

China, the West, and the Future Global Order

By Julian Lindley-French and Franco Algieri (With the support of The Alphen Group)

“Hence in the wise leader’s plans, considerations of advantage and of disadvantage will be blended together.”¹

—Sun Tzu

The primary purpose of this article is to respectfully communicate to a Chinese audience a Western view of the future world order. China needs the West as much as the West needs China. However, the West has awakened geopolitically to the toxic power politics that Russia is imposing on Ukraine and China’s support for it. China is thus faced with a profound choice: alliance with a declining and weak Russia or cooperation with a powerful bloc of global democracies that Russia’s incompetent and illegal aggression is helping to forge. The West is steadily morphing into a new global Community of Democracies with states such as those in the G7, Quads, and Quints taking on increasing importance as centers of decisionmaking.² All three groupings reflect an emerging implicit structure with the United States at their core, European democracies on one American geopolitical flank, with Australia, Japan, South Korea, and other democracies in the Indo-Pacific region on the other American geopolitical flank.

The force that is forging such a community is China as it morphs into a superpower. Specifically, China is choosing to be an aggressive putative superpower. President Xi Jinping’s aggressive worldview is of a China defined by its opposition to the United States and, by extension, America’s democratic allies and partners. A new world is being forged from within the increasingly hot cauldron of U.S.-Chinese strategic competition. However, does that mean this new world is inevitably now set on a crash course to conflict, something akin to a re-run of the collapse of pre-World War I Europe into systemic war? Or is it not too late for both sides to forge a pragmatic peace—a peace forged from respect, rather than destructive and disrespectful confrontation? On the face of it, President Xi seems to have made his choice, but in some very important respects siding with Russia in geopolitical conflict with the community of democracies seems counterintuitive when we

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look at China from a Western perspective (as this article does). This perspective also implies China's "choice" might not be as firm as some would have it—a profound but essentially simple choice between siding with Vladimir Putin and confrontation with the West or continued growth, wealth, and power through collaboration with the West?

The facts speak for themselves. Using the most favorable economic statistics for the combined Chinese and Russian economies—purchasing power parity—their combined economies are worth some \$27 trillion in 2022. Using the same data for G7 countries, the core of the emerging Community, the total is \$39 trillion.³ Add Australia and South Korea to the aggregate and the figure is \$42 trillion. If nominal gross domestic product (GPD) is compared, the contrast is even more striking with the combined GDPs of China and Russia in 2022 totaling \$20.2 trillion, while the combined GDPs of the G7 countries amount to \$45.2 trillion, which when Australia and South Korea are added increases to \$48.8 trillion.⁴ Critically, China's trade with the democracies is over 10 times greater than that with Russia,⁵ while in 2020, China's merchandise trade surplus with the rest of the world totaled \$535 billion, with much of that figure due to surpluses with both the United States and Europe.⁶

There are two assumptions that can be drawn from these statistics and one question. First, China's current grand strategy is clearly aimed at displacing the United States as the preeminent global power and thus assuming a central place on the global stage. Any such ambition presupposes that "just in time" globalized trade that has made China rich will not be replaced by a just-in-case culture in the West, which will see a marked acceleration of reshoring if China is deemed a hostile power. Second, the ambition to become the preeminent global power is deeply rooted in the Chinese Communist Party (CCP). By 2035, China may well have a larger nominal GDP than the United States, spend more on

research and development, possess a world-class military, and have secured essential 21st-century resources. China may also have established a rival global currency to the dollar. However, the policy assumes that all things being equal the United States and its allies will not react in the interim. It remains highly unlikely China will ever decisively eclipse the United States as the world's preeminent power, precisely because China is equally unlikely to become a member of the global Community of Democracies to which the "West" is transitioning. Is Russia worth the price? Russia might offer China an energy source and a useful conduit for the transshipment of goods to Europe, when Europe opens its doors to Moscow in the wake of the Ukraine war, but it offers little else to China in terms of the future development of the Chinese economy and society. Rather, Putin's Russia is far more likely to drag China into conflicts which are not in China's interest.

China, the West, and Power Pragmatism

The rupture in dialogue between the United States and China that has occurred in recent years has sown deep mistrust. The growing tension between economic interdependence and increasingly militarized geopolitical competition is also placing the rules-based international order under ever increasing strain. With his attack on Ukraine, Putin has now destroyed many long-held assumptions among Western elites about peace, war, economic interdependence, and globalization, while Russia's blatant atrocities against Ukrainian civilians has further reinforced a determination in the West to respond. The belief that economic interdependence would be enough to prevent major war has again been revealed to be false, just as it was in Europe in 1914. There is now a belated realization even in Europe that the reliance on external autocratic powers to feed both its energy hungry and consumer-obese societies, far from promoting peace, has simply

revealed the many vulnerabilities of a decadent West. That world is over, and the post-COVID-19 world will demand a wholly new set of geopolitical assumptions on the part of hitherto complacent Western leaders.

Equally, China would be profoundly mistaken to conflate apparent Western decadence with terminal decline. The West is not as weak or as divided as many of its Chinese detractors would like to believe. If anything, the “West” is gaining in both reach and relevance because the West itself has become a geopolitical paradox in which the “West” is no longer confined to the West. The ideas that underpin the West mean it has evolved from a place into an idea that, at times, is applied hypocritically and incompetently.⁷ Consequently, there is a Community of Democracies emerging worldwide that whatever the cultural influences share a profound set of beliefs about economics, law, and governance. Such a community, by its nature, is fractious and for a Chinese audience the antithesis of order, even if pluralism and harmony have always coexisted in Chinese philosophy. Equally, history would also suggest that the greater the challenge to the West, the greater the collective resolve to resist and prevail.

The result is a kind of geoeconomic standoff. China is vital to future Western peace and prosperity, while the West remains even more vital to future Chinese peace and prosperity. Whatever form the West takes, the future relationship of the democracies with China will be the defining geopolitical relationship of the 21st century. As China and the West may never be partners in the full sense of the word, and over many issues they will not, both Beijing and the U.S.-led West must avoid confrontation. It is simply not in the interest of either China or the West.⁸ In other words, China and the West do not have to like each other, but it is a critical interest for both sides to actively foster a level of mutual respect and understanding to at the very least establish a culture of power pragmatism at the core of the relationship that

is robust enough to survive the inevitable tensions geopolitical competition will spawn.

Power pragmatism will also demand adjustments on the part of the West. The West must collectively recognize that the 400-year preponderance of Western “rules” is at an end and that new rules are now needed, of which China will be a co-architect. Equally, China must recognize that whereas an anarchic absence of rules in international relations might afford Beijing short-term opportunities, it will also ensure the enduring hostility of the West and, over the medium term, impose great costs on China. There may be temporary strategic appeal for China to be in close partnership with Putin’s Russia. However, the Ukraine tragedy has revealed that Russia is an unstable, incompetent, unreliable declining power the only real capacity of which is to act as a spoiler for those states more powerful than it is, including China.

That Was Then, This Is Now

The very idea of a “West” was effectively born on the USS *Augusta* in August 1941, when America and Great Britain came together to fight World War II.⁹ The very essence of the liberal international order



Prime Minister Winston Churchill meets with President Franklin D. Roosevelt on board the U.S. Navy heavy cruiser USS *Augusta* (CA-31), off Argentia, Newfoundland, on August 9, 1941 (Naval History and Heritage Command)

is the institutionalization of power in both alliances and institutions. The liberal international order is designed precisely to counter Realpolitik and the balances (or unbalances) of power anarchy in international relations so beholden to President Putin. President Xi?

Chinese readers will appreciate that the so-called liberal international order evolved from European history. The paradox is that the liberal international order was not always that liberal or that ordered. Perhaps the greatest influence initially, and paradoxically, was the British Empire for two reasons: it was the most powerful of the European empires, and it spawned the United States of America. For all its many imperfections, the imperial international order was grounded in an early idea of law and can trace its roots back to Magna Carta and the slow emergence of liberal parliamentary democracy with the American Revolution of 1776–1783, which was in many ways a continuation of the English Civil War of 1642–1649. As Britain and America evolved politically so did the idea of international order and eventually the very idea of a “West.” The West is thus an evolution and consequence of projected values and imperial power, built first and foremost on mercantilism. For much (not all) of the West, “liberalism” has been as much about free trade as about the relationship between the state and the citizen, which is why globalization emerged from it. And Western power was not always either “liberal” or “Liberal,” particularly in its dealings with China as the 1842 Treaty of Nanking and the other so-called Unequal Treaties attest.

Like any global order, the liberal international order is about the projection of values through power. As late as 2000, many in the West assumed that the supremacy of the West would mark the final, definitive victory of the liberal order over all others. The remarkable rise of China has profoundly challenged such complacency. Beijing’s hitherto agile grand strategy, allied to the crash

of the banking system in 2008 and the Eurozone crisis in 2010, have helped Chinese values emerge to compete with those of the West in ways and to an extent that was wholly unexpected. Chinese power has thus come as a shock to the West and its liberal international order, partly because of naivety, partly because of Western arrogance, and partly because of a failure to properly understand the “other.” Consequently, the world is once again engaged in a grand strategic contest between values and interests (Westerners often conflate and confuse the two) and the contending historical narratives that underpin them.

Some believed they could preserve Western dominance through globalization, using trade and multinational corporations to create an international order locked in their favor and thus avoid systemic competition. Rather, the outsourcing of supply chains simply paid for the rise of China (and to a far, far lesser extent Russia) with very different ideas about power and order. The implicit message of globalization from the West to China was thus: if you keep us comfortable, we will live with the increased vulnerability implicit therein and by and large ignore areas of contention. However, it was precisely contention that saw the mask of Western complacency begin to slip. First, it was over Western concerns about China’s intentions toward the Republic of China. Second, it was over China’s abandonment of the post-1997 Basic Law agreement with Britain over the status and liberties of Hong Kong. Third, it was over China’s disputed claims in the South China Sea. Fourth, it was over Beijing’s support for Pyongyang. Fifth, it was over the treatment of the Uighur minority. Finally, it was over COVID-19 and the pandemic.

In short, many in the West slowly came to realize, albeit painfully, that they simply could no longer afford to look the other way to preserve their lifestyle on the cheap. The Western response to the Russian invasion of Ukraine suggests that this previously

unrealistic mercantilist, consumerist worldview is finally being abandoned in favor of a return to some form of strategic realism. Equally, the West's response to Ukraine is also beginning to challenge a Chinese view of a decadent, indebted post-Afghanistan West that is little more than a glorified Disneyland for the Chinese middle-class to visit. The undoubted galvanizing factor in the reawakening of the West was China's unwillingness to share knowledge about the origins of the COVID-19 pandemic. Beijing's seeming obsession with secrecy and control was patently counterproductive when open collaboration could have lessened the impact of the pandemic on an underprepared world.

This shift in the Western paradigm of power is also evident in an increasingly self-critical discourse about the relative strengths and weaknesses of the liberal international order. There is a new orthodoxy emerging in which debates over the theoretical weakness of the liberal international order are being replaced by a cold realization that any dream of imposing universal Western norms and values on the whole world is bound to fail. This abrupt abandonment of such hitherto firmly held beliefs was even described as "Westlessness" at the 2020 Munich Security Conference.¹⁰ Behind such ideas is a profound loss of self-confidence on the part of some in the West after 20 years of repeated shocks that have undermined the assumptions of the 1990s and created profound divisions within the old transatlantic West about the nature of the world and how to deal with it. These divisions were given a turbo-boost with the 2016 election of President Donald J. Trump in the United States and the decision of the British people to exit the European Union.

China and the Rise of the Community

President Xi seems to have concluded that the great geopolitical game of the 21st century is now over. But it is just getting started. He also seems to have concluded that China's assured future is simply about

the systematic application of overwhelming Chinese power in all its manifestations, particularly in the Indo-Pacific region, with Russia acting as China's geopolitical wingman allied to a combination of U.S. political, economic, and military overstretch and European geopolitical unworldliness. In other words, Beijing will just need to keep applying pressure where and when it wants for President Xi's vision of a China supreme by 2035 to be realized. Such a worldview would represent a profound failure to properly understand the nature and power of the emerging global Community of Democracies. What is mired in the mud of Ukraine is not the liberal international order, but rather the West's previously misplaced assumption that its values and its interests would no longer need to be fought for.

Rather, a shared belief is now emerging in the West that if global peace and prosperity are to be preserved the liberal international order is more important than ever, albeit reinforced by political and strategic realism allied to more deliberately and consistently applied hard and soft power. The pace and scale of this shift will depend to a large extent on the Community's perception of China—partner, engaged challenger, or threat? Consequently, it is really up to China if the supply chains whether or not just-in-time globalization retreats into just-in-case regionalization and exclusive communitarization. In other words, while the ethos and essence of globalization will continue, states that do not conform to the norms, values, and behavior of the Community will become increasingly isolated from it with supply chains adapted accordingly.

The scale and range of sanctions imposed on Russia in the wake of its invasion of Ukraine is also a first example of a new kind of statecraft. Indeed, while neither democracy nor a commitment to the United Nations Charter is solely Western, democracy is the closest thing in the world of today to a social media-reinforced universalist creed. Democracy may have emerged from Greek political

and Western Christian thought, but the West is no longer the sole owner. Japan, the Republic of Korea, Malaysia, Indonesia, India, and many Middle Eastern and African countries do not see themselves as “Western,” but they are democracies, and it is democracy that is a defining feature in their respective international relations.

To be part of the Community, China would also have to accept many, but not all, of the West’s norms and values. Alternatively, China could seek to create a standalone post-SWIFT community together with a few outliers such as Russia.¹¹ If China chooses that path, it will choose to be excluded from communitarization. Though the Community would clearly pay a price for such a fissure in relations with China, the Ukraine war has demonstrated that many democracies would be willing to make such sacrifices. Consequently, the transactional costs of power would become far higher for Beijing because China would effectively be excluded from globalization, the very process that has made China rich and powerful.

In other words, in the absence of the West’s kind of soft power, China’s debt diplomacy will only ever buy Beijing so much influence for so long.

Flashpoints

The most obvious and immediate flashpoint is the relationship between the People’s Republic of China and the Republic of China. While there are no direct constitutional parallels between Ukraine and Taiwan, any “special military operation” against Taipei would meet with a fierce and united Community response. Nor will China’s claims to the South China Sea and its self-declared economic exclusive zone ever be accepted by the Community, not least because the historical basis for the claims is seen as entirely spurious by the Community and Realpolitik at its most brazen. Indeed, China’s perceived undermining of the United Nations Convention on the Law of the Sea reinforces the impression of a pick and mix approach to international norms, conventions, and law. The West



Cihu Beach is located in Kinmen County, Taiwan. You can see Xiamen City, China on the other side. The entire row of anti-landing piles inserted at an angle of 45 degrees makes this beach a special battlefield scene.

Photo by Huang Yu Ting

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and the wider Community will thus continue to challenge China's claims by undertaking freedom of navigation missions and other measures designed to thwart overtly Realpolitik-driven Chinese ambitions. The Community also has growing concerns about China's intentions in the Arctic. Are they peaceful? Or, by declaring itself a "near Arctic power," is Beijing seeking to project coercive power into Europe's strategic neighborhood? Europeans are finally awakening to the consequences of Chinese ambitions in their strategic backyard.

The geopolitics of the 21st century will in many ways be defined by the new industrial revolution and the shift to renewable and rechargeable sources of power. Indeed, perhaps the most dangerous flashpoint could well be energy and the new industrial revolution. China is already and legitimately competing for oil and gas supplies. If the CCP is to continue to deliver economic growth and prosperity to its people, the soul of political legitimacy in China, it will also need to embark on a profound energy transition. The systematic investment by China in cobalt, lithium, and the extraction of other so-called critical minerals and rare earth metals in places such as the Democratic Republic of the Congo and Rwanda demonstrate the extent to which Beijing is determined to get ahead in what will be a very competitive game.

There is dangerous paradox at the heart of this so-called green industrial revolution. Not only is it transforming relationships across the entire supply chain between energy provider and product consumer, but it is also making the world less safe. Put simply, there are not enough known sources of lithium to make all the batteries that will be needed to power much of the future. Though there are significant known sources in Serbia, Germany's Rhineland, and Britain's Cornwall, the main producers of lithium are Australia, Chile, and China, followed by Argentina, Zimbabwe, and Portugal.¹² Western companies competing with China and its state

enterprises to extract critical minerals are already complaining of unfair Chinese trading practices, even in Europe, and an exploitative culture as harsh as any 19th century imperialist.

If China continues to maintain its current policy of "beggar thy neighbor," it will reinforce the growing impression that Beijing has a narrow view of the Chinese interest and that it will take any steps and adopt any measures to secure them. While China may appear to be ahead of the game at present, given the contracts it has established with partners across the globe, it is only an appearance. Like the BRICS (Brazil, Russia, India, China, and South Africa), China's exploitative relationships with such partners are also fragile, not least because of concerns that China's behavior toward Africa or Latin America is neocolonial.¹³

There is an alternative: China finds an accommodation with the United States and its allies and partners to develop legitimate, fair, and environmentally friendly extraction of critical minerals as part of a collaborative approach to the new industrial revolution. Such cooperation could thus help establish a precedent for cooperation in 21st century geopolitics. China and the Community would then invest their competitive energies in making the green revolution work in support of the agreements made at the 2021 Glasgow Climate Change Conference rather than engage in an ever more dangerous and costly economic, political, and military standoff. Thankfully, there are already fora and frameworks, such as the World Trade Organization, the Trans-Pacific Partnership, and of course, the European Union (EU)-China Partnership, where such leadership could be exercised and formalized, and a new rules-based global order established of which China was an architect. It is a long shot given Xi's stated position, and the United States and its allies would be naïve in the extreme if in parallel they failed to counter military China. The alternative would be a new/old form of geopolitics shaped

by the dangerous “policy” of competitive anarchy and chaos.

Stakeholder China and the D10 Plus 1

What would be the best forum for meeting stakeholder China? By its very nature, there is no one locus for Western foreign and security policy. One option could be to invite China to a D10 Plus 1 construct that was built on the grouping of G7 industrialized powers plus Australia, India, and South Korea. Given the nature of the Chinese state, there is no question that at times Beijing finds it difficult dealing with pluralistic democracies and too often seeks to exploit contending U.S. and European positions. There is always the temptation in Beijing to try and divide and rule, but as recent pressure on Australia and EU member-state Lithuania attests, the more China pushes the more the Community coheres.¹⁴ A new global framework such as the D10 Plus 1 would offer two “commodities” vital to China: order and predictability. Order in by creating a D10 Plus 1 (that is more applied than the G20) it would provide both a framework and a structure for pragmatic discussions. Predictability would protect trade, and with it, China’s role as a workshop of the world. The offer to China would be clear: by partnering with the Community, China is far more likely to continue to prosper than by confronting it.

There will be frictions that will need to be managed. The liberal international order is about more than just economics, with several dimensions that China will need to engage with, including security and defense, democracy, rule of law, and, of course, human rights. Given contending views on such matters, the relationship will need to be constantly managed, but that is precisely the reason for such frameworks as a D10 Plus 1. The most important benefit to China is that it would be seen as a genuine stakeholder in a new global order that China helped to craft. The “price” would be that China will no longer be able to cherry-pick those rules it

wishes to observe and ignore those it does not. As for the old West, particularly increasingly unrealistic Europeans, they will have to decide if they are only going to deal with regimes they like, or recognize that many regimes they do not like, they need.

The Paradox of Chinese Strategy

As geopolitics both intensifies and shifts, the next 5 years will be critical to managing China’s relationship with the West, both old and new. China’s legitimate and competitive ambition is to become the world’s most powerful state, and Beijing is systematically investing to that end as part of its so-called Centennial Goals.¹⁵ What is emerging by way of response is a form of hard-edged and increasingly China-skeptic concerted multilateralism that balances the threat of decoupling from China with the search for a new reciprocity. COVID-19 and the war in Ukraine have simply concentrated the collective strategic minds of Americans, Europeans, and other democracies the world over. China is at present deemed guilty by association with Putin’s Russia and is thus reinforcing a new willingness of democracies to confront the hard security choices implicit in China’s rise that was lacking prior to COVID-19 and Ukraine. The new West, in the form of the Community, is thus a recognition within many democracies that the threat China now poses across the full spectrum of geopolitics, including military, needs to be confronted and together.

Contemporary geopolitics is thus increasingly looking like a new global “battleground” as China seeks to forge new relationships so that it can use the many dark sides of globalization to its advantage. At present, the main theater of competition remains essentially economic with China seeking to exert control over countries through debt dependency, as well as financial and military efforts to displace the United States both regionally and globally. It is paradoxical as a strategy as it is both profoundly anti-Western yet like Putin’s war in Ukraine it relies

on Americans and Europeans to fund it. The West, for all its many faults, is simply not that dumb. It is also a high-risk strategy that could catastrophically fail leading to an increasingly militarized struggle between the U.S.-led Community and China that the latter would inevitably lose.

In the wake of Russia's invasion of Ukraine, China needs to understand three fundamental geopolitical shifts. First, the democracies are coming together across the globe to counter the Chinese military threat. That is precisely why the 2021 Australia, United Kingdom, United States (AUKUS) Agreement was forged. Second, American leadership is being reinforced, as evinced by Finland and Sweden wanting to join the North Atlantic Treaty Organization (NATO). Third, Americans, Europeans, and their democratic partners worldwide are beginning to develop longer term strategy together. That strategy has yet to be fully formed, but there are several elements beginning to emerge that would be markedly accelerated if China, say, were to invade Taiwan. These include a discreet but robust engagement within the Community over critical issues such as information warfare, cyber attacks, and the theft of intellectual property; the slow establishment of a common strategic understanding and approach to dealing with China; and an honest analysis of the downstream significant challenge and the possible threat China could pose. For example, the June 2022 NATO Madrid Summit Declaration contains the strongest language yet about the nature and scope of the threat China poses.

In the post-pandemic world, the Community is likely to adopt a Harmel-style dual track of comprehensive dialogue with China and reinforcing its defense capabilities.¹⁶ This is precisely because the Community is a network of regimes and coalitions emerging to contain China through such mechanisms as the Transatlantic Trade and Investment Partnership and the Trans-Pacific Partnership.

Critically, even the EU, that bellwether of geopolitics, is now adopting a precautionary approach and beginning to treat China as a strategic challenger. The Chinese-Russian strategic partnership is also becoming seen as proof within the EU as some level of malice aforesight, which is being rapidly reinforced by growing Chinese influence in the Arctic. In other words, there is a growing sense in Europe that while Beijing speaks the language of collaboration, it practices the power of hard geopolitics.

Transatlantic Backbone

The transatlantic relationship is the backbone of the West and the cornerstone of the Community of Democracies and is already adapting to meet the challenge posed by China, not least by ensuring that the United States is not alone in engaging China. However, Western policy toward China faces significant constraints. Though the United States has seen China as an essentially geopolitical challenge, much of Europe, with Germany to the fore, has hitherto seen China as a mercantilist opportunity. With the dark reality of COVID-19 and the Ukraine war, that divide is now weakening. Still, a consistent transatlantic position, let alone policy, would require four distinct sets of actors to agree all of which have contending interests—the EU, the United States, the stronger European states, and the corporate sector. “Policy” in such circumstances thus tends to take the form of communicating with Beijing parameters for state behavior across geopolitics, trade practice, the rules-based order, and human rights the breaching of which could see the suspension of globalization from which China benefits.

Equally, a de facto policy review is now also under way to identify what the United States and Europe can do together in the face of perceived Chinese assertiveness.¹⁷ Consequently, the United States' and European positions have tended to converge on a range of issues, most notably Hong Kong, Taiwan, and the perceived ill-treatment of the

Uighur minority. Europeans are also beginning to make stringent efforts to improve resilience across the bio, digital, and espionage spectrum in the face of what are perceived as intrusive Chinese actions and threats to European critical infrastructures. If unchecked, China is also likely to see its own many vulnerabilities exploited by way of retaliation. If the Euro-Atlantic “West” is no longer sufficiently powerful in and of itself to convince Beijing to become a responsible stakeholder in a new global international order, the G7 and new multilateral fora, such as a D10, will become increasingly important both for the legitimization and credibility of collective democratic action. Corporate actors will also play an important role in upholding the values they espouse in their dealings with China.

If China intends to become a full-spectrum military rival of the democratic world, there will be profound consequences for humanity. A new transatlantic division of labor is already emerging with NATO acting as a fulcrum for a globalizing transatlantic defense relationship. Both Great Britain and Germany are significantly increasing their respective defense budgets and investing across the hybrid, cyber, and hyperwar¹⁸ continuum, which will be a distinctive feature of the coming geopolitics of force. The changing NATO defense and deterrence concept is also increasingly built on the premise that to remain credible, Europeans must become high-end military first responders in and around Europe, thus enabling the United States to shift significant force to the Indo-Pacific region in a Chinese-induced emergency. Some U.S. forces will remain in Europe as the ultimate guarantor of peace, but the United States will always seek to have sufficient military strength to counter China’s military ambitions, wherever they are directed and Australians, Europeans, Japanese, South Koreans, and others will undoubtedly support them.

The essential paradox of China’s actions of late is that the United States can only ever take

European support for U.S. China policy for granted because China, with the incompetent assistance of Russia, is pushing Europeans back toward America. Some in Beijing may have hoped that the signing of the EU-China Comprehensive Agreement on Investment would have enabled Beijing to use trade and investment as a lever to sow divisions between the United States and its European allies. The Chinese must be sorely disappointed, although the real litmus test of shifting relations will be the extent to which Europeans will be willing to hold Beijing to account for breaches of World Trade Organization rules. China is also highly cyber competent, which is enabling its large-scale theft of intellectual property and production data. However, Beijing is already being actively countered on both sides of the Atlantic, as the recent abandonment of Huawei 5G technology by several European countries attest.

Russian Roulette and China’s Gamble

It is Russia that is forcing China to gamble or choose. China can continue to gamble on an increasingly unpredictable and aggressive Moscow as part of some anti-Western Machiavellian power miscalculation. Or it can choose to work pragmatically and join with the Global Community of Democracies to shape a new world order from which China will continue to benefit. If Beijing chooses the former, it will have a complicated alliance with a declining power that will drag China into unwanted crises if for no other reasons than that is the nature of the Putin regime. If that is China’s gamble, then it will become increasingly isolated from the very states and system that is the source of Chinese wealth and power.

Evidence? Russia’s disastrous, poorly planned, and badly executed invasion of Ukraine reveals the extent to which Moscow’s capacity for strategic incompetence affects China. Beijing has been forced to sit uncomfortably on the fence watching a close partner destroy the sovereignty of a neighboring state—the very antithesis of Chinese policy—while



President Volodymyr Zelenskyy meets with soldiers during working trip to the Kharkiv region, October 6, 2022 (President of Ukraine)

at the same time effectively bankrolling Russia. China cannot take the high ground over the right to sovereignty on which it insists while being seen to support Russia's efforts to march all over that very same principle. Indeed, if China does not condemn Russia for its actions, it will be condoning them, and seen as such. Given the power the dollar still affords Americans in the global financial system, President Joseph Biden's warning of consequences for Chinese support for Russia is for once not an idle threat, whatever some in Beijing might consider China's ability to counter such sanctions. Russia's invasion of Ukraine not only is an act of both weakness and desperation but also imposes on Beijing—deliberately or otherwise—wider geopolitical considerations. Moscow simply lacks the overwhelming power to realize its war aims quickly, whereas a long war could well see Russian default on more of its debts

unless China props it up.

The choice Putin is imposing on China is like the war in Ukraine itself, a proxy for much broader geopolitics. The Ukraine war should showcase for China the "Leader of a New Global Order." However, to do that it must begin by restraining Russia and bringing this awful war to an end quickly.¹⁹ For the West and much of the wider Community, Russia's cruel actions in Ukraine are *the* test of Chinese intent and statecraft. Will China be a competitive partner or complicating spoiler?

China, the West, and the Future Global Order

The Sino-Western relationship is at a tipping point. This article begins with a basic but indicative comparison of the respective economic and thus strategic weight of both China, Russia, and

the G7. Ultimately, facts are power, and power will (normally) prevail. In the wake of COVID-19 and the Ukraine war, successful engagement by the democracies with a rising China will depend more on application than innovation, allied to shared policy and solidarity across a new Community of Democracies, the core pillar of which will be the old transatlantic relationship.

Going forward, it is vital that neither China nor the Community fall victim to Cold War psychosis. China is not the Soviet Union reborn, and any close analysis of Chinese interests and those of the Community reveals a lot of parallels, even convergence. The Community also needs to develop a more finessed understanding about Beijing and its legitimate strategic ambitions and thus afford China the respect it clearly deserves. However, given the battering that Sino-Western relations have suffered over the past few years, it is also vital that both China and the Community reestablish the basis for a reliable partnership.

China has also invested a lot of strategic and actual capital in the Belt and Road Initiative (BRI), albeit as an instrument of strategic competition.²⁰ Such investment has certainly given China some short-term gains, but it would be a profound mistake for Beijing to believe that debt diplomacy, particularly if allied to coercive wolf-warrior diplomacy, can forge enduring alliances. In many ways, the BRI reveals the paradox at the heart of China's grand strategy. The relatively tepid condemnation of Russia's invasion of Ukraine by the likes of Brazil, India, Mexico, and South Africa implies there are several powerful democracies that might permanently align, even side, with China. That is highly unlikely. Should there ever be major confrontation between China, the United States, and the wider Community, Brazil, India and South Africa would almost certainly lean back toward their fellow democracies. The Sino-Indian relationship is, to say the least, further "complicated" by longstanding

territorial disputes and China's support for Pakistan.

Furthermore, China is *not* (yet) an implacable enemy of the West, and there is no automatic reason that it should be in the future unless Beijing continues to decide that it is. There are also profound differences between Beijing and Moscow. While the former has proved itself capable of adopting a pragmatic approach, Putin has cast himself in the role of some latter-day King Cnut in an attempt to hold back the tide of liberalization, democratization, institutionalization, and globalization for which Russia is utterly ill-prepared, but which China has in many respects embraced.²¹ One reasonable conclusion is that for all the rhetoric to the contrary, Beijing really does understand that the geopolitical center of gravity for China in the 21st-century will be its relationships with the world's powerful democracies. If China seeks to divide those democracies, Beijing will soon learn, as the Ukraine war attests, that real democracies stick together in emergencies. For example, the so-called 17+1 grouping is already crumbling. The cost of cooperating with China was revealed by Lithuania's defiance by recognizing the Republic of China. Beijing is already paying an opportunity cost for supporting Russia.²²

Equally, China has repeatedly indicated that it is willing to support a genuine multilateral order, and, to some extent, Beijing should be at least given the benefit of the doubt. China must prove that its commitment to "multilateralism" is not simply a metaphor for an alternative to American power. President Xi's 2017 speech to the World Economic Forum in Davos was one of many such interventions that seem more than mere strategic posturing.²³

What next? A program of post-COVID-19 confidence and security building measures would be welcome. Effort should be made to ease China's acute food security concerns, albeit conditional on China suspending some of the most aggressive aspects of its wolf-warrior diplomacy. American and European tech companies should also be afforded

the chance by Beijing to compete with state-subsidized Chinese companies in China. Above all, a major collaborative project is needed to jointly identify supply chain vulnerabilities *with* China, and, as proposed herein, opportunities should be sought to collaboratively manage the extraction, exploitation, and development of critical metals and strategic technologies. To avoid miscalculation and misadventure, both sides also need to establish a culture of realism, reciprocity, proportionality, and conditionality—realism to better understand China’s legitimate interests and vice versa, reciprocity to build confidence, proportionality to avoid overreaction, and conditionality to help establish a trusted framework for cooperation, not least when there are tensions.

Such confidence-building, if successful, will over time turn norms into regimes, and regimes into the rules of a new world order that underpins, if not the institutionalization of state power, its mutualization, thus preventing the extreme state behavior evident in Ukraine with all the disruption and danger it brings. As the 16th century English philosopher Thomas Hobbes stated, “Covenants without the sword are but words and of no use to any man.”²⁴

Your call, China! **PRISM**

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full agreement with every issue raised in the article, but all agree with its essential message.

Notes

¹ Lionel Giles, trans., *Sun Tzu on The Art of War*, available at <<https://www.gutenberg.org/files/17405/17405-h/17405-h.htm>>. This quotation is often wrongly attributed to Lao Tzu, but Chinese readers will know this to be wrong.

² There are several such groupings. For example, the Quad within the North Atlantic Treaty Alliance (NATO) is made up of the United States, the United Kingdom, France, and Germany; the NATO Quint adds Italy. In the Indo-Pacific region, the Quad countries consist of the United States, Australia, India, and Japan.

³ Global Firepower, “Purchasing Power Parity by Country (2022),” available at <<https://www.globalfirepower.com/purchasing-power-parity.php>>.

⁴ Population U, “Countries by GDP Rank,” available at <<https://www.populationu.com/gen/countries-by-gdp#rank>>.

⁵ Trade Economics, “Trade Performance,” available at <<https://www.tradeeconomics.com/>>.

⁶ Statista, “Merchandise Trade Balance in China from 2010 to 2020,” available at <<https://www.statista.com/statistics/263632/trade-balance-of-china/>>.

⁷ See in this context also Lawrence Freedman, “The Crisis of Liberalism and the Western Alliance,” *Survival* 63 no. 6, (November–December 2021), 37–44.

⁸ In the EU–China Strategic Outlook of 2019, China is considered as “an economic competitor in the pursuit of technological leadership, and a systemic rival promoting alternative models of governance.” See High Representative of the Union for Foreign Affairs and Security Policy, *Joint Communication to the European Parliament, the European Council, and the Council: EU–China—A Strategic Outlook* (Strasbourg: European Commission, December 3, 2019), 1, available at <<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52019JC0005>>.

⁹ On Saturday, August 9, 1941, British Prime Minister Winston Churchill and U.S. President Franklin D. Roosevelt met on the USS *Augusta* off the coast of Newfoundland, Canada. At the meeting, they established the Atlantic Charter and laid the foundations for an alliance that in time led to not only the creation of NATO but the very idea of the West as a force in the world.

¹⁰The Special 2020 Munich Security Conference readout stated, “[T]here is both a recognition that the liberal-democratic project is under increasing pressure and an understanding that the best way forward consists in a common transatlantic approach. After several years of transatlantic tensions, the shared commitment to seek a common Western grand strategy represents a promising first step. The next step will consist in translating the new transatlantic momentum into an actionable joint program that will deliver concrete results. For this to happen, transatlantic partners still must develop a clearer understanding of each other’s to-do lists and priorities.” Tobias Bundy, *Beyond Westlessness: A Readout from the Munich Security Conference, Special Edition 2021*, Munich Security Brief No. 1 (February 2022), available at <https://securityconference.org/assets/02_Dokumente/01_Publikationen/Munich_Security_Brief_Beyond_Westlessness_MSC_Special_Edition_2021_210224.pdf>.

¹¹SWIFT, or the Society for Worldwide Interbank Financial Telecommunications, is a Belgian-based cooperative society for providing financial and banking transactions worldwide. Russia has been expelled from SWIFT in the wake of its invasion of Ukraine. China’s Cross-Border International Payments System is seen as a direct challenger to SWIFT.

¹²See NS Energy, “Profiling the top six lithium-producing countries in the world,” November 23, 2020, available at <<https://www.nsenerybusiness.com/features/top-lithium-producing-countries/>>.

¹³See in this context Amitai Etzioni, “Is China a New Colonial Power?” *The Diplomat*, November 9, 2020, available at <<https://thediplomat.com/2020/11/is-china-a-new-colonial-power/>>.

¹⁴On November 21, 2021, the Republic of China opened a mission to Lithuania following which the People’s Republic of China downgraded its diplomatic representation and expressed strong dissatisfaction with Vilnius. See “China Downgrades Its Diplomatic Ties with Lithuania over Taiwan Issue,” Reuters, November 21, 2021, available at <<https://edition.cnn.com/2021/11/21/china/china-lithuania-taiwan-relations-intl-hnk/index.html>>.

¹⁵The Centennial Goals were established in 2012 and have two distinct elements. The first goal was to double 2010 GDP and per capita income for both urban and rural residents by 2021, the centenary of the Chinese Communist Party. That goal has by and large been achieved. The second goal remains to make China fully developed by 2049, when the People’s Republic of China will celebrate its centenary. To realize the latter goal, Beijing will need the support of its Western partners. See David Dollar, Yiping Huang, and Yang Yao, *China 2049: Economic Challenges of a Rising Global Power* (Washington, DC: Brookings Institution, January 2020), available at <https://www.brookings.edu/wp-content/uploads/2020/01/FP_20200106_china_2049_dollar_huang_yao.pdf>.

¹⁶Pierre Harmel was a former Belgian foreign minister who led a group of “Three Wise Men” who reported to the NATO’s leadership in 1967 about the need for enhanced military capabilities for the Western Alliance to meet the threat then posed by the Soviet Union but also the need to simultaneously pursue dialogue, hence a dual-track approach.

¹⁷See in this context *Dealing with the Dragon: China as a Transatlantic Challenge* (Bertelsmann Stiftung Germany and Asia Program, Asia Society Center on U.S. China relations, and The George Washington University China Policy Program, June 2020), available at <https://www.bertelsmann-stiftung.de/fileadmin/files/user_upload/ST-DA_Studie_Dealing_with_the_Dragon.pdf>; Hans Binnendijk and Sarah Kirchberger, *The China Plan: A Transatlantic Blueprint for Strategic Cooperation* (Washington, DC: The Atlantic Council, March 2021), available at <<https://www.atlanticcouncil.org/wp-content/uploads/2021/03/The-China-Plan-A-Transatlantic-Blueprint.pdf>>.

¹⁸Amir Husain, “AI is Shaping the Future of War,” *PRISM* Vol.9, No. 3, November, 2021, available at <<https://ndupress.ndu.edu/Media/News/News-Article-View/Article/2846375/ai-is-shaping-the-future-of-war/>>.

¹⁹As early as 2005, Deputy Secretary of State Robert Zoellick elaborated on China as a responsible stakeholder. See Robert D. Zoellick, “Whither China: From Membership to Responsibility?” Remarks to the National Committee on U.S.-China Relations, New York, September 21, 2005, available at <<https://2001-2009.state.gov/s/d/former/zoellick/rem/53682.htm>>.

²⁰ Interestingly, there are parallels between China's Belt and Road Initiative and Britain's imperial past. In May 2019, the Center for Strategic and International Studies (CSIS) published a commentary highlighting efforts by the British to control strategic communications. See Jonathan E. Hillman, "War and PEACE on China's Digital Silk Road," CSIS, May 16, 2019, available at <<https://www.csis.org/analysis/war-and-peace-chinas-digital-silk-road>>. In the wake of victory over Napoleon, what had been primarily a commercially driven, mercantilist empire increasingly became an exercise in *Machtpolitik*, as British corporate and state interests merged, much as China's are doing today. The British strategy involved the construction of All Red Lines, an exclusive network of telegraph lines that helped facilitate London's command and control of its empire and gave Britain a critical strategic communications advantage over rivals. The British also used naval power to control the chokepoints controlling the world's sea lines: Gibraltar, Suez, Aden, Singapore, and so on. For a time, Britannia really did rule the waves. With the Belt and Road Initiative, China is endeavoring to do a similar thing in this digital age by seeking critical control over digital networks while erecting the "Great Firewall of China."

²¹ King Cnut was an 11th- century Anglo-Danish king who, according to legend, wanted to demonstrate the limits to secular power compared to holy power. In the legend, Cnut put his throne on the seashore and commanded the tide to halt, which of course it did not. When the tide made his feet and robes wet, he claimed it proved the worthless power of kings compared to that of the Almighty.

²² Lithuania's May 2021 withdrawal from the 17+1 Cooperation Forum was reinforced by the European Parliament's refusal to ratify the China-EU Investment Partnership so long as China imposed sanctions on European scholars and even members of the European Parliament. See in this context Andreea Brînză, "How China's 17+1 Became a Zombie Mechanism," *The Diplomat*, February 10, 2021, available at <<https://thediplomat.com/2021/02/how-chinas-171-became-a-zombie-mechanism/>>.

²³ "[W]e should pursue a well-coordinated and inter-connected approach to develop a model of open and win-win cooperation. Today, mankind has become a close-knit community of shared future. Countries have extensive converging interests and are mutually dependent. All countries enjoy the right to development. At the same time, they should view their own interests in a broader context and refrain from pursuing them at the expense of others." See President Xi Jinping, "President Xi's Speech to Davos in Full," remarks to the World Economic Forum, Davos, January 14, 2017, available at <<https://www.weforum.org/agenda/2017/01/full-text-of-xi-jinping-keynote-at-the-world-economic-forum>>.

²⁴ See Richard Tuck, ed., *Hobbes Leviathan* (Cambridge: Cambridge University Press, 1991), 117.