

*While still reflecting on the lessons of the past, it is time for U.S. strategists to focus their arguments on the future, leaving the history to the historians.*

—ELY RATNER

# Toward a New China Debate: The Strategic Logic of Blunting China’s Illiberal Order

**Ely Ratner**

**U**.S. policy toward China is undergoing a period of profound disruption. As the old consensus continues to fray, this paper interrogates key fissures in the debate and, in doing so, makes the case for an alternative strategy.

The rationale for deconstructing the debate is simple: preexisting concepts and labels are increasingly ill-suited to the China challenge now confronting the United States. Policy options don’t fall neatly into familiar camps, nor do they easily map on a linear continuum from dovish and accommodating to hawkish and hardline. Moreover, traditional concepts such as “engagement” and “containment” have become so polemical that they no longer serve as useful anchors for debate. In their place, novel paradigms and schools of thought will have to emerge.

To that end, Part I of this paper assesses the current discourse on China policy, including what’s holding it back and how to advance it. I argue that Washington needs to move beyond two prevailing disagreements that are increasingly counterproductive: debating the past and over-focusing on President Trump. Instead, I offer three principal lines of inquiry that are essential to developing an effective strategy going forward: the stakes in the U.S.-China competition, the factors shaping China’s trajectory, and the subsequent choices for the United States.

Part II applies this framework and argues that America’s near-term strategy should be centered on preventing China from consolidating an expansive and illiberal order in Asia and beyond. It describes the enormous stakes for the United States and assesses why an illiberal China-led order is possible—even likely—in the absence of a concerted effort by the United States to arrest it. I outline the logic of such a strategy, address the main counterarguments, and describe the necessary requirements for successful implementation.

## **Part I: Deconstructing the Debate**

### **The need for reassessment**

U.S. policy after the Cold War was predicated on steering China’s development and shaping the regional environment such that Beijing would ultimately decide not to challenge U.S. dominance in Asia. This approach was guided by the promise that economic modernization and interdependence would lead to political and market reforms internally while also creating overwhelming incentives for China to integrate into the prevailing international order. At the same time, given uncertainties about China’s intentions, the United States and its allies developed military capabilities and partnerships to deter Chinese aggression and dissuade Beijing from aspiring to regional hegemony. At its core, it was a strategy designed to prevent a China challenge from ever surfacing in the first place. There were ongoing debates in Washington about which element merited greater emphasis, but the combination of “engagement” and “balancing” served as consensus U.S. strategy for decades.

This approach was valid as long as there were indications that it was working—or at least sufficient ambiguity and uncertainty about China’s trajectory. Such was arguably the case throughout most of the 1990s and early 2000s, when China adhered to a fairly cautious and conservative foreign policy. But that era has ended. Contrary to U.S. hopes, China is becoming more authoritarian, the Communist Party is tightening its grip on the economy, and its foreign policies are increasingly ambitious and assertive in seeking to undermine and displace core features of U.S. leadership in Asia and the liberal international order more broadly.<sup>1</sup>

### **Stuck in the wrong debates**

The glaring disconnect between America’s aspirations and the reality of today’s China has instigated a vibrant discussion over U.S. policy. Currently, however, much of the debate is mired in two distinct topics that, while important, ultimately serve as a distraction to the central question of the future of U.S. policy toward China.

The first regards the past: Why did America “get China wrong,” and could things have turned out differently? There’s no doubt that a better understanding of the past can inform how we might proceed going forward. That being said, it is increasingly counterproductive to continue slugging it out over whether U.S. policy makers actually believed China was going to democratize, or whether China’s path would have been fundamentally altered if America had taken a different tack after the Tiananmen Square massacre or following China’s accession to the World Trade Organization. These backward-looking debates in the China policy community have grown unnecessarily (although perhaps unavoidably) personal, partisan, and acrimonious.<sup>2</sup> While still reflecting on the lessons of the past, it is time for U.S. strategists to focus their arguments on the future, leaving the history to the historians.

A second prevalent debate has revolved around the Trump administration’s approach to China. Current policy is unquestionably relevant to presidential politics, day-to-day tactics, and critical assessments of the likely starting point for what comes next. But over-privileging the centrality of President Trump has at least two substantial drawbacks. First, the emergent period of U.S.-China competition is deeper and more structural than a principal focus on Trump would suggest. What we are witnessing today is not an episodic downturn or cyclical trough in the U.S.-China relationship, nor is the current rise in tensions primarily due to President Trump or his administration. Instead, China’s changing power position, its perceptions of geopolitical opportunity and American decline, and Xi Jinping’s own predilections all arose around the same time that Washington started experiencing heightened economic disillusionment and greater security concerns toward China.<sup>3</sup> Some version of this more intensified competition would have occurred without Donald Trump and will endure after his presidency; it is true that Trump may have accelerated certain trends, but U.S.-China competition is not a Trump phenomenon.

Second, although the Trump administration’s National Security Strategy and National Defense Strategy both focused on strategic competition with China as a top priority for the United States, core features of the Trump administration’s foreign and domestic policies (for example, on alliances, international and regional institutions, nonproliferation, climate change, trade, human rights, and immigration) do not reflect a government committed to enhancing American competitiveness or sustaining U.S. power and leadership in the world.<sup>4</sup> Instead, the Trump administration’s China policy is best described as confrontational without being competitive.

This matters diagnostically because the internal contradictions and weaknesses of Trump’s approach to China are mostly distinct from the administration’s proposed shift toward strategic competition. Put another way, it is (at best) misguided to argue against a more competitive U.S. strategy by pointing to the shortcomings of President Trump. Nor is it valid to suggest that support for a more competitive approach is in any way an endorsement of President Trump’s China policy. In general, reducing the focus on Donald Trump will improve the quality of the debate on China.

### Interrogating the key contours of debate

Provided we can move beyond pitched arguments about the past and pointed critiques of President Trump, there are essential and emergent debates that should inform the next phase of U.S. strategy. Here I offer three central lines of inquiry that provide the analytical foundations for a revised approach to the China challenge:

1. **What are the stakes?** Any reconsideration of U.S. policy should begin by asking why China matters to the United States and the American people. We should be explicit about what, exactly, is the nature of the challenge—on what issues, to what extent, and in what ways is China’s rise an opportunity or threat to vital U.S. interests. Embedded in these questions are our visions of potential futures, and the likelihood of arriving at them depending on the direction of U.S. policy. This sets the predicate for deciding what goals should serve as the lodestar of U.S. strategy, whether avoiding a war with China, maximizing commercial opportunities, collectively solving global problems, pushing back on Beijing, or something else entirely. A clear-eyed description of the stakes in the U.S.-China relationship can also help to frame how we think about the tradeoffs between these goals, and more generally between cooperation and competition. Finally, differing perspectives of the stakes further shape the urgency with which we think U.S. policy makers should devote attention and resources to managing the China question, including its relative prioritization as compared to other pressing domestic and international issues.
2. **What will shape China’s trajectory?** Undergirding any strategy are a series of assumptions about what drives China’s behavior. There is still a wide array of views about whether China is a revisionist power aiming to displace the United States or instead just a regional power seeking greater voice and a seat at the table. Related are assessments of China’s future power and the degree to which internal and external factors will accelerate or constrain its development: Is China’s rise immutable, or will internal weaknesses stall its ascent? Will other major powers oppose or make peace with China’s expanding influence, and how will Washington’s actions shape those decisions? When all is said and done, we ought to have a clear view on what we think will be the most important factors that shape the scale and scope of the China challenge.
3. **What are America’s options?** How the United States responds to the China challenge must be grounded in questions of power and politics. Strategies should be based on realistic assessments about the future of American power—economic and military, both alone and in concert with allies and partners. It is also essential to be explicit about the costs and risks associated with various approaches. Beyond the Beltway, others will have a vote in the nature and effectiveness of U.S. strategy, including friendly capitals, potential adversaries, and, most important, the American people. If there’s one thing that most analysts can agree upon, it’s that the United States should work with like-minded countries to advance its interests. But who are the necessary allies and partners and on what issues, how much can really be expected of them, and how formal and institutionalized must these relationships be? Finally, levels of political will at home and abroad must be factored in. In particular, we should take a hard look at the domestic political viability of any U.S. strategy toward China.

Different answers to these questions, in different constellations, can provide a starting point for new policy approaches to China. In the following section, I apply this framework and argue that a thorough assessment of these foundational questions should lead the United States to a near-term strategy focused on blunting the development of an expansive and illiberal China-led order.

## **Part II: Reconstructing a New Strategy: The Logic of Blunting China's Illiberal Order**

### **The stakes: Envisioning China-led order**

The United States and China are now locked in a geopolitical competition that is structural and deepening. How this contest evolves will determine the rules, norms, and institutions that govern international relations in the coming decades. Should the United States fail to rise to the China challenge, the world will likely see the emergence of an illiberal and expansive Chinese sphere of influence. This is not to suggest that Beijing should be denied a voice or sway commensurate with its position as a major power—but there's a substantial difference between greater Chinese power (even China being the most powerful country in the region) and a situation in which Beijing exerts illiberal hegemonic control over Asia and beyond.

It is incomplete to view U.S.-China dynamics as a disparate set of competitive domains. Instead, we should be principally concerned about the aggregate and mutually reinforcing consequences of a China-led order if Beijing gains dominant control of vital regions and functional domains. Core features of this order would include the People's Liberation Army administering the South and East China Sea; regional countries sufficiently coerced into not questioning or challenging China's preferences on military, economic, and diplomatic matters; the de facto unification of Taiwan; Beijing with agenda-setting power over regional institutions; a China-centric economic order in which Beijing sets trade and investment rules in its favor; and the gradual spread of authoritarianism in the developing world, reinforced by the proliferation of China's high-tech surveillance state.<sup>5</sup>

For the United States, an illiberal China-led order would translate into weaker U.S. alliances, fewer security partners, and a military forced to operate at greater distances; U.S. firms without access to leading markets and disadvantaged by unique technology standards, investment rules, and trading blocs; U.S. participation in inert international and regional institutions unable to resist Chinese coercion; and a secular decline in democracy and individual freedoms around the world. Many of these effects are already occurring globally and particularly in Asia, the center of gravity in the competition. Arresting and reversing these trends stands among the most urgent and important tasks in U.S. foreign policy.

### **China's trajectory: On China's intentions, future power, internal constraints, counterbalancing coalitions, and the role of the United States**

This paper posits that China will not be easily steered away from pursuing an expansive and illiberal order. This is primarily due to the inflexible exigencies of the ruling regime rather than an assessment of whether grand strategists in Beijing harbor revisionist intentions or hegemonic designs. Beijing's most problematic behavior tends to stem from the Communist Party's efforts to make the world safe for China's state-led economy and its authoritarian political system. The widening divergence between Washington and Beijing is further exacerbated by the fact that China has expanding interests and ever-greater capabilities to protect and defend those interests around the globe, thereby increasing the degree to which it is willing and able to wield influence in world politics. Short of an exogenous shock, we should not expect Beijing to substantially alter its current course.

Nevertheless, that leaves the question of whether forces in and around China will come to constrain its illiberal impulses. The test case of the last three decades suggests that integration into the global economy will not be enough. Unfortunately, the liberal internationalist project did not lead to sufficient convergence, and political and economic engagement did not adequately produce or empower liberals inside China. The oft-heard statement in Washington that China has been the greatest beneficiary of the liberal international order is both debatable and irrelevant. Many of the liberal elements of that order are threatening to the Communist Party, which is using its newfound power and influence to revise key aspects of the prevailing system.

Other potential roadblocks to the maturation of an illiberal China-led order include its domestic and structural weaknesses. These myriad challenges include a slowing economy, rising debt, increasing labor costs, environmental degradation, social unrest, unfavorable demographics, an aging population, poor social services, and more. Two points, however, should give us pause before assuming that China will get stuck in its own quicksand before Beijing can consolidate an illiberal order. First, even if these structural factors eventually do come home to roost, China will have opportunities between now and then to make substantial and irreversible changes in its favor. Second, China has already amassed significant power such that Beijing is likely to be a major actor on the global stage under almost any circumstance; from here on out, China will have significant throw-weight even if its economy and military develop at much slower rates.

If not China's internal problems, then external constraints are often assumed to preclude a China-led order. It is an empirical fact that most countries in Asia do not want to live under a Chinese sphere of influence. A frequent, but misguided, extension of this argument is that a counterbalancing coalition will necessarily develop to staunch Beijing's reach. But this is by no means assured. Absent the United States providing a viable alternative, regional states would have to assume potentially unaffordable and unacceptable risk in standing up to China. Rather than binding together, major powers including Australia, India, and Japan would more likely pursue fortress strategies in which they harden their defenses and more acutely protect their core interests. This would all come at the expense of their broader foreign policy goals, including challenging China on nonessential matters and in nonessential regions.

These pressures to bandwagon with China would be reinforced by domestic political dynamics in foreign capitals. Beijing would be able to wield outsized carrots and sticks using an array of economic, military, and diplomatic tools. Combined with greater Chinese control of data, information, and media, there would be fewer domestic constituencies in Asia calling for a tougher stance toward China.

The cardinal implication here is that the role of the United States is paramount: the region will either hang together with the United States or hang separately without it. Beijing recognizes this as well, which is why so many facets of China's strategy are aimed at reducing U.S. power and influence, and weakening U.S. ties to Asia. Any version of a consolidated China-led order would require the United States to fail to compete effectively. In other words, the path to an illiberal Chinese sphere of influence would have to be paved by the failure or unwillingness of the United States to prevent it. China cannot readily dominate key regions or functional domains if Washington is focused and committed to defending its overseas values and interests.

### **America's options: On blunting China's illiberal order and questions of allies and political viability**

For the next phase of U.S. China strategy, the United States should be squarely focused on preventing the consolidation of an expansive and illiberal Chinese sphere of influence. Notably, this is distinct from attempting to reassert U.S. primacy or predominance, goals that are increasingly out of reach. Instead, it is imperative that the United States stop China's advances toward exerting exclusive and dominant control over key geographic regions and functional domains, including technology, finance, trade and investment, diplomacy, security, governance, and information. If the United States can achieve the minimum threshold of sustaining conventional deterrence, then the military dimensions of the contest will be neither central nor determinative.

Arresting and reversing momentum toward China-led order will require four interrelated lines of effort (the specific policies associated with each are beyond the scope of this paper). First, the United States will have to strengthen American competitiveness by bolstering the foundations of U.S. power and influence. This means investing at home to make the United States run faster instead of just trying to slow China down. Second, the United States will have to directly contest the most pernicious forms of Communist Party illiberalism, both internal and external to China. Third, Washington will have to rally allies and partners. This can be achieved by

recommitting to America's role in the world, leading by the power of its example, providing viable alternatives to China-led order, cooperating with China when it is in America's interest, and bolstering the ability of states to resist Chinese coercion individually and collectively. Fourth and finally, the United States will have to rebuild the regional order in Asia with a fresh set of rules, norms, and institutions that better reflect the realities and demands of the twenty-first century. Importantly, none of these lines of effort will be sufficient in and of themselves. All will be required simultaneously, meaning Washington cannot focus exclusively on American renewal, combating Chinese illiberalism, building partnerships, or revising the regional order. The United States must do all at once.

Settling into a long-term competition with China will require considerable attention and resources. It's therefore worth asking whether Washington should instead seek to satisfy Beijing's ambitions at acceptable cost to the United States. If you believe the United States is capable of mounting a more competitive strategy (as I do), then your answer should be: no, now is not the time to try and strike a grand bargain with Beijing. The dominant perception among China's leaders and throughout the region is that America is unreliable, uncommitted, and in decline. Trying to settle the competition on favorable terms in this context is not only unlikely to succeed, it would require bargaining from a position of weakness. This might be the most important strategic argument herein: a more stable and cooperative U.S.-China relationship will only be possible if the United States is able to arrest and reverse the current momentum toward China-led order. The United States should therefore seek to establish a new strategic equilibrium only once it has successfully reasserted U.S. power and influence in ways that disabuse Beijing and the region about the inevitability of U.S. decline and a Sino-centric future.

This speaks directly to the question of whether the United States can gather and lead the allies and partners necessary to prevent an illiberal Chinese sphere of influence. America alone will not be enough. Present-day dynamics only go so far in helping us answer this question. After all, we should not be surprised that capitals—many of which are heavily dependent on China economically—are wavering in their desire to work with an American side they view as unpredictable and waning. Instead, we should hope and expect that enhanced American competitiveness will increase the degree to which countries see the United States as a viable and attractive alternative to China-led order. Perceptions of the future, including America's position in Asia and the world, are of central importance.

It is often said that countries do not want to choose between the United States and China. The reality is that countries make dozens of choices every day between the United States and China—and, on balance, we want more of those choices to be in our favor. Fortunately, a strategy predicated on blocking an illiberal China-led order does not envisage Cold War-style blocs or an Asian NATO, nor does it require a fundamental choice between Washington and Beijing. Instead, the United States can be an advocate for greater foreign policy autonomy and economic independence, free from Chinese coercion. This is a more appealing offer than asking countries to sign on to an anti-China coalition.

There is no getting around the fact that, in the near term, a more competitive U.S. approach will affect Beijing's willingness to cooperate with Washington on bilateral and global issues. However, several caveats are in order. First, competition does not preclude cooperation. Sustained political engagement and savvy diplomacy should be able to yield collaboration in areas of overlapping interest, including climate change. Second, China is not going to haphazardly act against its own national interests, which will limit the degree that it uses issues like North Korea to spite the United States. Third, as previously argued, the only path toward a truly cooperative relationship will require a period of heightened tensions in which the United States arrests and reverses China's momentum toward building an illiberal order.

There is no question that Washington should harbor positive aspirations beyond a forever competition defined by blunting China-led order. At the same time, there is by necessity a sequencing that has to occur in U.S. strategy. A more stable and cooperative U.S.-China relationship—or even a steady-state managed competition—will only

be possible if the United States, in concert with allies and partners, is able to arrest and reverse the current trend toward an expansive Chinese sphere of influence. Otherwise, the necessary conditions simply will not exist for a new strategic equilibrium. In this sense, competition and cooperation are not distinct or even alternative choices—failure to stem the emergence of an illiberal China-led order will close off cooperation and invite any number of negative outcomes, including confrontation and conflict.

This leaves the exceedingly important question of whether such a strategy is politically viable in the United States. Building and sustaining a consensus on China will be of utmost importance to America’s long-term success. At present, U.S. public opinion is not particularly galvanized by the China competition, which may not change until there’s a crisis or catalyzing event. Nevertheless, there is growing bipartisan support for a more competitive U.S. response. It is imperative that this endures both between and within the major political parties. Political fissures on China will have at least three negative consequences: inhibiting the ability of the U.S. government to focus attention and resources on the China challenge; undermining the necessary confidence of U.S. allies and partners; and creating openings for Beijing to divide and conquer within the U.S. political system. To succeed, the China challenge will have to be a top (if not the singular) organizing principle of U.S. foreign policy.

To that end, political leaders will have to be clear with the American people about the costs associated with sustained competition with China but also about the extraordinary risks of inaction. Increasingly apparent are the synergies between U.S.-China competition and American renewal. Right now, it is both good politics and good strategy for the United States to do what is necessary to compete with China, including making transformational investments in technology and innovation, education, and infrastructure; rebuilding American leadership and partnerships around the world, including to defend against China’s predatory economic practices; and doubling down on U.S. values at home and abroad. Let’s hope that the United States soon proves that it has the will and wisdom to pursue such an approach.

---

**Ely Ratner** is the Executive Vice President and Director of Studies at the Center for a New American Security (CNAS), where he is a member of the executive team and responsible for managing the Center’s research and communications. Dr. Ratner served from 2015 to 2017 as the deputy national security advisor to Vice President Joe Biden, and from 2011 to 2012 in the office of Chinese and Mongolian affairs at the State Department. He also previously worked in the U.S. Senate as a professional staff member on the Senate Foreign Relations Committee and in the office of Senator Joe Biden. Outside of government, Dr. Ratner has worked as the Maurice R. Greenberg senior fellow for China studies at the Council on Foreign Relations, a senior fellow and deputy director of the Asia-Pacific security program at CNAS, and as an associate political scientist at the RAND Corporation. Dr. Ratner received his B.A. from Princeton University’s Woodrow Wilson School of Public and International Affairs, where he graduated Phi Beta Kappa. He earned his Ph.D. in Political Science from the University of California, Berkeley.

<sup>1</sup> Kurt Campbell and Ely Ratner, “The China Reckoning: How Beijing Defied American Expectations,” *Foreign Affairs* (March/April 2018), <https://www.foreignaffairs.com/articles/china/2018-02-13/china-reckoning>.

<sup>2</sup> For example, see M. Taylor Fravel, J. Stapleton Roy, Michael D. Swaine, Susan A. Thornton, and Ezra Vogel, “China Is Not an Enemy,” *Washington Post*, July 3, 2019, [https://www.washingtonpost.com/opinions/making-china-a-us-enemy-is-counterproductive/2019/07/02/647d49d0-9bfa-11e9-b27f-ed2942f73d70\\_story.html](https://www.washingtonpost.com/opinions/making-china-a-us-enemy-is-counterproductive/2019/07/02/647d49d0-9bfa-11e9-b27f-ed2942f73d70_story.html); John Pomfret, “Why the United States Doesn’t Need to Return to a Gentler China Policy,” *The Washington Post*, July 9, 2019, <https://www.washingtonpost.com/opinions/2019/07/09/why-united-states-doesnt-need-return-gentler-china-policy/>; James E. Fanell, “Stay the Course on China: An Open Letter to President Trump,” *The Journal of Political Risk*, July 18, 2019, <http://www.jpolorisk.com/stay-the-course-on-china-an-open-letter-to-president-trump/>.

<sup>3</sup> Ely Ratner, “There Is No Grand Bargain with China: Why Trump and Xi Can’t Meet Each Other Halfway,” *Foreign Affairs*, November 27, 2018, <https://www.foreignaffairs.com/articles/china/2018-11-27/there-no-grand-bargain-china>.

<sup>4</sup> “National Security Strategy of the United States of America,” December 2017, <https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905-2.pdf>; “Summary of the 2018 National Defense Strategy of the United States of America,” January 2018, <https://dod.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf>.

<sup>5</sup> Ely Ratner, “Blunting China’s Illiberal Order: The Vital Role of Congress in U.S. Strategic Competition with China,” Testimony before the Senate Armed Services Committee, January 29, 2019, [https://www.armed-services.senate.gov/imo/media/doc/Ratner\\_01-29-19.pdf](https://www.armed-services.senate.gov/imo/media/doc/Ratner_01-29-19.pdf).