies in Asia; and that concerning trend is only going to grow. So I take only limited comfort in the notion that the United States is still the most powerful country on the planet.⁶

Michael Beckley's recent book, *Unrivaled*, introduces some new and innovative measures of national power and similarly concludes that the United States lead over China in national power is enormous and is unlikely to narrow significantly anytime soon. In other words, Beckley believes the world remains primarily "unipolar." Structural realist scholars believe that such a system functions very differently than a bipolar one or a multilateral one.⁷ In a fascinating study, Oystein Tunsjo counters that the current international structure resembles that of the bipolar Cold War much more than either Beckley or I previously allowed.⁸ Tunsjo points out that by standard contemporary measures of national power, the Soviet Union itself was never nearly as powerful as the United States during most of the Cold War. For much of the Cold War, the Soviet

5. Christensen, Thomas J. *The China Challenge: Shaping the Choices of a Rising Power*. New York: W.W. Norton & Company, 2016.

6. Christensen, Thomas J. "Posing Problems without Catching Up." *International Security* 25, No. 4 (2001): 5-40; and *The China Challenge*, chapter. 4.

7. Beckley, Michael. *Unrivaled: Why America Will Remain the World's Sole Superpower*. Ithaca New York: Cornell University Press, 2018.

8. Tunsjo, Oystein. *The Return of Bipolarity in World Politics: China, the United States, and Geostuctural Realism*. New York: Columbia University Press, 2018.

Union, like contemporary China, lacked global conventional military power projection that could challenge forward-deployed US forces effectively around the world. Like today's China, the Soviets posed the biggest conventional military threat to US forces and to US allies that were nearest the Soviet Union and its Warsaw Pact allies. And the Soviet Union's economy was clearly much weaker than that of the United States throughout the 45 years of the Cold War. So, for Tunsjo, what makes the current international structure similar to the Cold War is that the second strongest power, China, enjoys significantly more power than the third and fourth most powerful nations on an individual basis, as did the Soviet Union during the Cold War. So while Beckley measures up from China to a much more powerful United States, Tunsjo measures down from China to much weaker powers in third, fourth, and fifth place in the global structure. Tunsjo argues that the main difference between the Cold War and the 21st century Sino-American rivalry is not structure, but geography. He believes the maritime nature of the Sino-American competition means frequent military clashes between the two leading powers are more likely than during the Cold War because demarcation lines between rivals are less clear or non-existent at sea, but the risk of catastrophic escalation in those clashes will be much lower than they would have been in direct clashes on land between NATO and the Warsaw Pact in the Cold War.

It may seem a convenient dodge, but I find myself strangely in agreement with the views of both Beckley and Tunsjo. The American lead over China in national power is still enormous as Beckley shows using both existing measures of national power and highly innovative new ones. Tunsjo himself recognizes that the United States' lead over China is still large. But Tunsjo is right to portray Beckley as overconfident about the challenge already posed by a rising China to the United States. China is already much more powerful than any single US ally in Asia and is able to pose major asymmetric threats to US forward-deployed forces there. The maritime disputes between the People's Republic of China and Japan, Taiwan, and several Southeast Asian states (including the US ally, the Philippines) pose the greatest risks of involving the United States and China, two nuclear powers, in direct conflict. But, as Tunsjo argues, crises and even conflicts over these disputes, though quite dangerous, should also be much more manageable than conventional conflict in the Fulda Gap in Central Europe between the United States and the Soviet Union would have been during the Cold War. One cannot very easily seize and maintain control of the maritime domain and, with the important exception of Taiwan, the disputed islands, rocks and reefs near China are not tempting targets for invasion and occupation. In general, they lack resources for human

survival; and even if, when militarized, they could pose risks to rivals' sea and air assets in their vicinity, as fixed positions of limited size they themselves would be highly exposed to devastating conventional attack. This is especially true with the advent of 21st century strike weapons. Since 2014 Beijing has dredged coral to produce large artificial islands on which they have placed, military infrastructure that could allow Beijing to project power in the region and put passing ships and aircraft at risk. While a serious development, these man-made outposts themselves would similarly be very vulnerable in a shooting war with sophisticated militaries like those of the United States, Japan, or Australia.

I argue here that what is even more important than the global balance of power or the geography of the maritime disputes in rendering contemporary US-China strategic competition less dangerous than the US-Soviet Cold War, are the three factors mentioned above. If the United States and China were both leading opposing, economically independent alliance blocs based on fundamentally opposing ideologies, the Sino-American strategic competition would quickly move on to land along the shared borders of members of each alliance. For the Cold War analogy, think of the 38th parallel in Korea, the 17th parallel in Vietnam, or West Berlin. Even if China were unable to project military power to challenge the United States in far-flung areas of the world, it could supply and train pro-Beijing proxies in those areas who could then attack US allies there. As Tunsjo argues, the clarity of borders on land would mean less frequent clashes but controlling escalation of conflicts that did occur would be much more difficult to manage than it would for conflicts at sea. And even if China still lacked the indigenous national power and military power projection capabilities of the United States, its ability to support and even gain military access to a global set of like-minded allies would greatly increase its ability to challenge US interests around the world. Under such ideological conditions, the current regional Sino-American rivalry in East Asia would go global and would look much more like the Cold War, especially since local proxy wars would be backstopped on both sides by significant American and Chinese arsenals to include not only nuclear-tipped missiles but also long-range conventionally-tipped strike weapons such as ballistic missiles, cruise missiles, and hyper-glide vehicles.

Fortunately, however, this is currently all in the realm of political science fiction. There is little evidence that China is trying to spread an ideology around the world or that it is basing its relations with other countries on some sort of ideological litmus test. Some observers made a lot out of Xi Jinping's statement speech at the 19th Party Congress in

November 2017 that China's development path could be an alternative option or example ("fangan") for the world.⁹ Xi said: "the path, the theory, the system, and the culture of socialism with Chinese characteristics have kept developing, blazing a new trail for other developing countries to achieve modernization. It offers a new option for other countries and nations who want to speed up their development while preserving their independence."¹⁰ To me, this seems more an effort to justify the CCP's form of rule and economic policies at home as a legitimate way forward and beyond international reproach than it is a call to export a China model abroad. Xi suggests that there is more than just the neo-liberal "Washington Consensus" as a legitimate way to provide growth, lauding the Chinese Communist Party's success in producing economic development through state bank investments in infrastructure and preferential treatment of State-Owned enterprises and other Chinese "national champion" corporations. Supporting my hypothesis that Xi's Party Congress praise for the Chinese development model was more about CCP rule at home than ideological proliferation abroad are Xi's subsequent statement on the topic soon after the Congress. One month later, at a December 2017 meeting of World Political parties in Beijing, Xi explicitly rebutted those who had come to believe his Party Congress speech meant that the PRC was exporting an ideological model abroad for the first time since Mao Zedong's rule. Xi stated, "we do not "import (shuru)" foreign models, nor do we "export (shuchu)" the Chinese model; we cannot demand other countries to "reproduce (fuzhi)" the Chinese way of doing things." 我们不"输入"外国模式, 也不"输出"中国模式, 不会要求别国"复制"中国的.¹¹ This dialogue between the CCP and world political parties would have been the prime occasion for Xi to evangelize the China model, if that is what he indeed had intended weeks earlier at the Party Congress. Since the death of Mao, the only country to which China has tried to export its political model is North Korea. Beijing has long wanted Pyongyang to adopt market reforms and opening to the outside world in the same vein

9. Economy, Elizabeth C. "China's New Revolution: The Reign of Xi Jinping." *Foreign Affairs*. May/June 2018. <https://www.foreignaffairs.com/articles/china/2018-04-17/chinas-new-revolution>.

10. See Full Text of Xi Jinping's Report to the 19th CPC National Congress, *Xinhua*, November 3, 2017. http://www.xinhuanet.com/english/download/Xi_Jinping's_report_at_19th_CPC_National_Congress.pdf.

11. "携手建设更加美好的世界——在中国共产党与世界政党高层对话会上的主旨讲话。" [Cooperation in Building a More Beautiful World: The Keynote Speech at the Dialogue of the CCP and World Political Parties]. *Xinhua*, December 1, 2017. http://www.xinhuanet.com/politics/leaders/2017-12/01/c_1122045658.htm.

as Deng Xiaoping's reforms in China. But if Pyongyang were ever to respond positively to Beijing's entreaties, the result would largely be welcomed by the United States and its Asian allies. So, this exceptional form of PRC ideological export could hardly be the foundation for a new Cold War.

Russia trails China in leaps and bounds in terms of comprehensive national power, but seems much more politically revisionist on this score than China. Moscow actively works to undermine liberal democracies in the United States and Europe and seems willing to befriend any authoritarian or wavering democracy willing to oppose the United States and the European Union. The Chinese government, while authoritarian itself and often frighteningly repressive at home, seems agnostic about the domestic structures of foreign countries with which it interacts. Instead, Beijing seems much more concerned about the policy postures of those countries toward the CCP's continued rule at home, Chinese sovereignty disputes, and economic cooperation with China, in that descending order of importance. In a clear response to the 2017 Trump Administration's lumping of Russia and China together as great power revisionist competitors threatening US interests, the header of a 2019 Rand report cleverly retorts: "Russia Is a Rogue, Not a Peer; China Is a Peer, Not a Rogue."¹² And a former Chinese diplomat stationed in Russia, Shi Ze, summed up the difference between Moscow and Beijing this way: "China and Russia have different attitudes. Russia wants to break the current international order... Russia thinks it is the victim of the current international system, in which its economy and its society do not develop. But China benefits from the current international system. We want to improve and modify it, not to break it."¹³

In fact, it is fair to point out that the United States and its great power allies have been significantly more ideologically revisionist than China since the end of the Cold War. In addition to direct military interventions by the United States and some NATO allies in places like the former Yugoslavia, Iraq, and Libya to divide existing nation

12. James Dobbins, Howard Shatz, and Ali Wyne, "Russia Is a Rogue, Not a Peer; China Is a Peer, Not a Rogue: Different Challenges, Different Responses" Rand Corporation PE-310-A, 2019. <https://www.rand.org/pubs/perspectives/PE310.html>.

13. Trofimov, Yaroslav. "The New Beijing-Moscow Axis." *The Wall Street Journal*/ February 1, 2019. https://www.wsj.com/articles/the-new-beijing-moscow-axis-11549036661?emailToken=a6114fbfd51b469e6df782cf715bfcfcAP9uXXksXFWULgQXn73dxERuZagXDtIN3jwDQ1TJd8fs0541bVJ0KtgTCSVMH6FR/2mICf+bPZkntPeQMYWyA%3D%3D&reflink=article_email_share.

states and to overthrow regimes through military force, the United States and the European Union also supported, if not promoted, “color revolutions” in nations ruled by illiberal regimes in Europe, Asia, and North Africa. The United States and its allies in Europe and Asia also have championed major revisions to the norms of international organizations, for example including foreign investment, labor standards, and intellectual property rights protection in what used to be negotiations focused largely on trade. In 2000, the United States, the European Union, and Japan, the world’s major donors in development aid, adopted the Millennium Challenge goals, which linked grants and preferential loans to developing countries to domestic governance improvements in those target nations. In the United Nations, the United States and some European states were major forces behind the 2005 agreement on the concept of the Responsibility to Protect (R2P), which potentially subjects states to international intervention when they violate humanitarian norms or fail to stop those who do violate those norms at home or abroad.

Beijing consistently adopts a more traditional, conservative position on national sovereignty protection and has been very reluctant to accept these changes. Even when it has signed on to these reform agendas, as it did with R2P, the PRC added many codicils to its letter of agreement, to water down the commitment’s practical meaning for China. For example, Beijing insists that the central government of the troubled country should approve any international humanitarian intervention.¹⁴ This position provides China legal reasons for vetoing UN Security Council actions related to the concepts, as Beijing did multiple times in regards to Syria following the NATO-supported assassination of Muammar Qaddafi in Libya in 2011.¹⁵ Despite these clear differences between Russia and China, the Trump Administration baldly labeled China a revisionist great power rival alongside Russia in the 2017 National Security strategy. This is one reason that the Administration is often accused of promoting a new Cold War with China.¹⁶

14. For a review of R2P and China’s carefully worded ascent to the agreement, see Christensen, *China Challenge*, pp. 60-61. Also see Courtney J. Richardson, “A Responsible Power? China and the UN Peacekeeping Regime,” *International Peacekeeping* Vol 18, No. 3 (June 2011).

15. See, for example, the coverage of the failed May 2014 resolution on Syria that both Russia and China vetoed. “Russia and China Veto UN Move to Refer Syria to ICC.” *BBC News*. May 22, 2014. <http://www.bbc.com/news/world-middle-east-27514256>.

16. The White House. “*The National Security Strategy of the United States*.” <https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>.

Perhaps ironically, however, President Trump has largely abandoned America’s own progressive ideological revisionism in the name of transactional pragmatism under the slogan “America first.” Relatedly, Trump has exited multilateral institutional reform efforts like the Trans-Pacific Partnership and even attacked and undermined existing multilateral economic agreements like the WTO. The President clearly and explicitly prefers bilateral deal-making and disparages almost all previous US diplomacy designed to deepen multilateral integration and enhance global governance in support of what had long been seen as traditional American values. Finally, President Trump seems very comfortable dealing with foreign authoritarian leaders from Pyongyang to Moscow. There seems to be a wide gap between the President’s own thinking about international relations and Secretary of State Pompeo’s July 23 highly ideological, anti-authoritarian speech on China and the alleged threat that it poses to the Free World. It would therefore be difficult for China, even if it were so inclined, to get traction against the United States at present in most authoritarian corners by appealing to a shared threat of American democratic evangelism. Of course, the Trump Administration has been rather exceptional on this score and, if Joe Biden is elected President, the United States might return to its earlier bipartisan consensus on the export of democratic values and its general support for pro-democratic reform or even “color revolutions” in authoritarian states. As it had in the past, Beijing would criticize and sometimes resist such American democratic evangelism, but it is doubtful that it would respond by trying to undermine existing democracies and trying to replace them with authoritarian regimes in its own image.

I am not arguing that the United States should not be promoting democracy. In fact, I believe it should be doing so, albeit it by encouraging liberalizing political reform rather than actively pursuing the overthrow of regimes in target countries. Nor am I arguing that the United States should not be promoting the deepening of existing international agreements to include domestic arrangements and domestic government responsibilities of member states. I am just pointing out that such efforts are, by their very nature, revisionist. Revisionism is not necessarily a negative term. But, analytically speaking, under Trump’s leadership, when the United States has largely abandoned its traditional revisionist ideological mission of spreading democracy, and when the United States has ceased to try to reform and deepen existing multilateral agreements, it is even more difficult to see how US-China competition might morph into opposing pro-American and pro-Chinese blocs around the globe. This is a very different world than the first two decades of the US-Soviet Cold War during which the Communist camp and the anti-

communist camp were fairly clearly divided and both were dedicated to a long-term goal of driving the other into the ash heap of history. In the post-Cold War world, China's own more conservative sovereignty-oriented diplomacy and economic initiatives in places like Africa sometimes have run afoul of American and European revisionist efforts because Chinese loans generally come with no strings attached and lack transparency. Examples of such direct conflicts between China and US-backed institutions were relatively rare, however. One famous example is Angola, which in 2004 turned down a conditional 2-Billion-dollar loan from the IMF/World Bank in favor of an unconditional Chinese loan.¹⁷ Such disputes, which hardly resemble a Cold War, might become more common in the future with China's massive Belt and Road Initiative, but only if the United States and its allies become much more involved in development assistance themselves than they have been in recent years.

There are other ways in which the ideological differences between the United States and China matter even if we will not witness a new Cold War. China has exported facial recognition technologies and trained foreign powers in various surveillance technologies, including on the internet, in ways that could strengthen the domestic hands of authoritarian regimes over their own populations. China is quickly gaining a comparative advantage in the economics of surveillance and it seems willing to sell these technologies to anyone, not just authoritarian regimes. While China does not seem to be working to undermine liberal democracies around the world in the ways that Stalin's Soviet Union or Mao's PRC did in the first half of the Cold War, these activities should be of concern to the United States, especially if the United States were to return to its traditional goal of promoting liberal democracy and encouraging more freedom within authoritarian states. Chinese activities in the AI and cyber realm could be a future source of ideological tension in US-China relations even if those tensions are unlikely to escalate to Cold War levels. For the time being, as long as US foreign policy is no longer dedicated to democracy promotion, then even these potential ideological tensions become muted. Unless that aspect of US foreign policy changes, Sino-American competition in far-flung parts of the world will be more likely to revolve around relative national influence in various regions, not over differences about

17. For a balanced assessment of this unusual case of direct friction between China and the major international lending organizations, see Brautigam, Deborah. *The Dragon's Gift: The Real Story of China in Africa*. Oxford: Oxford University Press, 2009, pp. 273-277.

the kind of world in which we would like to live in the future. Again, this is a far cry from the US-Soviet Cold War.

The CCP has adopted illiberal methods to influence opinion around the world and, in specific instances, has clearly tried to undermine democracy. Laura Rosenberger, a highly experienced former US government official, has argued that Beijing has indeed adopted Russian style internet attacks to undermine confidence in democracy. This is extremely worrisome and warrants our attention. But it appears her examples are from Beijing's attempts to undermine liberal democracy in Hong Kong, a territory that the PRC has long claimed as its own.¹⁸ One could add to Rosenberger's list Taiwan, where, according to Joshua Kurlantzick, the PRC launched vigorous but ultimately unsuccessful attempts to prevent the re-election of President Tsai Ing-wen from the traditionally pro-independence Democratic Progressive Party.¹⁹ But, like Hong Kong, Taiwan is special in that the PRC claims it as part of its territory and manages policy toward it through state organizations other than for Foreign Ministry. And well-functioning democracy on what is claimed to be Chinese territory poses much more direct threats to CCP legitimacy than democracy thriving in North America or Western Europe. If such efforts to sow electoral confusion and undermine democracy were employed in democratic countries outside of the current PRC map and were designed to go beyond influencing public and government attitudes toward CCP rule at home or China's sovereignty claims, then we would be witnessing revolutionary authoritarian behavior beyond China's borders that would warrant reconsideration of my thesis that a Cold War is not in the offing.

China's influence operations in countries such as Australia, New Zealand, and even the United States have also been cited as examples of ideological revisionism. But, while quite concerning, these seem fundamentally different than the attacks on the institution of democracy itself in Hong Kong and Taiwan. During the COVID crisis, Beijing's "wolf warrior" diplomats and media outlets have lashed out at foreign governments and

18. Rosenberger, Laura. "Making Cyberspace Safe for Democracy." *Foreign Affairs*, May/June 2020. <https://www.foreignaffairs.com/articles/china/2020-04-13/making-cyberspace-safe-democracy>.

19. Kurlantzick, Joshua Kurlantzick. "How China is Interfering in Taiwan's Election." Council on Foreign Relations In Brief. November 7, 2019. <https://www.cfr.org/in-brief/how-china-interfering-taiwans-election>.

commentators who have criticized the PRC's initial handling of the crisis and who have decried the lack of transparency and free speech in China's authoritarian single-party state.²⁰ But Beijing's efforts in even the most egregious examples have been focused on affecting those countries' attitudes and policies toward CCP rule at home and preventing those countries from supporting other disputants in Beijing's many sovereignty disputes, including in the Taiwan Strait.²¹ One of the strongest criticisms of China's influence attempts abroad is a Stanford University Hoover Institution report on Chinese efforts to penetrate free societies. But even this report argues that Beijing's goals are largely to protect CCP rule at home from external criticism, rather than exporting China's authoritarian model abroad. It reads: "the Chinese government has focused its influence initiatives on obscuring its policies and suppressing, to the extent possible, voices beyond China's borders that are critical of the CCP."²² The threat then is not to democracy itself as a target and China's reactive approach is a far cry from Mao's or Stalin's support of communist revolution abroad. There is still a serious problem for free societies, however, even if it is not the basis for a new Cold War. By using money to impact elections and media coverage, and by pressuring academics and students to avoid certain topics and to adopt acceptable positions on the topics above, the CCP is doing harm to some of the important institutions of a free society even if it is not undermining the foundation of liberal democracy writ large. That harm is

20. For an example of US officials' criticism of the PRC for its suppression of information about the spread of the Novel Coronavirus in Wuhan, see Remarks by Secretary of State Mike Pompeo at Virtual Copenhagen Democracy Summit. US Embassy in Iceland, 22 June 2020, is.usembassy.gov/europe-and-the-china-challenge. For examples of the harsh and defensive response of China's "Wolf Warrior" diplomats, see, for example, Ministry of Foreign Affairs of the People's Republic of China. "Foreign Ministry Spokesperson Zhao Lijian's Regular Press Conference on June 22, 2020." June 22, 2020. www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1791285.shtml; and Ministry of Foreign Affairs of the People's Republic of China. "Foreign Ministry Spokesperson Zhao Lijian's Regular Press Conference on June 29, 2020." June 29, 2020. www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1793120.shtml.

21. Hoover Institution. "Chinese Influence Activities in Select Countries." www.hoover.org/sites/default/files/research/docs/13_diamond-schell_app2_web.pdf; and "How China's 'Sharp Power' Is Muting Criticism Abroad." *The Economist*. Dec 14, 2017. www.economist.com/briefing/2017/12/14/how-chinas-sharp-power-is-muting-criticism-abroad.

22. Hoover Institution. "Chinese Influence Activities in Select Countries." www.hoover.org/sites/default/files/research/docs/13_diamond-schell_app2_web.pdf.

potentially serious enough to warrant the vigilance not only of governments but of leaders in academia and media circles.

Elizabeth Economy notes that Chinese local governments hold training classes for foreigners in government effectiveness. Some of the pupils in these are academics and experts; others are government officials from neighboring states. China also conducts training classes in governance and economic development in already authoritarian and friendly environments like in Cambodia and Sudan. This practice might come closest to CCP authoritarian evangelism, but would be much more concerning and much more likely to create a Cold War environment if China were training pro-authoritarian parties and groups in otherwise democratic countries about how to seize authoritarian control of their states and destroy democracy.²³ This would be much closer to Soviet and Chinese Communist support of the international communist organization, the Cominform, in the early Cold War than what we have seen from the PRC since the collapse of the Soviet Union. And the training in these cases, especially inside China itself, seems primarily an effort at public diplomacy, to show the world that the Chinese governance model works and is legitimate despite criticism from the United States and other democracies about the lack of freedoms that are enjoyed elsewhere. As mentioned above, China also exports sophisticated surveillance technologies that can help authoritarian states suppress dissent. But as Rosenberger points out, China seems willing to market these technologies to all customers, including liberal democracies in Europe, such as France.

Where such Chinese practices would potentially pose the biggest challenge to the United States is in frustrating efforts to spread democracy to currently authoritarian environments by shoring up the capacities of states to resist subversion. But, oddly, this traditional foreign policy goal of the United States has been largely absent during the Presidency of Donald J. Trump, who has emphasized "America First" and has often embraced and praised dictators. The closest thing to an ideologically driven effort by the Trump Administration in East Asia has been its cooperation with Japan's Prime Minister Shinzo Abe to promote a "Free and Open Indo-Pacific (FOIP)" region and its effort to promote security cooperation among four leading democracies in the

23. Economy, Elizabeth. "Yes, Virginia, China is Exporting Its Model." Council on Foreign Relations Blog. July 10, 2020. <https://www.cfr.org/blog/yes-virginia-china-exporting-its-model>.

region: the United States, Japan, Australia, and India. This “quad” or “security diamond” creates a geographic and political arc of sorts around China. All quad members are liberal, multiparty democracies that contrast sharply with China’s one-party authoritarian system.²⁴ While various meetings have occurred and military cooperation, including exercises, has deepened among the four members, the strategic depth of the grouping remains limited. It is clear that none of the American partners, especially the traditionally non-aligned India, wants to join the United States in a zero-sum competition with China based on ideology. And some important US democratic allies in Asia, including South Korea and the Philippines, seem to want nothing to do with any multilateral security effort aimed at China. They are conspicuously absent from the security diamond even though both are US allies, democracies, and neighbors of China with a history of conflict with Beijing. Finally, one potential security partner of the United States, Communist-led Vietnam, and one formal alliance partner, post-coup Thailand, not only do not want to join a US-led Cold War effort against China, they would not or could not join any coalition like the Quad, which seems to have liberal democracy as a prerequisite for entry.²⁵

So while we should note Chinese concerns that initiatives like FOIP might be intended to start a new ideological Cold War, Chinese commentators and experts have already expressed a high level of confidence that Beijing can prevent an encircling Cold War alliance from forming in the Indo-Pacific.²⁶ As is demonstrated in Table 1 below, they point out that China, not the United States, is the biggest economic partner of many of America’s most important allies in the Asia-Pacific, including Japan, South Korea, and Australia. Yang Jiemian, the brother of the PRC State Councillor for Foreign Affairs, Yang Jiechi, argues that a Cold War would break the transnational production chain and be too costly to US allies in Europe and Asia who negotiate independently of the United States to form so-called “strategic partnerships” with China (“zhanlüe

24. For an excellent analysis of the Quad and FOIP, see Ayres, Alyssa. “The Quad and the Free and Open Indo-Pacific.” Council on Foreign Relations Blog Post. November 20, 2018. <https://www.cfr.org/blog/quad-and-free-and-open-indo-pacific>.

25. Based on not-for-attribution author discussions with Vietnamese and Thai diplomats in 2018 and 2019.

26. Nianzhong Waijiao Zongshu “A Summary of Diplomacy in the Year 2018.” *Guangming Daily*. December 29, 2018. Yang Jiemian, “Bu Hui you Xin de Lengzhan,” “There Cannot Be a New Cold War,” Shanghai Institute of International Studies. November 22, 2018.

huoban guanxi).²⁷ Hiroaki Nakanishi, the Chairman of Hitachi, agrees, stating: “It’s impossible for Japan to exist if we treat [China] as an enemy... Maybe they can do that in America, but it doesn’t work like that in Japan.” Demonstrating Nakanishi’s point, Japan’s reaction to the US-China trade war was to trade more with China in 2018 than in previous years.²⁸ More recently, during the COVID crisis, much has been made of the Japanese government dedicating 2 billion dollars to assist companies in relocating their final production facilities. Some saw this as a sign that Prime Minister Shinzo Abe might be moving in the direction of decoupling the Japanese economy from China along the lines sometimes suggested by President Trump and his

Table 1. China’s Economic Importance to the United States, US Allies, and Potential Security Partners in East Asia²⁹ (Unit: billion USD)

	Exports to China ³⁰	Imports from China ³¹	Total Trade with China ³²	% of Total Trade	% of GDP	China’s Ranking ³³
US	120 (3)	539 (1)	659	16%	3%	(3,1)
Japan	144 (1)	175 (1)	319	21%	6%	(1,1)
S Korea	162 (1)	106 (1)	268	24%	17%	(1,1)
Australia	87 (1)	58 (1)	145	29%	10%	(1,1)
Malaysia	36 (1)	44 (1)	80	17%	23%	(1,1)

27. Yang Jiemian, “Bu Hui you Xin de Lengzhan,” “There Cannot Be a New Cold War,” Shanghai Institute of International Studies. November 22, 2018. Supporting Yang’s view is Scott, Christopher Scott, “China Hysteria Falls on Deaf Ears in Europe,” *Asia Times*, March 22, 2019. <https://www.asiatimes.com/2019/03/article/in-europe-us-china-hysteria-falls-on-deaf-ears/>.

28. Landers, Peter. “Japan’s Top Business Group: China Isn’t an Enemy.” *The Wall Street Journal*. February 2, 2019. <https://mail.google.com/mail/u/0/?tab=rm#label/ASAN+Cold+War+Project/FMfcgxbVWkdIGqbvHdtpgHMZlBlvQkC>.

29. Source: Direction of Trade Statistics and World Economic Outlook Database, International Monetary Fund (IMF).

30. Global rank in parenthesis.

31. Global rank in parenthesis.

32. Export + import.

33. Exports, imports.

trade advisor, Peter Navarro. But Abe made it very clear that this fund was designed to help Japanese companies diversify their supply chains and was not intended to separate the Japanese and Chinese economies.³⁴ This makes sense, as many companies had begun moving final production to Southeast Asia even before the COVID crisis because of rising wages in China. COVID then further revealed the strategic importance of diversification. Moreover, a fund of 2 billion dollars could hardly provide sufficient incentives for the many Japanese companies invested in China to leave in any case.

Despite tensions over sovereignty disputes in the South China Sea, the 10 ASEAN states of Southeast Asia are also economically dependent on China and are considered by Chinese analysts as poor candidates for a US-led, anti-PRC coalition.³⁵ Malaysia, for example, has tight economic ties with China, as demonstrated in Table 1, as does Vietnam. China can use economic statecraft—both positive inducements and the threat of negative sanctions—to try to prevent US regional allies from becoming too overtly hostile toward China in coordination with Washington.

Chinese analysts also note that there are severe historical fissures within the US alliance system itself. Japan and South Korea maintain very strong mutual suspicions that are aggravated not only by the bitter history of Japanese imperialism in East Asia but also the ways in which contemporary political actors have manipulated, hidden, and resurrected those historical memories for electoral political advantage.³⁶ Those historical tensions and China's own manipulation of them help explain why Chinese elites were

34. Kawashima, Shin. "Is Japan Pulling its Companies Out of China.?" *The Diplomat*. May 11, 2020. ProQuest, <http://ezproxy.cul.columbia.edu/login?url=https://search-proquest-com.ezproxy.cul.columbia.edu/docview/2400235268?accountid=10226>; also see Nakamura, Kazuki. "Is the Japanese Public on Board With the 'New Era' of China-Japan Relations.?" *The Diplomat*. June 10, 2020. thediplomat.com/2020/06/is-the-japanese-public-on-board-with-the-new-era-of-china-japan-relations/.

35. Wei Min, "东盟不会参与美国主导的反华联盟" [ASEAN Will not Join a US-led anti-PRC alliance]. Report of the University Research Center, Tsinghua University Center for the Study of China and the World Economy. June 15, 2015.

36. See the positive presentation in China of an article making these points about Japan and Korea by US scholar, Wuthnow, Joel Wuthnow. Wu Sinuo "美国"最小化多边主义"在亚洲与中国的回应:新的安全困境?" [US 'Minilateralism' in Asia and China's Responses: A New Security Dilemma?]. *Dangdai Zhongguo* (Contemporary China). July 17, 2018.

so pleased that then ROK President Park Geun-hye stood on the rostrum next to Xi Jinping during the massive military parade in Beijing on September 3, 2015 to celebrate Japan's surrender in World War II.³⁷ No US officials joined the leadership entourage and the parade was clearly designed to demonstrate China's modernizing military might to President Park's American allies. Notable weapons systems displayed included the dual-capable (conventional and nuclear) DF-26 missile, which poses a direct threat to US forces in Guam and is considered, among other things, one of the newest generation of Chinese missiles able to hit moving targets, such as US aircraft carriers at sea. I was in Beijing at the time and noted that the CCTV coverage of the parade lauded the fact that the missiles could carry both conventional and nuclear weapons, an added jab in the eye to both the United States and Japan.³⁸

Under the Trump Administration, two new sources of friction have arisen in US alliances: trade disputes initiated by the United States against its long-time allies in Japan, Korea, and the European Union; and particularly contentious and often public disputes regarding burden-sharing within US alliances. In the case of Japan, US tariffs on both China and Japan in 2018 led to a significant warming of Japan-China relations. Obviously, Japan was hurt by US tariffs on Japan as it was by the Trump Administration's withdrawal from the Trans-Pacific Partnership; but what is less widely recognized is that Japanese companies, like American ones, have been hurt by US tariffs on China because so many Japanese and American firms finish their manufacturing in China or sell parts into supply chains that have China as their endpoint and the United States as a major target market.³⁹ In October 2018 Prime Minister Abe was the first Japanese prime minister to travel to China in several years and overall diplomatic and economic relations between the two most powerful countries in Asia seem to be warming despite a bitter recent history between the two nations over the last decade related to the Diaoyu/Senkaku dispute in the East China Sea and despite the reign of two highly nationalistic leaders in Xi Jinping and Shinzo Abe. As Brookings scholar Jonathan Pollack pointed out on the occasion of the Abe-Xi Summit:

37. Not-for-attribution author discussions in Beijing, September 2015.

38. Author observations of live CCTV television coverage of the PLA military parade, September 3, 2015, Beijing.

39. See the Bloomberg video on this topic, entitled "A Third of Japan Inc Hurt by US-China Trade War-Reuters Poll." October 16, 2018. <https://www.reuters.com/video/2018/10/16/a-third-of-japan-inc-hurt-by-us-china-tr?videoId=473938099>.

“Other than the United States, all see a trade war as a looming disaster. Some US officials also argue for an economic “decoupling” from China, which is already the world’s leading trading state. Japan and other leading export economies are extensively enmeshed with China, and they do not want to become collateral damage in any larger US-China trade conflict.”⁴⁰

What holds for Japan, also holds for Korea, which saw a drop in its exports of semi-conductors, a key Korean industry, after the US-China trade conflict began. Those semi-conductors flowed to China as parts for final products in the global supply chain.⁴¹ These tensions within the US alliance system and the diplomatic opportunities that they provide China must further reassure Chinese elites that a Cold War style alliance system toward China is not likely to form under current conditions in the region. The COVID crisis has certainly posed challenges for Chinese diplomacy and created doubts about the security of supply chains and reliance on foreign sources for necessary medical items such as Personal Protective Equipment (PPE), ventilators, etc., but there is little evidence that outside the high-tech areas like 5G telecommunications, that the United States is going to find too many allied partners willing to accept broad decoupling of their economies from China.

For its part, China has formal alliance relations only with North Korea and a strong security partnership with Pakistan. A few other relatively weak, far-flung nations, like Sudan and Zimbabwe have especially close relations with Beijing, in large part because they have historically had such icy relations with the United States and its allies. China has enjoyed especially close relations with a few members of ASEAN, in particular Laos and Cambodia. These relations, rooted in large part on economic cooperation, have served more to prevent ASEAN from taking unified, hard positions against China in the South China Sea disputes than they have been sources themselves for China’s ability to project power abroad or counter the US-led alliance system in East Asia. One area to watch on this score, however, is the recent Chinese construction of port facilities

40. Pollack, Jonathan. “Abe in Beijing: The quiet accommodation in China-Japan relations.” The Brookings Institution. October 25, 2018. <https://www.brookings.edu/blog/order-from-chaos/2018/10/25/abe-in-beijing-the-quiet-accommodation-in-china-japan-relations/>.

41. Kasulis, Kelly. “Trump’s trade war with China drives silent wedge between US and South Korea.” *Global Post*. February 14, 2019. <https://www.pri.org/stories/2019-02-14/trumps-trade-war-china-drives-silent-wedge-between-us-and-south-korea>.

on the Cambodian coast. It is also possible if not probable that through China’s massive Belt and Road Initiative, launched in 2013, Beijing will gain special relationships with more Asian and African states and Beijing’s global influence will grow accordingly. But those special relationships are much more likely to serve Beijing by preventing such countries from adopting policies that run directly against the CCP’s interests in staying in power and pursuing its long-held sovereignty claims than they are to encourage those countries to join an allied effort to harm the interests of the United States and its allies around the world.

I recognize that this reality still poses challenges for the diplomacy of the United States and its allies. So, for example, Greece, a NATO member, blocked a human rights complaint by the European Union against Beijing after Chinese shipping giant COSTCO invested heavily in the Greek port of Piraeus as part of BRI.⁴² Still, even here, Beijing seemed to be exploiting its special relationship for defensive ideological purposes, not to turn Greece into an offensive platform against the security interests of the other NATO members. In 2019, Italy, a NATO ally of the United States and a member of the G7 has agreed to join the BRI by accepting Chinese loans for infrastructure and management upgrades in its ports.⁴³ Still, it is doubtful that China will be able to damage NATO fundamentally as a result of any investments it makes in Italy. For our purposes, such economic cooperation with Beijing by long-standing US allies like Japan and Italy (and despite the expressed concerns of top US officials like Secretary of State, Mike Pompeo) shows just how untenable a true US Cold War effort against a rising China would be in a highly interdependent, globalized world from which the United States, its allies and security partners, and a rising China all benefit.⁴⁴ All of this

42. “Greece blocks EU’s criticism at UN of China’s human rights record.” *The Guardian*. June 18, 2017. <https://www.theguardian.com/world/2017/jun/18/greece-eu-criticism-un-china-human-rights-record>.

43. For an economic analysis of why Italy agreed to join BRI, see Kuo, Mercy Kuo. “China-Italy Relations: Insights from Romeo Orlandi.” *The Diplomat*. April 24, 2019. <https://thediplomat.com/2019/04/china-italy-relations-the-bri-effect/>.

44. See Secretary of State Pompeo’s reaction that Italy was harming its national interests by agreeing to join BRI, in AFP “US Secretary of State Mike Pompeo ‘saddened’ as Italy signs up for China’s belt and road project.” *South China Morning Post*. March 28, 2019. <https://www.scmp.com/news/china/diplomacy/article/3003610/us-secretary-state-mike-pompeo-saddened-italy-signs-chinas>.

could change, however, if China began using its economic influence to intentionally undermine liberal democracies, support authoritarian coups, and exacerbate civil conflicts in countries friendly to the United States.

From a US perspective, the most important security relationship China enjoys is with Russia, another authoritarian great power with considerable military wherewithal. That cooperative relationship includes joint military exercises, arms sales, and diplomatic cooperation at the United Nations to block US and allied efforts to pressuring regimes like Assad's in Syria to step down or end domestic repression. Still, even that cooperative relationship does not reach the level of a true alliance. For example, it is hard to imagine direct Chinese involvement in Russia's struggles with Georgia or Ukraine or in any future conflict Russia may have in the Baltics. Similarly, it is difficult to imagine circumstances in which the Russian military would insert itself directly in the Japan-PRC Senkaku/Diaoyu dispute in the East China Sea, in a conflict across the Taiwan Strait, or in maritime disputes in the South China Sea. Russian sales of sophisticated weapons systems to Vietnam and India, rivals in China's sovereignty disputes, also suggest a relationship far short of an alliance. In a nutshell, it is difficult to imagine Russia performing the types of roles that a true ally of China might perform; moreover, Russia's ongoing military cooperation with China's territorial rivals constitutes behavior that no true ally of China would have adopted in the first place.⁴⁵

Arguably the strongest force for bringing Russia and China closer together is a shared aversion to the traditional US pursuit of regime change and "color revolutions" in areas ruled by repressive regimes unfriendly to the United States. This pattern in US foreign policy spans multiple administrations of both major parties. Although China has not counterpunched by attempting to undermine democracies in the way that Russia has, it joins Moscow often in international fora to oppose the efforts of the United States and other liberal democracies to pressure countries over domestic governance failures and humanitarian crimes. This collaboration became particularly clear following the expansion of the NATO mission in Libya in 2011 from a UN mandated effort to protect the population of Benghazi from threatened slaughter by Qaddafi's forces, to

45. For a good analysis of the likely limits of Chinese-Russian cooperation, see Leon, Aron. "Are Russia and China Really Forming an Alliance." *Foreign Affairs*. April 4, 2019. <https://www.foreignaffairs.com/articles/china/2019-04-04/are-russia-and-china-really-forming-alliance>.

active military assistance to Qaddafi's vengeful domestic opposition who eventually killed him very far from that city.⁴⁶ Sino-Russian cooperation on such issues has been strongest in Syria, as the two states vetoed multiple draft resolutions critical of the Assad regime and in Venezuela, where the United States has labeled as illegitimate and called for the overthrow of President Maduro's regime. Even here, however, there are apparently important differences between Moscow's and Beijing's approach. Moscow has simply backed the anti-American Maduro against his domestic opposition and declared illegitimate the interim President Guaido, who purports to have the authority to replace Maduro under the existing constitution. Russia's policy of explicit support for Maduro is similar to that of Cuba, a long-time ideological ally of Maduro's predecessor, Hugo Chavez. Both Havana and Cuba apparently have dispatched military advisors to bolster Venezuelan military support for Maduro and to prevent a coup. Russian Foreign Minister Sergei Lavrov said President Vladimir Putin expressed "support and solidarity for his colleague and friend" Maduro in the country's political stand-off with the opposition.⁴⁷ China, which is owed some 50 billion USD by Venezuela, has been much more circumspect, simply calling vigorously for the United States and others not to interfere in the internal affairs of Venezuela.⁴⁸ At the United Nations,

46. See Christensen, *The China Challenge*, p. 269 and "Russia and China Veto UN Move to Refer Syria to ICC." *BBC News*. May 22, 2014. <http://www.bbc.com/news/world-middle-east-27514256>; and Freeman, Chas W. F and Murphy, Dawn C. "China and Syria." *China Forum* (TV Talk Show) September 22, 2013. US-China Policy Foundation, Washington DC. <http://uscfp.org/v3/chin-forum-program-index/>.

47. "Russia vows more support for Venezuelan 'friend' President Nicolas Maduro." *South China Morning Post*. March 1, 2019. <https://www.scmp.com/news/world/russia-central-asia/article/2188315/russia-vows-more-support-venezuelan-friend-president>; for a clear contrast between the direct Russian support for Maduro and the more abstract and neutral Chinese criticism of US interference see "《深度国际》委内瑞拉危机背后 为何爆发重重危机?" [Deep International: The Background to the Venezuela Crisis, Why Did a Serious Crisis Erupt?]. February 23, 2019. <https://www.youtube.com/watch?v=vmCEw4sb2kA&t=651s>.

48. Herrero, Ana Vanessa. "Who Supports Maduro and Who Backs Guaidó?" *The New York Times*. February 4, 2019. <https://www.nytimes.com/2019/02/04/world/americas/venezuela-support-maduro-guaido.html>; and see Sheng, Yang Sheng "China Opposes Foreign Intervention in Venezuela's Domestic Affairs." *Global Times*. January 24, 2019. <http://www.globaltimes.cn/content/1136972.shtml>. This article stridently opposes US military intervention in Venezuela but blames the ongoing crisis on domestic economic mismanagement, not foreign manipulations.

Beijing has also called for a peaceful political settlement inside Venezuela without favoring any particular side in the statement.⁴⁹ Beijing has also predictably offered assistance to Venezuela in responding to what Beijing believes to have been an electronic or cyberattack on Venezuela's infrastructure. This, again, seems more rooted in China's principle of non-interference than in support for Maduro's authoritarian regime, per se. And, it is likely that China, for its own defensive purposes, would like to learn more about the techniques of any foreign attacker that might have been involved in the penetration of Venezuela's infrastructure.⁵⁰ Early in the crisis, the Venezuelan interim government in waiting seems to have understood and appreciated the more neutral position of China and offered olive branches to Beijing in hopeful anticipation of seizing actual control of the Venezuelan government and security forces.⁵¹ If China were to become more ideologically proactive like Russia, actively propping up authoritarian regimes and undermining liberal democracies as a foreign policy tool, the Chinese and Russian cooperation on the protection and expansion of authoritarianism would provide the conditions for a new Cold War with the United States and its liberal democratic allies. To date, we have seen scant evidence of such an approach by Beijing.

For its part, with a couple of important exceptions, the Trump Administration does not seem to be waging the kind of ideological campaign that past Democratic and Republican administrations did. Venezuela seems an exception, not the rule. US policy there seems rooted in the desire to encourage the removal of a domestically ineffective government in Caracas that is openly hostile to the United States and has created massive emigration into neighboring countries. It does not seem part of a global effort to spread democratic values by the Trump Administration. Generally comfortable with authoritarianism in places like North Korea, Saudi Arabia, Russia, and even Syria, the Trump Administration

49. See UN Permanent Representative Ma Zhaoxu's presentation to the UN Security Council in the CCTV documentary on the Venezuela crisis. "《深度国际》委内瑞拉危机背后 为何爆发重重危机?" [Deep International: The Background to the Venezuela Crisis, Why Did a Serious Crisis Erupt?]. February 23, 2019. <https://www.youtube.com/watch?v=vmCEw4sb2kA&t=651s>.

50. "China offers help to Venezuela to restore power." *Reuters*. March 13, 2019. <https://www.reuters.com/article/us-venezuela-politics-china/china-offers-help-to-venezuela-to-restore-power-idUSKBN1QU0ZM>.

51. Stanley, James. "Venezuela's Guaido Seeks Talks With China, Morning Post Reports." *Bloomberg*. February 2, 2019. <https://www.bloomberg.com/news/articles/2019-02-03/venezuela-s-guaido-seeks-talks-with-china-morning-post-reports>.

seems much less interested in regime change than its predecessors did during the Global War on Terror and the Arab Spring. Again, this diversion from traditional US foreign policy values might end if Donald Trump is defeated in the 2020 Presidential elections.

In 2020, during the COVID crisis, President Trump initially praised President Xi Jinping but later deflected blame for his own Administration's clear failings in responding to the crisis on to China, adopting race-baiting rhetoric about the "Chinese virus" and the "Kung Flu." Top Administration officials like Secretary of State Pompeo and Deputy National Security Advisor Matthew Pottinger adopted non-racist, institutional criticism of the Chinese Communist Party for its lack of transparency and alleged malfeasance in failing to disclose information about the growing pandemic. In this criticism, top officials made the distinction between the CCP (bad) and the Chinese people (good) that seems more rooted in traditional US liberal values and more akin to Cold War rhetoric about the Communist Party of the Soviet Union.⁵² Elite observers in China view this attempt as a sign of an ideologically hostile "Cold War" mentality in Washington.⁵³ But it is less convincing in part because the President himself seems generally less willing to criticize Beijing on such terms. For example, he is reported to have dismissed the importance of Beijing's Hong Kong pro-democracy protestors in August 2019 in internal meetings and to have privately approved of Xi Jinping's repressive re-education camps for Muslim minorities in Xinjiang in a meeting with

52. For Secretary Pompeo's comments along these lines, see "Remarks by Secretary of State Mike Pompeo at Virtual Copenhagen Democracy Summit." US Embassy in Iceland. June 22, 2020. is.usembassy.gov/europe-and-the-china-challenge/; for DNSA Pottinger's May 4, 2020 speech see "Remarks by Deputy National Security Advisor Matt Pottinger to the Miller Center at the University of Virginia." The White House. May 4, 2020. www.whitehouse.gov/briefings-statements/remarks-deputy-national-security-advisor-matt-pottinger-miller-center-university-virginia/.

53. Track 2 Dialogues with Chinese elites on line under Chatham House rules in May and June 2019; also see PRC Foreign Ministry Spokesperson Zhao Lijian's press briefings "Foreign Ministry Spokesperson Zhao Lijian's Regular Press Conference on June 22, 2020." Ministry of Foreign Affairs of the People's Republic of China, June 22, 2020. www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1791285.shtml. and "Foreign Ministry Spokesperson Zhao Lijian's Regular Press Conference on June 29, 2020." Ministry of Foreign Affairs of the People's Republic of China. June 29, 2020. www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1793120.shtml.

Xi.⁵⁴ So, the more recent targeting of the CCP as an institution by officials other than the President hardly provides a foundation for a global struggle of democracy against authoritarianism, with tight alliances on both sides of the divide. If anything, the COVID crisis has made such a divide less likely. Trump's vainglorious claims of success despite clear evidence to the contrary has only weakened the US image with allies and friends. Even though China's own reputation has generally been hurt by the lack of transparency and the early suppression of information out of Wuhan, the Trump Administration's attempt to blame China for the problems in the United States is hardly a convincing rallying cry for an anti-China alliance based on ideology.⁵⁵

There are other reasons that Trump Administration seems unconvincing as a champion of an alliance opposed to authoritarianism. Praise for Russia's Putin and North Korea's Kim seem like his more normal posture toward dictators and only two other illiberal regimes have seemed to be in the Trump Administration cross-hairs since January 2017: Maduro's government in Venezuela and the mullahs in Iran. The turmoil in Venezuela appears not to be US-led from its inception, even though the United States backed the domestic revolt against Maduro once it developed. The Trump Administration's clear desire to incite instability and, perhaps, cause regime change in Iran has created distance between the United States and many of its democratic allies. Most US allies supported the Iran Nuclear Deal of 2015, from which the Trump Administration unilaterally withdrew.⁵⁶ China and Russia also supported that deal and opposed US unilateral pressure on Tehran, and particularly bristle at US "secondary sanctions" designed to prevent third countries from cooperating with Tehran. Both Moscow and Beijing consider such sanctions to be inconsistent with international law. But they are joined by many others in that view, so even US hostility toward and Chinese friendship with Iran does not provide the occasion for a Cold War between ideologically opposed camps.

54. Antholis, William J. and Murphy, Emmanuelle M. "Who'll Stand for Democracy." *Democracy: A Journal of Ideas*. July 10, 2020.

55. For my criticism of how both China and the United States responded to the COVID crisis, see Christensen, Thomas J. "A Modern Tragedy? COVID-19 and US-China Relations." Brookings Institution Policy Brief. May 2020. <https://www.brookings.edu/research/a-modern-tragedy-covid-19-and-us-china-relations/>.

56. See Gernamayeh, Ellie. "Why the Iran Nuclear Deal Still Matters for Europe." European Council on Foreign Relations. January 16, 2019. https://www.ecfr.eu/article/commentary_why_iran_nuclear_deal_still_matters_for_europe_jcpoa.

The Trump Administration's unilateral and harsh policies toward Iran, to include the withdrawal from the multilateral JCPOA (Iran Nuclear Deal), the re-imposition of direct and secondary economic sanctions following that withdrawal and the January 3, 2020 drone-strike assassination of the Iranian military and political leader Qassem Suleimani in Iraq, have tightened Russian and Chinese relations again. But here the Russian and Chinese cooperation seems more reactive than revolutionary and it is notable that many US allies in Europe share Moscow's and Beijing's nervousness about the US strategy even if US officials claim that they should be grateful that the United States is stabilizing the world by weakening Iran. So Iran seems like an unlikely topic around which opposing Cold War blocs might form.

Globalization, economic interdependence, and, most important, transnational production chains in which products are made from parts created in multiple countries, all provide China huge disincentives to pursue an ideological foreign policy designed to export its brand of authoritarianism abroad. China is indeed famous for its massive investments in resources and infrastructure in the most democratically challenged parts of the world. But China still does significantly more commerce with the advanced economies of the world, including many liberal democracies allied or aligned with the United States in Asia and Europe, than it does in the developing world. In fact, according to the 2016 China Statistical Yearbook, the United States and 7 of its allies and security partners made up 8 of China's top ten trading partners (the other two were Malaysia and Vietnam).⁵⁷ Especially since CCP legitimacy at home requires economic performance, it would be foolhardy for Beijing to alienate these advanced liberal democracies that supply key inputs for Chinese manufacturers, assist China in its technological development, thereby strengthening Beijing's efforts to use tech industries to break out of the "middle income trap," and provide final markets for manufactured goods produced in a transnational supply chain that so very often terminates in China. The very different economic models of China and Russia, which still relies heavily on the sale of natural resources for its economic survival, might help explain why China appears much less willing to destabilize and attack liberal democracies in Europe and North America than the Russians appear to be.

57. Table culled from the 2016 China Statistical Yearbook can be found at https://en.wikipedia.org/wiki/List_of_the_largest_trading_partners_of_China.

An ideologically agnostic actor like China indeed has an easier time cooperating with retrograde states that are moving away from liberal democracy, like Hungary and Turkey, than does the United States and many members of the European Union. But such movements are a double-edged sword for China. Beijing will not shed a tear if the governments in those countries become more repressive and less liberal at home. But the kind of anti-globalism that feeds neo-authoritarian nativism in those countries also carries grave risks for China if it were to spread further. China is, after all, the largest exporter in the world of finished manufactured goods and, for decades, has been a leading target for foreign direct investment by companies moving domestic production offshore. Authoritarian nationalists tend to be allergic to the globalization from which China has benefitted so greatly. China may not have contributed nearly enough in the process of sustaining that global order to satisfy US elites like George W. Bush's Deputy Secretary of State, Robert Zoellick, who famously called upon Beijing to become a "responsible stakeholder" in the international order.⁵⁸ It is also true that recent Chinese industrial mercantilism at home has violated the spirit and sometimes the letter of various existing economic agreements that China has joined. And this is all very consequential: China is such a large and important economy now that the move away from openness and the shirking of certain international responsibilities can unintentionally threaten the very survival of those agreements from which China has benefitted. But all that being said, Chinese leaders are being smart, strategic and more than a little sincere when at major international conferences they decry the spread of populist nativism, support globalization, and portray themselves as protectors of the economic liberal economic order from nativist and populist threats. One only needs to view China's massive trade and investment portfolio to understand why.⁵⁹

The prospect of lost economic opportunities found in cooperation with advanced democracies will almost certainly deter China from shifting from its ideological agnosticism about the regime types of its partners to a proactive and evangelical effort

58. Zoellick, Robert Zoellick, "Whither China? From Membership to Responsibility." a speech to the annual gala of the National Committee on US-China Relations. September 21, 2005. <https://2001-2009.state.gov/s/d/former/zoellick/rem/53682.htm>.

59. See for example, Leng, Sidney. Zhen, Liu. Zheng, Sarah and Wu, Wendy. "Chinese President Xi Jinping stands up for globalisation and free trade at Asia's Davos." *South China Morning Post*. April 10, 2018. <https://www.scmp.com/news/china/economy/article/2141099/chinese-president-xi-jinping-stands-globalisation-free-trade>.

to spread single-party authoritarianism in its own image. But the same thing can be said in reverse. Globalization, interdependence, and transnational production are a two-way street and many advanced economies with liberal ideologies at home have become dependent on China for their own economic wellbeing. So, liberal democracies and NATO members like Greece are not only reluctant to join a Cold War against China; they are reluctant to even allow multilateral organizations like the EU to criticize China for flagrant human rights abuses like the Uighur "re-education" camps in Xinjiang, which seem dedicated to brainwashing young Muslims to jettison any version of their faith other than that approved by Beijing's State Administration for Religious Affairs.

This analysis has clear policy implications for Washington in its power competition with China. The United States enjoys massive superiority to China in one key realm of national security: allies and partnerships. China's small number of active partners constitute a rogues' gallery of relatively weak and sometimes volatile actors with limited ability to enhance China's power around the world. The United States network of over 60 global allies and security partners include many of the most advanced, high-tech economies in the world, including Japan, South Korea, Australia, Germany, the United Kingdom, France, Israel, Singapore, etc. This US-led security network is what allows the United States the power projection necessary to be a truly global superpower. Many US partners would likely side with the United States under circumstances in which a rising China is to become very aggressive and expansionist. Chinese elites almost certainly know this; and that is one of the many reasons that a rising PRC, despite multiple sovereignty disputes with its neighbors, has remained relatively restrained (before the recent Sino-Indian border skirmishes China had not been in a military conflict since 1988 and China has not been in a true war since the Sino-Vietnamese War of 1979).

Deterrence works and is likely to continue to work under the right set of military and diplomatic conditions. But almost none of these allies would likely sign on to a US-led Cold War containment policy toward China, one designed to keep China from advancing economically the way that US-led Cold War efforts, like the Coordinating Committee (CoCOM), helped tie the Soviet Union's economy down. In many cases, China is the largest trading partner of key US allies and is also a major target of their foreign direct investment. And while many of these actors have been nervous about China's turn away from a more reassuring and moderate foreign security and economic policies since the financial crisis of 2008, many do not yet share Washington's increasingly

frequent portrayal of China as a major threat to their borders or ideological threat to their preferred forms of governance.

Even the state whose threat perception most closely aligns with those of the Trump Administration, Prime Minister Shinzo Abe's Japan, predictably spent much of 2018 moving closer to China diplomatically after the United States hit both Japan and China with trade tariffs that harmed the Japanese economy. When one understands the transnational production chain in East Asia one can see why Japan is very nervous about the potential for escalating US tariffs on China. Especially after China joined the WTO in late 2001, Japan invested very heavily in manufacturing in China. This means many Japanese products sold into the US market are finished in China and count as Chinese, not Japanese exports. The same, of course, holds for Korea, a major US ally, and Singapore, a non-allied US security partner, who tend not to view the PRC with the same degree of fear as Japan. These states also stand to suffer greatly from an escalating US-China trade war as lucrative supply chains that feed transnational production would stand to be severed. Another close US ally, Australia, has accepted some of the American requests to adopt a more combative posture toward China, but not others. Like the United States Australia has banned the Chinese telecommunications firm, Huawei, from its public networks for security purposes. But when US leaders describe China in adversarial terms as a revisionist power alongside Russia and criticize countries for being too close economically with China, even conservative leaders in Australia balk.⁶⁰ Australian experts share with the United States a healthy concern about the security implications of China's rise and the dangers of dependence on Chinese 5G technology and hold even deeper concerns than Americans about Chinese influence attempts in their domestic politics. But, as I heard in a visit there in late 2019, very few Australians would sign on to anything approaching a Cold War economic or diplomatic stance toward China.⁶¹ In New Zealand, where many share the international and domestic concerns about China's growing influence that were expressed in Australia, I heard similar expressions of frustration from experts about recent US policy toward Asia.⁶²

60. Curran, James Curran. "Despite pledges of eternal mateship, US and Australia not on song on China." *Sydney Morning Herald*. September 23, 2019. <https://www.smh.com.au/national/despite-pledges-of-eternal-mateship-us-and-australia-not-on-song-on-china-20190923-p52tz0.html>.

61. Discussions in December 2019 under Chatham House rules with Australian experts at the Lowy Institute in Sydney and the Australian National University in Canberra.

On a trip to Taiwan in January 2019, I was struck that even politicians from the most strident pro-independence parties and factions, those with the biggest reasons to fear the threat from mainland China, were very nervous that the US-China trade war would escalate if a deal were not struck between Washington and Beijing.⁶³ So much of Taiwan's final production has moved to the mainland that a full-fledged trade war between the United States and the PRC could have devastating consequences for the island's economy and might have harmed the prospects for the 2020 re-election of the ruling pro-independence party on Taiwan, the DPP. In a nutshell, the old realpolitik maxim that "the enemy of my enemy is my friend," a sort of ideational prerequisite for a true Cold War, is simply absent even in the most emotionally tense and highly militarized bilateral relationships, like those across the East China Sea, between Japan and China, and the Taiwan Strait, between Mainland China and Taiwan.

By categorizing Chinese economic activity writ large as "predatory" and pushing states to side with the United States against China in the diplomatic realm, Washington seems to be doing more harm to its own bilateral relations with these allies and partners than it is those countries' relations with China itself. This is why the call by some Americans to seek Cold-War-style decoupling from the Chinese economy into opposing economic blocs seems not only unrealistic but terribly unwise.⁶⁴ Asian neighbors of China, even US allies, have long had to hedge their bets between economic cooperation with both China and the United States on the one hand, and security cooperation with the United States to prevent Chinese regional hegemony on the other. Especially since China launched its reform and opening strategy in 1978 these states have never wanted

62. Chatham House discussions with government and academic experts in Wellington, New Zealand, December 2019.

63. Author not-for-attribution discussions with scholars and political elites, Taipei, Tainan, and Kaohsiung, January 2019.

64. Peter Navarro, Trump Administration Economic Advisor, and author of a book entitled *Death by China*, and the advisor comes closest to this Cold War view of US-China economic relations of any US government official. See Lowery, Annie "The 'Madman' Behind Trump's Trade Theory." *The Atlantic Monthly*. December, 2018. <https://www.theatlantic.com/magazine/archive/2018/12/peter-navarro-trump-trade/573913/>. For a much more subtle version of a de-coupling argument, calling for an economic separation but not necessarily a total divorce, see Friedberg, Aaron L. "Competing with China." *Survival*. Vol, 60, No. 3 (June 2018): 7-64. <https://www.tandfonline.com/doi/full/10.1080/00396338.2018.1470755>.

to make the kinds of stark choices they were forced to make during the first half of the Cold War between benefiting from good relations with the United States or America's communist enemies. Scholars of Southeast Asia have tried to code just how different states fall on this hedging spectrum between China and the United States but it is clear that none would appreciate being forced into a stark choice by Washington.⁶⁵ And any effort to do so by Washington would almost certainly weaken the United States' greatest advantage in its great power competition with China, its relationships of trust and mutual benefit built up over decades of successful US diplomacy toward regional actors who are still, at the end of the day, dependent on good relations with China.

In 2019 I also traveled to four key Southeast Asian countries, Singapore, Malaysia, Indonesia, and Thailand. There, I heard expressions of concern from academic and government experts about the Trump Administration's belief that these states should fully share US concerns about China's rise and should simply side with Washington in its struggle with Beijing. All of these countries' economies are tied fairly tightly to China for trade and in the latter three countries, Chinese investment in their infrastructure. So, it seems rather feckless for Americans to ask them to treat China's economic policies toward them as simply predatory rather than mutually beneficial, especially when the United States is playing a reduced role in the economic sphere by taking actions like pulling out of the Trans Pacific Partnership. Close economic ties with Beijing are not optional for any country in the Asia Pacific. And concerns about those ties have even prevented the governments of Muslim majority Indonesia and Malaysia from criticizing publicly Beijing's mass detention of Muslims for re-education in Xinjiang. I could see visible frustration on the faces of Malaysian academics when I stated my surprise and disappointment that not more had been done on that score by their government, but there seemed to be a commonly held view that practical realities prevent public criticism of China on this score.⁶⁶ But from the perspective of US competition for influence in the region, Beijing's own soft power has been limited not only by such domestic repression

65. See, for example Cheng Chwee Kwik, "How Do Weaker States Hedge? Unpacking ASEAN states' alignment behavior towards China." *Journal of Contemporary China*, Vol 100 (2016): 500-514. For an excellent recent study of Southeast Asian attitudes toward the US-China strategic competition, see Stromseth, Jonathan. "Don't Make Us Choose: Southeast Asia in the Throes of US-China Rivalry." Brookings Foreign Policy Report, October 2019.

66. Meeting with Malaysian academics under Chatham House rules, National University of Malaysia, Kuala Lumpur, June 2019.

but also by ineffective diplomacy in which China itself often clumsily pushes these countries hard to distance themselves from the United States. This approach alienates those countries as well and could provide diplomatic opportunities for a more subtle approach by the United States toward the region than we have witnessed in the past few years.⁶⁷

It is not clear how much room there is for new directions in China policy and Asia policy by the Trump Administration. Although it is difficult to assess from the outside, there do seem to be differing opinions within the Administration about how much decoupling with China to pursue. Some statements by Peter Navarro seem to suggest a truly zero-sum mindset toward the two nations' economies. For example, in June 2018 he tried to reassure critics of the trade war by stating, "China does have much more to lose than we do."⁶⁸ Other officials, however, seem more interested in using the threat of further damage to US-China economic relations to encourage China to return to more market-oriented practices in the trade, investment, and manufacturing. They want Beijing to reverse domestic trends in the direction of mercantilism that started first under Hu Jintao, then accelerated further after the financial crisis of 2008 and still more after the rise of Xi Jinping in 2012-2013. For these advisors, who likely include Steven Mnuchin and Larry Kudlow, the logical end game of the US pressure campaign would be greater integration between the two national economies once China removes the following obstacles: investment requirements for market access; the requirement to transfer technology as part of those investment deals; government subsidies and preferential loans to Chinese Enterprises who therefore can compete unfairly with US corporations; state-sponsored cyber-theft of intellectual property; and unpoliced piracy of US trademarks used in counterfeit goods.

There is an understandable consensus in the Trump Administration, however, that in certain high-tech areas like 5G communications networks, it would be best for the United States and its allies to forego deep integration with Chinese providers of telecommunications infrastructure. Here the Trump Administration has strong bipartisan

67. Discussions with experts in Southeast Asia in 2019. Also see Stromseth, "Don't Make us Choose."

68. "Trump's Trade War Spooks Markets as White House Waits for China to Blink." *The New York Times*. June 19, 2008. <https://www.nytimes.com/2018/06/19/business/china-trade-war-peter-navarro.html>.

backing for a policy that would prevent reliance by security partners on Chinese systems that could expose those partners to threats of espionage. Moreover, the race to set the initial standards for 5G around the world has enormous economic implications for follow-on business transactions.⁶⁹ Finally, 5G leadership will be critically important to the development of artificial intelligence, in which China is reportedly investing heavily. 5G and AI will be critically important aspects of future economic competitiveness. That would be important enough on its own; but those sectors will also be at the forefront of the next generation of weapons systems, many of which will not require human pilots or ship captains to operate.

In these limited but critically important sectors of the economy, then the competition with China very well might look more like a US-China Cold War. But the bilateral struggle over 5G perhaps illustrates best my point about the low likelihood that the world will become divided into cleanly divided economic blocs. Even though most US friends and allies understand the security risks of having a Chinese firm like Huawei deeply imbedded in their communications infrastructure, it has still been very difficult for the United States to gain agreement, even from close allies like the United Kingdom and Germany, to forego entirely the purchase of Huawei products and services as they modernize their telecommunications infrastructure.⁷⁰ It was not until July 2020 that the UK finally agreed with the Trump Administration to ban Huawei products from its future telecommunications network.⁷¹ And the ability to convince like-minded states

69. See, for example, Norman Pearlstine, David Pierson, Robyn Dixon, David S. Cloud, Alice Su and Max Hao Lu, “The Man Behind Huawei.” *Los Angeles Times*. April 10, 2019. <https://www.latimes.com/projects/la-fi-tn-huawei-5g-trade-war/>.

70. “German Government Said to Rule Out Huawei Ban in 5G Expansion.” Bloomberg by way of Caixin. February 8, 2019. <https://www.caixinglobal.com/2019-02-08/german-government-said-to-rule-out-huawei-ban-in-5g-expansion-101378006.html>; Rahim, Zamira. “Huawei: US May Withhold Intelligence from UK If It Lets Chinese Form Build 5G Network.” *The Independent*. April 30, 2019. <https://www.independent.co.uk/news/uk/politics/huawei-5g-leak-cyber-security-network-intelligence-us-a8891226.html>; Colchester, Max. “UK Prime Minister Theresa May Fires Defense Secretary Gavin Williamson over Huawei Leak.” *The Wall Street Journal*. May 1, 2019; and “Any Western Country Using Huawei or other Chinese Tech Makers in Major Projects Will Risk Consequences, US Ambassador Warns.” Bloomberg Reuters by way of *South China Morning Post*. February 8, 2019. <https://www.scmp.com/news/world/europe/article/2185354/germany-wants-avoid-banning-huawei-5g-networks-report-says>.

would quickly decrease if US efforts expanded past excluding a small set of relevant telecommunications technologies to broader efforts to simply harm the Chinese economy overall by encouraging allies to broadly decouple their economies from China’s. The Truman and Eisenhower Administrations rather successfully convinced Japan and Europe to adopt such broad limits on economic exchange with the Communist Bloc in the first decade of the Cold War. The difference between now and then could hardly be more pronounced.

A cautionary tale is provided by the US government’s treatment of almost all Chinese foreign economic activities, including infrastructure investment, as “predatory,” as was stated in the 2018 National Defense Strategy Summary.⁷² Such a sweeping condemnation rings hollow in East Asia, Central Asia, and South Asia where the World Bank has identified even more gigantic infrastructure needs than can be fulfilled by even the massive Belt and Road Initiative, including the new China-led Asian Infrastructure Investment Bank (AIIB). The AIIB has been widely misunderstood in the United States, as it is governed by rules quite similar to existing multilateral developing banks and its projects to date have mostly been in conjunction with those banks. But, unfortunately, the vast majority of BRI lending is outside the purview of the AIIB and is bilateral, much less transparent, and less constrained by prevailing international lending norms. China’s non-transparent projects outside the AIIB have sometimes led to backlash in target countries, most notably in Malaysia after the return to power of Prime Minister Mahatir. As Andrew Nathan points out, pushback on Chinese loans spans the globe to include countries in Asia, Africa, and Latin America.⁷³ But there is still no sign that such instances have reduced the overall demand for Chinese infrastructure investment in Asia. And US arguments to targets of BRI lending that Chinese loans are “predatory” have either fallen on deaf ears or lead to a backlash not against China, but against the United States. So, in March 2019 Malaysia’s Mahatir,

71. Helm, Toby. “Pressure from Trump Led to 5G-Ban: Britain Tells Huawei.” *The Guardian*. July 18, 2020. <https://www.theguardian.com/technology/2020/jul/18/pressure-from-trump-led-to-5g-ban-britain-tells-huawei>.

72. *Summary of the 2018 National Defense Strategy of the United States of America: Sharpening the American Military’s Competitive Edge*, US Department of Defense. <https://dod.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf>.

73. Nathan, Andrew. “China’s Influence and the Pushback: Tentative Conclusions beyond Hong Kong and Taiwan.” unpublished manuscript, draft IV. January 12, 2019.

the same leader who had recently criticized Beijing's non-transparent lending to the government of his Malaysian predecessor, lashed out at Trump Administration diplomacy regarding the BRI, claiming that if the United States forced Malaysia to choose between China and the United States, Malaysia would choose China.⁷⁴

The United States and its allies should instead be competing with China in economic diplomacy and the Trump Administration was wise to create and secure Congressional funding (through the BUILD Act) for the \$60 Billion USD International Development Finance Corporation (USIDFC). But by portraying US money as good and Chinese money as "predatory," the United States risks competing very poorly with China in that arena. Most countries will still welcome Chinese investments and expansive know-how in building new infrastructure, and, especially in post-colonial nationalist environments like Southeast Asia, leaders will not appreciate being labeled dupes or prey by the United States in the process. Instead, the United States should simply provide alternative opportunities with a cleaner and more transparent process that might prove attractive to various developing countries. The goal, however, should not be to prevent or preempt China's own activities but to incentivize Beijing to provide more transparency and accountability in its own lending. An interesting concept in US Asia policy was forwarded by Commerce Secretary Wilbur Ross, who represented the United States at the 2019 East Asia Summit and ASEAN summit; it is the "blue dot network," a certification process by which investment projects in the region can be rated for transparency, sustainability, and mutual benefit. Notably, the initiative is a trilateral effort by the United States, Japan, and Australia.⁷⁵ The inclusion of like-minded states in the Asia Pacific makes sense. This is particularly true for Japan, which has been actively involved in infrastructure projects in Southeast and South Asia for decades. But in my meetings in Southeast Asia there is skepticism that the United States in particular has either the expertise or the political bandwidth to perform such a vetting mission on a persistent basis. Moreover, the concept was raised at an unfortunate time because President Trump himself did not attend the East Asia and ASEAN summit

74. Jaipragas, Bhavan. "I'd Side With Rich China Over Fickle US: Malaysia's Mahatir Mohamad." *South China Morning Post*. March 8, 2019. <https://www.scmp.com/week-asia/politics/article/2189074/id-side-rich-china-over-fickle-us-malaysias-mahathir>.

75. Walden, Max Walden. "What is the Blue Dot Network and Is It Really the West's Response to China's Belt and Road Program." *ABC News* (Australia). November 8, 2019. <https://www.abc.net.au/news/2019-11-09/blue-dot-network-explainer-us-china-belt-and-road/11682454>.

meetings at which the concept was launched. Trump then asked the ASEAN leaders to come to the United States instead, a series of gestures viewed as disrespectful and condescending among my interlocutors in Indonesia and Thailand in the same month.⁷⁶ One possible solution to this problem would be for the United States to upgrade its diplomatic engagement with ASEAN in the ways that President Obama did as part of his self-styled "pivot" to Asia and, more important, invite ASEAN states themselves to participate actively in the vetting process for regional investment.

Part of the diplomatically counterproductive "predatory economics" narrative is the idea that China is intentionally creating unsustainable levels of debt in the target countries through alleged "debt-trap" diplomacy. But as with most political narratives, the reality is much more complicated. According to an excellent report by the Center for Global Development, only a small number of target countries in the Belt and Road Initiative are accepting loans from China that then push them over the threshold into the category of excessively indebted countries by the standards of the World Bank. Moreover, these countries and other ones that fall short of that World Bank threshold were generally heavily indebted before they requested China to fund new infrastructure projects. Those pre-existing debts are often owed to banks in Western Europe and even the United States.⁷⁷ Unless someone is willing to fund new projects through outright grants rather than loans, and neither EU nations nor the United States appear willing to do so at present, then any new projects are going to involve an increase in the target nation's overall debt, regardless of the source of the new loans. And since pure market incentives do not seem to be providing European and American banks motivation to rush in to provide additional loans, China seems like the only game in town for many states. Finally, the sole major example of a direct debt equity swap for a 99-year lease on the Sri Lankan port of Hambantota remains the exception rather than the rule in

76. Meetings with government officials and academics under Chatham House rules in Indonesia and Thailand, November 2019. For a publication representing the views I heard, see Pongsudhirak, Thitinan. "Another Trump Absence Plays Into China's Hands." *The Straits Times*. November 2, 2019.

77. John Hurley, Scott Morris, and Gailyn Portelance, "Examining the Debt Implications of the Belt and Road Initiative from a Policy Perspective." Center for Global Development Paper 121. March 2018. <https://www.cgdev.org/publication/examining-debt-implications-belt-and-road-initiative-a-policy-perspective>.

Chinese infrastructure loans to date.⁷⁸ Given this reality, in a great power competition for influence with China, Washington's labeling needy loan recipients with few alternative sources of capital as dupes and as "prey" seems to defy all diplomatic logic.

There are few things that are more clearly positive-sum games than global infrastructure development. Japan seems to understand this reality better than the United States. In recent years Tokyo has not only stepped up its own infrastructure aid and investment in Asia, it has also suggested it is more than willing to partner with China's BRI efforts in places like India. In 2019 Japan, America's closest East Asia ally and strongest partner in the "Free and Open Indo-Pacific" Initiative, opened systematic talks with China on how to cooperate on infrastructure projects in third countries targeted by Beijing's Belt and Road Initiative.⁷⁹ While nervous about the economic and political implications of China's Belt and Road, it is fairly clear that Tokyo has not accepted the DoD's argument that Chinese economic activities are by definition predatory and antithetical to liberal economic values. By portraying the competition in development assistance and lending as a Cold-War-style, zero-sum struggle with China over influence in the developing world, the Trump Administration might be more able to secure funds from Congress through initiatives like the BUILD Act; but such a pitch is extremely unlikely to provide a sound basis for the international diplomacy that should undergird the future lending practices of the United States, Japan, and others. Those countries should compete with China in ways that play up their own strengths. But the assumption going into that competition should be that it is a positive-sum enterprise that could produce benefits for all involved, including China. To adopt such an approach to the problem, Washington would need to return to the positive-sum vision of long-term US-China relations proposed by Deputy Secretary Robert Zoellick in 2005 when he called on China to become a "responsible stakeholder." Unfortunately, in this author's opinion, that

78. See Agatha Kratz, Allen Feng, and Logan Wright, "New Data on the 'Debt Trap' Question." Rhodium Group Report. April 29, 2019. <https://rhg.com/research/new-data-on-the-debt-trap-question/>. For a careful deconstruction of specific cases of alleged PRC debt trap diplomacy, including the Sri Lanka case, Brautigam, Deborah "A critical look at Chinese 'debt-trap diplomacy': the rise of ameme." *Area Development and Policy*. December 6, 2019. DOI:10.1080/23792949.2019.1689828

79. "Japan and China to open talks on foreign infrastructure projects amid warming ties." *Japan Times*. March 23, 2019. <https://www.japantimes.co.jp/news/2019/03/23/national/politics-diplomacy/japan-china-open-talks-foreign-infrastructure-projects-amid-warming-ties/#.XJkspJhKg2w>.

aspirational goal is now dismissed and even ridiculed as not only unsuccessful, but also hopelessly naïve by commentators on both sides of the political aisle in the United States.⁸⁰

There are several reasons to maintain hope that the United States might return to a more multilateral and less zero-sum approach to its competition with China in Asia. First, this is hardly the first burst of American unilateralism in strategic affairs. In 1971 the Nixon Administration shook its alliances and the international financial world with its twin shocks of Kissinger's secret trip to China without prior consultation with allies such as Japan and precipitous withdrawal from the Bretton Woods monetary system. This did not prevent follow-on cooperation with others in the security and economic realm. A second reason for optimism is that not all ideas for new multilateral cooperation are launched by great powers. It is common for people to view the original concept of a Trans-Pacific Partnership (TPP) as an American innovation and the Regional Comprehensive Economic Partnership (RCEP) as a rival grouping spawned by China. But almost everything in the previous sentence is inaccurate. There is a tremendous overlap in the membership of the two agreements. Moreover, the TPP was initially the brainchild of four smaller members of APEC—Singapore, New Zealand, Brunei, and Chile—who were frustrated by the lack of progress in the Doha Round of WTO negotiations. The United States became interested in the idea during the second term of the Bush Administration because Singapore was involved in creating it, and the United States had a "gold standard" bilateral free trade agreement with Singapore that included investment and intellectual property rights protections. The US government's logic at the time was that, if enough regional actors could be brought into something akin to such a gold standard agreement, China would eventually become jealous, would want to join, and would have to open up sufficiently to qualify. This prospect was seen as a positive outcome for everyone in the region. Similarly, RCEP was the brainchild of trade experts in ASEAN, mainly Indonesia, as a way to create freer commerce in

80. On the Republican Party side, see Feith, David Feith. "They're Just Not That Into Us." *The Wall Street Journal*. July 23, 2015. <https://www.wsj.com/articles/theyre-just-not-that-into-us-1437692312>; and on the Democratic Party side, see Campbell, Kurt M. and Ratner, Ely. "The China Reckoning: How Beijing Defied American Expectations." *Foreign Affairs*. March/April 2018. <https://www.foreignaffairs.com/articles/china/2018-02-13/china-reckoning>. For Zoellick's response to such criticisms, see Zoellick, Robert "Can America and China Still Be Stakeholders?" A speech to the US-China Business Council. December 4, 2019.

a broad area of East Asia and South Asia. It was not created in Beijing. Perhaps the CPTPP (the successor to TPP without the United States) and the newer RCEP (without India) will eventually bring in the currently excluded great powers, create more economic cooperation, and reduce further the chances of two separate and rival economic blocs forming into a new Cold War.

Conclusion

China's central position in a globalized transnational production chain that includes many US allies and the absence of an active struggle for ideological supremacy between Chinese authoritarianism and liberal democracy both mean that we are unlikely to see the rise of globally opposed alliance systems as we did in the Cold War. Especially given China's continued weakness in military power projection compared to the United States and its global alliance system, without China actively sparking or joining an ideological struggle between authoritarianism and democracy in far-flung sections of the world, we should not see something akin to the global US-USSR Cold War. For the foreseeable future, barring a massive escalation of tensions on the Korean peninsula, the US-China strategic competition will likely continue to take place at sea and in the air, not on land. As Tunsjo argues, domination or total control of the sea is difficult at best, and early, offensive action or sharp escalation in areas with unpopulated reefs and rocks provides little strategic advantage to the aggressor. Therefore, crises over these disputes should be manageable even as they become more frequent, as Tunsjo argues.

But Tunsjo's geography of 21st Century bipolarity as a struggle at sea may be more political and economic than it is physical. If China starts actively involving itself in bolstering authoritarianism and undermining democracy around the world, then US-led alliance systems on land will begin butting up against China's authoritarian allies. And, along the same lines, if China moves hard away from economic globalization to replace key elements of the transnational production chain with Chinese, rather than foreign, producers, such an ideological struggle becomes more plausible for China than if Beijing remains dependent on good relations with US allies to fuel its economic growth, as it currently is. So, from an analytic point of view, we should be studying trends in Chinese foreign policy toward regions and civil wars in which liberal political

forces are pitted against authoritarian ones, and we should be researching trends in China's integration with and decoupling from global supply chains. More than any other issue, these two key factors will determine whether we are heading in the direction of two opposing blocs, one led by China and one led by the United States. Without such opposing blocs, we will not have a Cold War but a very different form of great power competition. And if the nature of the US-China competition will be unlike the Cold War, the United States would be ill-advised to adopt policies more suited for a Cold War, such as pressing nations that might otherwise cooperate with the United States in important ways to forego beneficial economic and political relations with China as well. Despite some recent setbacks in America's reputation around the world, the United States remains more attractive to and more trusted by a wide swathe of the world's nations than the PRC. The strategic competition with the PRC is real. The point of this monograph is not to deny the existence of that competition, but to remove misperceptions about the nature of the struggle and discourage counterproductive US strategies that might flow from those misperceptions.

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REPORT

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like the US-Soviet Cold War

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