

# CHINA'S RISE: CONFRONTING CHINA'S CHALLENGE TO THE WORLD ORDER



## ABOUT THIS PROJECT

**NSI 2020 is a year-long project that will focus around key topics critical to understanding China's increasing ideological, economic, military, and strategic influence, with a series of events, papers, and policy engagements driving attention to these four topics.**

**This project will seek to identify the diplomatic, economic, and military policies the United States government should pursue to effectively respond to the threat to U.S. interests and to individual liberty posed by the Chinese Communist Party.**

**We expect these events to drive a serious debate on these topics, informed by the work of NSI's authors and experts providing key insights and actionable recommendations.**

## THE STAKES

In the wake of the collapse of the Soviet Union, the United States was the world's only superpower. At the time, in light of the failure of the world's most powerful Communist regime and the preeminence of the Western powers, many predicted the end of geopolitical competition driven by ideology amongst major states. While the United States has led the effort to incorporate a rising China into the international system, the Chinese Communist Party (CCP) has now made clear its policy and aspirations are divergent. Today, U.S. leadership and the existing international order are under threat. The CCP's goal is becoming plain: to displace the Westphalian system with one that allows it to impose its will around the globe. And the United States stands as the greatest obstacle to this ambition.

Over the past twenty years, the CCP has focused on strengthening China's economic power and enhancing its military might. The People's Liberation Army (PLA) has systematically strengthened and modernized its forces, specifically targeting the unique capabilities that underpin United States military superiority. As a result of the PLA's focus and U.S. complacency, the outcome of a regional war between the two powers is not assured. At the same time, China has transformed its economy into the second largest in the world—using its economic power to complement its regional hegemonic designs and to counter U.S. influence around the world. At home, the CCP oppresses the Chinese people in an effort to ensure its grip on power and to ruthlessly represses the Uyghurs in Xinjian province.

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## CHINA V. U.S.: WHAT DOES GEOPOLITICAL COMPETITION WITH A GLOBAL HEAVYWEIGHT LOOK LIKE?

The U.S. faces an economic, military, and ideological competitor unlike any other that it has faced before. China has emerged as an economic superpower and has embarked on a comprehensive program to counter and defeat the capabilities that underpin U.S. economic and military superiority. At the same time, Xi Jinping has consolidated power across the Chinese Communist Party and has initiated an aggressive campaign to enforce political and ideological control.

A core issue that must be addressed in the next decade is what are the implications of China's commitment to challenging the existing order, including its efforts to achieve hegemony over its regional neighbors, its commitment to civil-military fusion and state-support of critical technologies, and its ideological devotion to authoritarian control, and how can the U.S. compete?

## CHINESE ECONOMIC POWER AND STATECRAFT: HOW SHOULD THE U.S. RESPOND?

The U.S. has not faced a competitor, or even a group of competitors, with a combined GDP larger than its own in over 130 years; however, China is on track to have the world's largest GDP in absolute terms by 2030. China uses this economic power to extend its influence around the world and to further fuel its growth; it flexes its market power to coerce regional neighbors to cave to Chinese policy; it uses access to its market as leverage to gain proprietary information to undercut competition; and it threatens loss of market access to gain acquiescence or silence party oppression and military aggression.

A core issue that must be addressed in the next decade is how can the U.S. effectively respond to Chinese economic statecraft, as well as how should the U.S. work with like-minded partners and allies to strengthen our own position in the world order.



## HOW CAN THE U.S. COMBAT THE MODERNIZATION OF CHINA'S MILITARY?

Beijing has undertaken a massive effort to grow and modernize the People's Liberation Army—investing in a range of military programs and weapons systems, including those designed to improve power projection. It is modernizing its nuclear forces and conducting increasingly complex operations in domains such as cyberspace, space, and electronic warfare. China is also developing a wide array of anti-access/area denial (A2/AD) capabilities, which could be used to prevent countries from operating in areas near China's periphery. And while China is a top priority for the U.S. defense enterprise, the U.S. is essentially the sole focus of China's military force planning.

A core issue that must be addressed is how should the U.S. plan to counter China's enhanced military capabilities across all domains and how can the U.S. strengthen the military capacities of partners and allies in the region?

## WHAT DOES A NEW U.S. GRAND STRATEGY TOWARDS CHINA LOOK LIKE?

For years, China has focused its economic, military, and diplomatic efforts on weakening U.S. influence and replacing it as leader of a new world order that is shaped in conformity with the worldview of the Chinese Communist Party. While the U.S. has been focused on defeating al Qaeda and ISIL, China has worked to defeat U.S. military superiority and dislodge U.S. economic leadership. At the same time, the communist regime continues to oppress its people and crush any perceived threat to its grip on power. The U.S. must recognize the extent of the threat to its leadership in the world and to individual freedom in order to roll back the threat posed by the Chinese regime.

A core issue that must be addressed is what does a revised U.S. grand strategy towards China look like? How can the U.S. and its allies design a sustained effort to both counter the threats posed by China's economic, military, and geopolitical advancements, while also maintaining the necessary diplomatic and economic ties to avoid conflict and establish a new paradigm for U.S.-China relations?