

Balancing Competition with Cooperation

A Strategy to Prepare for the Chinese Dream

By Lloyd Edwards

Commander Lloyd Edwards, USN, is a SEAL and an Operations Officer at Joint Interagency Task Force—National Capital Region.

he United States has no more pressing national security imperative than formulating and implementing an effective strategy about the People's Republic of China (PRC).

While tightening his authoritarian control at home, General Secretary Xi Jinping has leveraged China's rising economic strength to challenge the U.S.-led liberal international order.1 China's growth and actions under Xi pose a threat to U.S. prosperity in the short term and its national security in the long term. For example, the PRC is leading in the development of 5G technology. This technology is expected to be the "the central nervous system" of the global economy and provide increased surveillance capacity for the PRC.² To best counter these threats and China's reemergence, the United States needs to better position itself for long-term strategic competition that is open to cooperation on shared interests, shift back to a multilateral mindset in the Indo-Pacific region, and prepare to exploit the PRC's vulnerabilities. This article considers these three objectives to best position the United States

to deal with an increasingly ambitious and authoritarian China and outlines the ways and means needed to achieve that end.

Although the National Security Strategy has correctly prioritized Great Power competition, it invests too heavily in building military capability now in order to fight a near-peer adversary, when it should be investing more in the technologies that can deter a powerful PRC government at the cusp of achieving its "Chinese Dream" in 2049. For example, from fiscal year (FY) 2018 to FY 2019, the U.S. Army's total budget increased by \$13 billion, while the budget of the U.S. agency responsible for discovering and developing the disruptive and emergent technologies that will determine the outcome of future wars-the Defense Advanced Research Projects Agency (DARPA)—realized a budget increase of just one-third of a billion dollars.3 This article identifies shortfalls in current policies like this one and provides recommended steps to improve U.S. long-term strength relative to the PRC.

The art in executing this strategy will be in balancing competition with cooperation and knowing when to apply or relieve pressure. As the PRC's post-Mao leader Deng Xiaoping once stated when defending gradual market-oriented reforms viewed unorthodox by some of his peers, "cross the river by feeling the stones." With each incremental step, the United States should reassess the situation and its objectives, while maintaining dialogue with the PRC.

Gauging China's Strength

The PRC's rapid economic growth over the past 30 years has led to its reemergence as a global power, eroding U.S. relative strength and challenging the international rules-based order. The latest National Security Strategy has recognized the threat that the Chinese Communist Party (CCP) government poses to U.S. interests, but it lacks a long-term competitive strategy to prevent the PRC from becoming the leader of an illiberal international system shaped by the CCP.⁵ Moreover, the PRC and companies affiliated with the

state have become a more prominent force in the Indo-Pacific region as the CCP government, state-owned enterprises, and quasi-private entities have expanded the PRC's influence and footprint abroad by leveraging newfound economic and technological power.

Although there seems to be bipartisan and public support for the Trump administration's change in tone toward the PRC's economic and geopolitical ascendance, U.S. policymakers diverge as to how urgent of a threat the CCP government is across a range of issues and how the United States should respond. Is the PRC destined to be the preeminent global superpower? Has its military's modernization turned it into a peer capable of joint operations like those of the United States? Or is China's slowing gross domestic product (GDP) growth, demographic downturn, and state-owned debt indicative of an economy destined for a debilitating crisis, justifying a waitand-see approach? The answers to these questions are critical to understanding how the United States should respond to the PRC's globally oriented actions, such as the Belt and Road Initiative (BRI).

China's economic and technological strength is readily apparent, and the sheer size of the country and scale of its development are staggering. The subways are efficient, clean, and easy to use. Public transit rails in China cover almost five times as much land as those in the United States, and its high-speed trains travel more than 100 kilometers per hour faster than U.S. models.6 Teslas, Lamborghinis, and other luxury cars jam the litter-free highway to the Beijing airport, and orderly trees flank this pristine road. Cameras posted everywhere watch everything; videos show how the monitoring leads to a quick state reaction, from bringing a mugger to justice to saving a person from a heart attack.

Of course, there is the flipside. Those same cameras loom over Tiananmen Square, where tour guides warn their patrons as they get off the bus not to ask questions about 1989. The local news station goes black when a reporter suggests that some recent protests were organized via WeChat. Faces noticeably

dropped when I asked about the Social Credit System. Countless finished apartment buildings from Beijing to Guangzhou have no laundry outside their windows or lights on inside their rooms, indicating a potential future housing crisis. The poverty and income inequality in the countryside—institutionalized by an internal passport *bukou* system that prevents rural citizens from buying land or sending children to schools in wealthier cities—is readily apparent, even from China's high-speed rails.⁷

This dichotomy is one of the two challenges to formulating a cohesive national security strategy toward the PRC and its ruling CCP. First, widespread corruption makes it difficult for us to gauge the true strength of the PRC economy; in place is a system that incentivizes provinces to inflate their reported GDP, and this obscurity includes factors such as pollution and strength of the housing market.

The second key challenge is that the U.S. and world economies are interdependent with the PRC economy. Any strategy must consider how a negative impact on the PRC economy would impact the United States and its allies and partners. Underlying all the below recommendations is this concern and a need to proceed incrementally while maintaining dialogue with the PRC leadership to resolve issues and seize opportunities that arise.

In addition to these challenges, there are five crucial assumptions to the following strategy. First, as the PRC gains strength, Xi and the CCP will seek greater influence to lead in the region and in the world, including shaping the international order in the PRC's illiberal mold. Second, although the PRC's GDP growth has slowed, the strategy assumes that China will have continued growth and avoid a debilitating economic crisis. Third, the strategy assumes that the PRC does not want to start a war with the United States today but that it will become increasingly aggressive toward the United States, with direct confrontation possible around 2049. Fourth, although some restrictions on trade policy may be implemented, the United States and its



Sailor utilizes stadimeter on bridge wing aboard USS McCampbell prior to replenishment-at-sea with USNS Carl Brashear, South China Sea, March 12, 2020 (U.S. Navy/Markus Castaneda)

allies and partners will continue to rely on the stability of China's economy and markets. Finally, this strategy assumes that the Congressional Budget Office's projections of U.S. fiscal health and outlook are accurate, constraining means to compete with the PRC economically, militarily, and influentially.

Threats and Opportunities

The PRC's efforts to advance unfair trade practices, undermine the U.S. dollar's strength, support intellectual property theft, engage in debt diplomacy, coordinate cyber attacks, and conduct aggressive actions in the South China Sea pose near-term threats to American prosperity. However, it is the long-term threat to U.S. security through hybrid warfare and direct confrontation that needs a viable strategy. Although the

CCP's intentions are closely held, the aim of Xi's Chinese Dream for 2049, marking the 100th anniversary of the founding of the People's Republic of China, is evident in his speeches and policies, such as the BRI. Xi's goal is a rejuvenated, modernized, and fully developed nation that shapes the global system—just as China did throughout much of the first millennium CE.8 Then China considered itself to be "the Middle Kingdom," in which its emperor, as the divine head of a sovereign world government, was responsible for "All Under Heaven."9

Whether Xi intends to replace, displace, or accept the U.S.-led international order is debatable; however, in addition to building militarized islands in the South China Sea and threatening Japan's territorial claims in the East China Sea,

the PRC's BRI efforts to establish overseas military bases and use state-owned enterprises to build and maintain ports and infrastructure throughout Europe, the Middle East, and Africa signal that Xi clearly has growing global ambitions. The United States cannot afford to fall for China's historical subtlety anymore and should assume that, given further economic growth, the CCP will continue to seek greater global influence.

A PRC-led order would favor the CCP government in terms of agendasetting power, leading investment rules, technology standards, and market access. It would weaken U.S. alliances and international institutions and could lead to the United States being supplanted by the PRC as the de facto global leader. To address this threat, the United States needs to extend its time horizon and develop

a strategy that prevents the PRC from becoming the preeminent world leader that shapes the international system to its worldview and potentially threatens U.S. national security with direct military confrontation.

That said, China's actions also create opportunities for the United States. Because the CCP has jailed more than a million Uighurs; repressed basic freedoms of the press, religion, and free speech; and fostered corruption at all levels, it is vulnerable to countermessaging and international backlash.10 China's 1.4 billion people offer a significant marketplace for U.S. companies, allies, and partners.11 Illiberal trade policies, including intellectual property theft and predatory loans, have frustrated many nations, setting the conditions for building a coalition against the PRC's behavior. Finally, because the PRC has significant influence in the Indo-Pacific region, it is a powerful partner on regional issues, such as the stability of the Korean Peninsula and Afghanistan.

To address these threats and leverage these opportunities, the strategy below has three main objectives. First, the United States must improve its ability to strategically compete with China in the long term. This means taking additional actions now-via a distinct military competitive advantage as well as new policies that will defend the United States from China's unfair trade practices—to deter PRC aggression through 2049. Second, the United States needs to shift back to a multilateral mindset when it comes to dealing with Beijing. It needs to lead a coalition in the Indo-Pacific region that sets rules and norms for an international order and can pressure the CCP to follow them. Finally, when needed, the United States should be prepared to exploit vulnerabilities in the PRC's military and political systems in order to restrict its relative power increase. Critical to this objective will be establishing a communications line to reduce the risk of miscalculation and escalatory conflict.

Regional and Domestic Context On average, China's GDP has grown 10 percent per year over the past 30 years, making the PRC the predominant economic power in the Indo-Pacific region.¹² By 2030, it is projected to have the world's largest economy with a GDP of \$26 trillion—surpassing that of the United States, which is projected to reach \$25.2 trillion that year.¹³ Throughout East and South Asia, the PRC leverages its status as the primary trading partner to increase its influence throughout the region; it uses such initiatives as the Asian Infrastructure Investment Bank and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership.¹⁴

In addition, Xi's BRI encompasses more than 60 countries, and estimates of its investments range from \$1 trillion to \$8 trillion. The terms of these lending agreements are often shrouded in secrecy, and defaults can lead to strategic gains—when Sri Lanka could not repay a Chinese Export-Import Bank loan, it essentially ceded sovereignty over a port for 99 years. The PRC is doubling down on the BRI and also moving to protect its assets abroad by building military bases in Dijbouti and Tajikistan.

Separate from the BRI, the PRC is asserting its claims to almost all of the South China Sea through building militarized man-made islands and challenging the territorial claims of Japan, the Philippines, Vietnam, and other neighbors, while claiming ownership of international waters. Its military's threatening behavior toward U.S. aircraft and ships in the region is concerning, as it violates freedom of navigation laws and could lead to an incident, such as U.S. and PRC ships colliding in the Pacific Ocean. Xi is also steadily increasing the People's Liberation Army budget, including a recent \$151.7 billion modernization initiative.17

The PRC's intellectual property theft, currency manipulation, forced technology transfers, and nontariff barriers of entry to its markets have sparked backlash from the international community and a recent trade war with the United States. This behavior has caused additional concern, as Huawei—a state-subsidized PRC-based telecommunications company controlled by a CCP-affiliated employees

union—currently leads the world in 5G network technology.¹⁸ Many countries fear that Xi could direct Huawei to use its telecommunications infrastructure for surveillance or sabotage, given his increasingly authoritarian control. 19 Moreover, the PRC's National Intelligence Law requires Huawei to "support, assist, and cooperate with" China's intelligence agencies, despite Huawei's assertions that this is not the case.²⁰ China is also anticipated to be the world leader in developing artificial intelligence (AI) technology and is investing heavily in other emerging and disruptive technologies. Then-Director of National Intelligence Dan Coats reported in 2018 that China was continuing its espionage and cyber operations against the United States, as well as its pursuit of antisatellite weapons.²¹

However, the PRC also has significant vulnerabilities and domestic problems. Xi and the Politburo Standing Committee are primarily focused on staying in power, which means preventing instability, like last year's protests in Hong Kong, through political control and economic strength. But China's aging population, gender imbalance, lack of basic liberties, rising debt levels, water scarcity, and pollution are just some of the challenges that could lead to disruption or insurrection. For example, the Chinese Academy of Social Sciences has reported on a looming demographic crisis as a result of the One Child policy.²² This demographic downturn will result in the ratio of workers to retirees flipping from two to one today, to one to two by 2050, placing a huge strain on the economy and workforce.

In the United States, there is general consensus that President Richard Nixon's rapprochement with China has failed to convert the authoritarian regime into a more democratic nation that respects the liberal international rules-based order.²³ Last year's National Security Strategy has changed the Federal Government's tone, which now focuses on Great Power competition with China and Russia. The National Security Strategy also recognizes that the U.S. competitive military edge is eroding.²⁴ To address this issue, the FY 2018

defense budget was increased to \$659 billion in order to make technological investments in the sea, air, cyber, and space domains.²⁵ However, the budget is still too weighted toward building capacity (for example, its expenditures on modernizing Brigade Combat Teams and increasing the number of Soldiers in the Army heavily outweigh funds allocated to organizations such as DARPA, which is responsible for discovering and developing disruptive technologies that will determine the outcome of future wars).

The United States is also facing increasing Federal deficits due to mandatory spending outlays and interest payments, which will continue to crowd out defense spending. In fact, overall annual U.S. GDP growth shrank from 2.9 percent in 2018 to 2.3 percent in 2019.²⁶

Regarding the Indo-Pacific region, the United States has withdrawn from Trans-Pacific Partnership talks and chosen to engage in bilateral negotiations to resolve trade disputes. President Donald Trump's base is largely against globalization and the free trade policies of previous administrations, reflecting a rise in populism that can be seen in other democracies throughout the world. In addition, it will be difficult for U.S. leadership to sustain bipartisan and domestic support for this long-term strategy, especially considering the tendency to shift focus and resources from crisis to crisis. This competition for resources will increase and constrain means as U.S. debt restricts defense spending. Regional partners, such as Taiwan, Vietnam, Japan, and Australia, also have little capacity to counter the PRC militarily. Although it may be difficult for U.S. political leadership to build bipartisan, domestic support for sustained diplomatic coordination and pooling of resources, more multilateral efforts are crucial to mitigating threats posed by the PRC going forward.

This executive, congressional, and diplomatic leadership will be critical in formulating and ratifying treaties and agreements, establishing the rules of the road needed in the cyber and space domains, and fortifying maritime international principles and laws. Persuading the U.S. public and the international

community to commit to a long-term strategy will require skilled American leadership that can balance a tone of cooperation with pursuit of a competitive strategy toward the PRC.

Despite stealing trade secrets and intellectual property, the CCP has been persistent in its message that it views the PRC's relationship with the United States as win-win. President Trump has appropriately changed the tone toward China to expose its unfair trade practices; however, going forward, a firm vet cooperative tone should be pursued in order to persuade the world that the United States is the responsible leader in the relationship. In the end, the United States will need to lead in balancing the levers that will contain CCP global influence and bad behavior, while encouraging the PRC government's responsible participation in regional and world issues in order to leverage its strength and influence. This will require persistent diplomatic engagement, careful orchestration of the instruments of power, and U.S. leadership and engagement in international institutions.

Deterring China in 2049

To deter the PRC in 2049, the executive branch should increase investments in research and development and funding of DARPA to maintain the U.S. technological edge and lead the world in fostering emerging and disruptive technologies, such as AI. From FY 2018 to FY 2019, the U.S. Army's base budget increased by \$9 billion, and its overseas contingency operations funds increased by \$4 billion. A large portion of this money was used to modernize Brigade Combat Teams and increase the Army's personnel by 4,000.27 However, DARPA's budget increased by only \$300 million, and its increase for FY 2020 is projected to be only \$100 million.28 This implies that the United States is preparing for conflict with a near-peer adversary by investing in capability today; however, the President and Congress should extend their time horizon when considering the threat from China and plan for direct confrontation in 20 to 30 years, when the U.S.

competitive advantage will have eroded enough to prevent deterrence. To better compete with China and prepare for this future, DARPA's budget should be doubled to \$7 billion.

In the meantime, the Department of Defense (DOD) should prioritize its current spending on hybrid and gray zone capabilities and begin the long process of transforming the military so that it can best defeat the PRC's military capabilities, should direct confrontation occur. The PRC has proved its ability to conduct operations short of military conflict, and DOD should focus on competing in this zone by shifting more funding to improving special operations forces and cyber, information, and space capabilities.²⁹ The U.S. Marine Corps recently proposed a 10-year "force design" that cuts personnel, artillery, aircraft, and all tanks in order to invest in high-tech commando-like groups of 50 to 150 Marines who, armed with drones, rockets, and anti-ship missiles, can hop between islands, allowing U.S. aircraft carriers to stay outside the threat of PRC missiles.30 Although the Navy and Congress still need to be persuaded, it is this type of revolutionary thinking and willingness to change that is needed to best address the PRC's military capabilities.

The Treasury Department and DOD should also further leverage relationships with the private sector and incentivize businesses to invest in research and development. This can be done by providing tax incentives for businesses that invest in technologies critical to the United States, such as AI, aerospace, cyber, and space. Venture capitalists should be given tax incentives for making investments in these areas. The executive branch should also work with the private sector and Congress to drastically increase private-sector research and development in aeronautics and transportation, communications, digital technologies, and biotechnologies, while ensuring that newly created knowledge is not exported to the PRC.

To leverage the information instrument of power, the executive branch should establish an information agency, similar to the U.S. Information Agency



Navy helicopter tactical aircrewman 3rd class operates combat systems on MH-60R Sea Hawk assigned to "Wolf Pack" of Helicopter Maritime Strike Squadron 75, South China Sea, April 18, 2020 (U.S. Navy/Nicholas V. Huynh)

that was dissolved in 1999, to focus on advocating for American interests, controlling the narrative toward China, and exposing China's behavior when appropriate. It should work with the State Department and DOD to ensure that the messaging is consistent and that it reaches the lowest levels of U.S. diplomats and military junior officers.³¹

To improve the Nation's defenses, the Department of Justice should make it illegal for Americans to participate in any of China's "talent programs." These programs have been used to steal technology secrets, as in the case of Xiaoqing Zheng, who worked for GE and was convicted of espionage. The Department of Justice should also examine how to limit the widespread use of top legal experts and lobbyists by CCP-affiliated businesses,

such as Huawei, seeking to influence the U.S. policymaking process in a way that benefits the PRC and puts U.S. national security interests at risk.³² Finally, the Department of State should be given more funding to investigate and restrict visas, when appropriate, for Chinese students studying in the United States.³³

To further guard the United States against intellectual property (IP) theft and forced technology transfers, the Departments of Commerce and Treasury should produce guidelines for U.S. companies warning of the threat to working with China and advising firms on how to negotiate terms so that they are not unknowingly agreeing to IP transfers. Congress should continue to support and increase funding to the Committee on Foreign Investments in

the United States, which reviews foreign direct investments in the United States for national security concerns.³⁴ Finally, it is imperative that national security concerns are kept separate from prosperity concerns. In 2018, President Trump tweeted that he would intervene in a Justice Department case against Huawei if it meant he could get a better trade deal with the PRC. This conflates national security and prosperity concerns when they should be kept separate.³⁵

Maximizing Pressure Through Multilateralism

The executive branch and Congress should also work together to rejoin the Trans-Pacific Partnership (or Comprehensive and Progressive Agreement for Trans-Pacific Partnership, as it is referred

to now) to maximize U.S. ability to pressure the PRC in the future. In addition to preventing trade diversion from the United States, this will reinforce U.S. leadership in the region and help avoid a PRC-led economic order from achieving greater political and security influence in the region.36

With phase one of the U.S.-China trade deal signed, there has been optimism that an end to the trade dispute is near.³⁷ However, if future talks fail or the PRC does not adhere to the terms of the phase one deal, the President should hold a joint summit on the PRC's unfair trade practices with allies and regional partners to build a coalition and bring multilateral pressure on the PRC to follow trade norms.

To better counter the PRC, DOD should shift defense resources, such as funding and intelligence, surveillance, and reconnaissance assets, from the Middle East to the Indo-Pacific region. In addition, the military should increase joint multinational exercises in the region, intelligence-sharing, and contingency planning with partners and allies to strengthen a multilateral approach in the region.

Leveraging Vulnerabilities

Before discussing the PRC's vulnerabilities that the United States could take advantage of, if needed, it is important to note how imperative it is that the United States establish an effective and reliable communication line to offramp potential escalatory conflict and prevent miscalculations. President Trump should address this with General Secretary Xi and then delegate his intent to the Chairman of the Joint Chiefs of Staff, the Commander of U.S. Indo-Pacific Command, and the U.S. Ambassador to China. In addition to reducing risk, this communication line should be used to discuss the PRC's actions in the South China Sea, its red lines on Taiwan, a way ahead to denuclearize North Korea, and other areas of common interest, such as addressing climate change and preventing pandemics.

In conjunction with a new type of U.S. Information Agency, DOD, and the

U.S. Intelligence Community, the United States should be prepared to shape the Chinese people's and international community's perception of the CCP, highlighting its debt diplomacy practices used to support the BRI; human rights violations (Uighurs); disregard for neighbors in its riparian policies (Brahmaputra and Mekong rivers); and suppression of the press, religion, and population through Orwellian surveillance. These information operations should be done covertly and through proxies when needed, leveraging disillusioned populations within China.

With backing from predominantly Muslim countries, such as Turkey, the United States should persuade Saudi Arabia to issue a fatwa against China's treatment of the Uighurs. Unfortunately, it seems that Saudi Arabia, Egypt, and Indonesia have prioritized their economic ties to China over concern for human rights abuses.³⁸ However, further exposing and describing these abuses should help bring international attention to and backlash against the CCP and incentivize Saudi Arabia to formally speak out against the treatment of Muslims in China.

In conjunction with the defenses already mentioned, the United States should also tighten regulations on foreign direct investment from China into the United States and freeze or seize CCP oligarchy and elite assets in the United States, if needed. The United States should also require universities, think tanks, and media companies to report any Chinese government funding.

Finally, the State and Treasury Departments should assess all the countries that the PRC is investing in with respect to BRI and help them develop capacity to assess whether BRI development deals risk locking them into a debt trap, such as experienced by Sri Lanka. The United States should then evaluate where it should compete against the PRC in areas that have a direct impact on its interests and where there is potential for cooperation. The PRC's extension abroad also presents a vulnerability that should be evaluated by U.S. intelligence agencies in case there is a future need to exploit those weaknesses.

Risks and Viability

Presidential and congressional elections and uncertain policy preferences pose a risk to a long-term successful strategy, such as the one set forth above that prioritizes competition and cooperation with China and further engagement in the Indo-Pacific region. There is bipartisan political support for President Trump's change in tone toward the PRC, but sustaining this support is necessary to persistently allocate sufficient resources and maintain the public's attention on an increasingly powerful and influential PRC. The United States must also avoid conflicts that are not a direct threat to its national security and eschew shifting resources to other more near-term crises. In addition, greater U.S. presence in the region increases the chances of incidents and miscalculations, which could result in escalatory conflict. As previously mentioned, a stable and established line of communication between key PRC and U.S. leaders would help mitigate this risk.

Regarding cost, this strategy will be less costly over time, as it will deter war against China in the future, and it leverages allies and partners to share the burden of dealing with the PRC's aggressive behavior now. This makes the strategy more feasible and desirable for U.S. interests in the long term. In addition, the increased investments in research and development will have positive spillover effects for the rest of society and improve the American technological edge over other potential adversaries. Finally, if China's GDP does not continue to grow, or if the CCP shifts its attention internally to deal with domestic problems, the United States will have the flexibility to shift resources to address other challenges, while reaping the benefits of technological progress from increased investments in research and development.

Conclusion

It is unclear what General Secretary Xi Jinping and the CCP's intentions are for 2049, or if the PRC will be able to avoid an economic crisis and continue to grow its GDP. The CCP may never realize its Chinese Dream, or it may

decide to focus on the PRC's internal issues and recede from the international stage; however, this is a huge assumption that, if wrong, could lead to the United States being horribly underprepared for military confrontation in 2049. To counter this threat, the United States needs to better position itself for long-term strategic competition that is open to cooperation on shared interests, shift back to a multilateral mindset in the Indo-Pacific region, and be ready to exploit the PRC's vulnerabilities. This strategy is a cost-effective means of accomplishing that by shifting funds from building military capability now to investments in innovation and technology. It can also leverage allies and partners overseas and institute some policies that will better defend the United States from intellectual property theft and unfair trade practices.

The critical elements to this strategy will be maintaining a commitment to competition in technological innovation and timing—knowing when to apply or relieve pressure on the PRC and when to seize opportunities for cooperation. After each move, the United States should reassess its objectives and strive to influence the PRC through consistent dialogue on shared interests. It will take strong U.S. leadership to discern these moments and achieve that dialogue. Implementing this strategy will help position the United States for 2049, but getting those moments right will determine the relationship—the progress one which all else depends. JFQ

Notes

- ¹ Kate O' Keeffe and Katy Stech Ferek, "Stop Calling China's Xi Jinping 'President,' U.S. Panel Says," *Wall Street Journal*, November 14, 2019.
- ² "Open Standards, Not Sanctions, Are America's Best Weapon Against Huawei," *The Economist*, April 8, 2020.
- ³ Jen Judson, "Army's \$182 Billion FY19 Budget Request Seeks to Fill Capability Gaps," *Defense News*, February 12, 2018; Department of Defense (DOD) Investment Budget Search database, available at https://apps.dtic.mil/dodinvestment/#/>.

- ⁴ "The Long March to Capitalism," *The Economist*, September 11, 1997.
- ⁵ National Security Strategy of the United States of America (Washington, DC: The White House, December 2017).
- ⁶ Paris Marx, "China's High-Speed Train Map Puts U.S. Transportation to Shame," *Radical Urbanist*, January 22, 2018.
- ⁷ Dexter Roberts, "Don't Count on China to Lift the Global Economy," *Foreign Affairs*, April 8, 2020.
- ⁸ Charlie Campbell, "Xi Jinping's Party Congress Speech Leaves No Doubts over His Leadership Role," *Time*, October 18, 2017.
- ⁹ Henry Kissinger, *World Order* (New York: Penguin Books, 2014), 213.
- ¹⁰ Stephanie Nebehay, "UN Calls on China to Free Uighurs from Alleged Re-Education Camps," Reuters, August 30, 2018.
- ¹¹ "China's Population Set to Peak at 1.44 Billion in 2029—Government Report," Reuters, January 5, 2019.
- ¹² Jennifer M. Rudolph and Michael Szonyi, The China Questions: Critical Insights into a Rising Power (Cambridge, MA: Harvard University Press, 2018), 119.
- ¹³ Simon Kennedy, "China Will Overtake the U.S. in Less than 15 Years, HSBC Says," *Bloomberg*, September 25, 2018.
- ¹⁴ Zachary Torrey, "TPP 2.0: The Deal Without the U.S.," *The Diplomat*, February 3, 2018.
- ¹⁵ Jonathan E. Hillman, *How Big Is China's Belt and Road?* (Washington, DC: Center for Strategic and International Studies, April 3, 2018).
- ¹⁶ "China's Debt-Trap Diplomacy," National Review, July 3, 2018.
- ¹⁷ 2017 Report to Congress of the U.S.-China Economic and Security Review Commission (Washington, DC: U.S.-China Economic and Security Review Commission, November 2017), 8.
- ¹⁸ Li Tao, "Who Controls Huawei? Chinese Telecoms Leader's Ownership Structure Explained in more Detail," *South China Morning Post* (Hong Kong), April 29, 2019.
- ¹⁹ Brian Fung, "How China's Huawei Took the Lead over U.S. Companies in 5G Technology," *Washington Post*, April 10, 2019.
- ²⁰ Lindsay Maizland and Andrew Chatzky, "Huawei: China's Controversial Tech Giant," Council on Foreign Relations, last updated February 12, 2020.
- ²¹ Daniel R. Coats, *Worldwide Threat Assessment of the U.S. Intelligence Community* (Washington, DC: Office of the Director of National Intelligence, February 13, 2018).
- ²² Steven Lee Myers, Jin Wu, and Claire Fu, "China's Looming Crisis: A Shrinking Population," *New York Times*, January 21, 2019.
- ²³ Henry Kissinger, *Diplomacy* (New York: Simon and Schuster, 1994), 729.
- ²⁴ National Security Strategy of the United States of America.
- ²⁵ Rodney Frelinghuysen, *Fiscal Year 2018 Defense Bill*, House Appropriations Committee, March 21, 2018.

- ²⁶ "Economic Growth Was Weaker in 2019 than in 2018," Peter G. Peterson Foundation, January 31, 2020, available at www.pgpf.org/blog/2020/01/economic-growth-was-weaker-in-2019-than-in-2018>.
- ²⁷ Judson, "Army's \$182 Billion FY19 Budget Request Seeks to Fill Capability Gaps."
- ²⁸ DOD Investment Budget Search database.
- ²⁹ Frank G. Hoffman, "Examining Complex Forms of Conflict: Gray Zone and Hybrid Challenges," *PRISM* 7, no. 4 (November 2018).
- ³⁰ "The U.S. Marine Corps Sheds Its Tanks and Returns to Its Naval Roots," *The Economist*, April 2, 2020.
- ³¹ Carlos Roa, "Time to Restore the U.S. Information Agency," *The National Interest*, February 20, 2017.
- ³² Stu Woo, "Huawei's New Playbook in Washington: Drop PR and Hire Lawyers," Wall Street Journal, December 17, 2018; Mike Scarcella, "Sidley Austin Augments Huawei Work with New U.S. Lobbying Notice," The National Law Journal, August 12, 2019.
- ³³ Dandan Li and Peter Martin, "Spy Fears Prompt China to Censor Its Own Recruitment Drive," *Bloomberg*, September 19, 2018.
- ³⁴ Reid Whitten, "Investments with Borders: CFIUS-Style Foreign Investment Review Goes Global," *The National Law Review*, April 9, 2019.
- ³⁵ Justin Sink, "Trump Says He'd Intervene in Huawei Case to Get China Deal," *Bloomberg*, December 11, 2018.
- ³⁶ Charlotte Greenfield and Fathin Ungku, "Trump Says U.S. Could Rejoin TPP If Deal Improved. How Hard Would It Be?" Reuters, April 16, 2018.
- ³⁷ Alan Rappeport, "Mnuchin Says China Trade Talks Are Nearing Final Round," *New York Times*, April 13, 2019.
- ³⁸ Lindsay Maizland, "China's Repression of Uighurs in Xinjiang," Council on Foreign Relations, April 11, 2019.