

American Foreign Policy in 2021: Competing on a New Playing Field

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Looking ahead on American foreign policy just before an election always presents the temptation to say, “Well—it depends on who wins.” But this would mean risking a low shelf life for any projections. Better this year to look instead at the world as it is—the conditions and challenges that will confront *either* candidate.

The other temptation to resist is keying everything to how the COVID-19 pandemic plays out. To be sure, the pandemic is perhaps the most striking breakpoint with the world we have traditionally known—but it is not the only one. And many of the conditions the United States will confront existed before the pandemic, the result of complex causes over multiple administrations. All this said, we must approach 2021 with no illusions about the impact of the disease; it has made all of the pre-existing problems worse—killing one-half million people globally (more than 200,000 Americans), exacerbating global hunger dramatically, triggering a series of deep and likely persistent economic recessions, and adding to growing questions abroad about the strength, competence, and leadership ability of the United States (in sum, the merit of the U.S. “model”).

The starting point for U.S. foreign policy in 2021 has to be defining the characteristics of the era we are in—one that could be called the *third* post-World War II era. The first obviously was the Cold War—bipolar in character, centered on ideology and an arms race, and lasting about forty-six years until the collapse of the Soviet Union in 1989-91. The second was the seventeen-year period from 1991 to the 2008 financial crisis, now widely referred to as the “unipolar moment,” a period when the United States by virtue of having lost its “main enemy” had unparalleled freedom of maneuver and limited concern about geopolitical competition—while rebounding from the 9/11 attacks and getting mired in Iraq and Afghanistan.

The third era, now a dozen years on, begins around the time of the financial crisis. That event shook global confidence in the U.S. financial system and opened up a period of rising competitors—some growing more powerful and influential (China), others turning aggressive (Russia) or displaying vaulting regional ambition (Iran), or some simply gaining dramatic capability and competence in multiple fields (India). This, along with challenges to aspects of the U.S.-fashioned post-WWII international order encompassing borders, institutions, and rules governing the “global commons,” has occurred against a global backdrop of growing populism, weakening democratic systems, burgeoning global population, societally disruptive and persistent migration patterns, and the emergence of advanced technologies empowering individuals and small groups beyond anything imagined in earlier eras. In short, *a world unlike any the U.S. has had to compete in previously.*

Foreign policy is not just about eras or ideas; it is also about resources—things that can project influence and back up ideas with demonstrable power and influence. So as the U.S. seeks to move forward and give shape to this era, it is worth looking at the state of our *national security* toolkit. We continue to enjoy many advantages in hard power and soft power—but not as overwhelmingly as in the past.

Turning first to hard power, views differ on the state of our military and its competitiveness, but it seems clear that we can no longer count on enjoying a technology gap with rivals. Nor can we be as assured of spending our way to dominance, especially if some economists are correct in plausibly suggesting that China’s economy will be twice the size¹ of ours by 2050.

Numerous studies affirm such concerns about whether our military can retain its customary dominance. The bipartisan National Defense Strategy Commission,² reporting two years ago, concluded that in its current state, the U.S. military might “struggle to win, and might even lose” a conflict with Russia or China. The commission was concerned about everything from the state of acquisition to readiness and was very doubtful that the military could handle a war with two adversaries simultaneously.

The main concern of the commission and in the most recent Pentagon report³ is with China’s advances, especially as they affect the balance in the Pacific. China now has in absolute terms the world’s largest navy (350 ships and submarines compared to U.S. Navy’s 293 ships), although this may understate the quality and capability of the U.S. naval force. It is now producing its second indigenously constructed aircraft carrier with more on the way and has stockpiled more than 1,250 land-based cruise and conventional ballistic missiles with ranges up to 5,500 kilometers—compared to no ground-launched cruise missiles for the U.S. and only one type of conventional ground-launched cruise missile with a range of 70-300 kilometers. China has achieved this while strengthening its integrated air defense system and modernizing its command and control systems. The Rand Corporation⁴ has come to similar conclusions in its studies. No surprise that former Joint Chiefs Chairman Gen. Joe Dunford left office worrying about the U.S. losing its “qualitative and quantitative competitive edge.”⁵

Russia is not in the same league but narrows many gaps through its use of hybrid warfare—the blending of conventional force, special operations, information warfare, psyops, covert action, and coordinated dissembling. And at this point, Russia appears far ahead and perhaps holds a monopoly on hypersonic weapons,⁶ whose speed and maneuverability potentially cancel out many U.S. advantages on warning and missile defense.

In sum, our military is still the world’s most powerful in absolute terms, but others are catching up and hold leads or are bidding for leads in many key areas. *The primary consequence of this, in a world where we presumably wish to avoid combat with a peer competitor, is to diminish the deterrent power of the force we present*—tempting others to adventurism or to provocations that can generate costly miscalculations leading to unwanted war.

A primary defense task for American national security policy in 2021, looking to the future, will be to ensure that our military retains the power to deter—which may not be entirely about resources.

Key parts of our soft power toolkit are also at risk. The U.S. has always had an edge in this realm measured by things as mundane as box office receipts for American movies,⁷ 70 percent of which typically come from overseas and heavily from China and Russia. But while these “softest” indicators may be holding up, other more operationally significant ones are not.

Diplomacy is the point of the soft power spear, and it is in trouble—in terms of both resources and current global public opinion about the United States. On the resource side, the database⁸ operated by the nonpartisan Partnership for Public Service shows that as of August 2020 there were at least fifty-nine positions at State that either had no nominee, an unofficial nominee, or an official nominee waiting for Senate approval. Alarming, among the spots having no nominee in any category, thirteen are ambassadorial, representative, or special envoy posts (including to Afghanistan, Cuba, and the EU). Moreover, the State Department’s official website acknowledges that forty-six countries do not have an official ambassador (as of August 2020). Many of these are key U.S. allies or partners, including Japan, Jordan, Norway, and the EU. Finally, President Trump has appointed more “political” ambassadors than his predecessors—about 43 percent compared to around 30 percent under the last three administrations. And many of them have gotten into embarrassing situations,⁹ due either to personal behavior or diplomatic faux pas.

Recent year State Department budgets,¹⁰ including for 2021, have hovered around \$40 billion with about half going to foreign assistance, leaving only about \$20 billion for worldwide operations—compared to a 2021 Defense Department budget¹¹ of about \$740 billion.

Moreover, State and other agencies in 2021 will be pushing against plummeting world opinion of the United States. The latest survey¹² of thirteen key countries by the Pew Research Center reports that “the share of the public with a favorable view of the U.S. is as low as it has been at any point since the Center began polling on this topic nearly two decades ago.” American foreign policy in 2021 must begin bending this curve upward.

So, reflecting on the national security toolkit, the United States heads into 2021 with both its hard power and soft power suffering shortfalls and facing challenges unique to this new era—at least in terms of scope and magnitude.

When it comes to issues the U.S. has to grapple with in 2021, the sheer number of problems demands some thinking about *priorities*. Thinking of this reminded me of the answer I got a couple years ago when, visiting Beijing, I had the opportunity to ask a Chinese Communist Party vice chairman for her assessment of China’s major national security problem; without blinking she said: “Internal development.” This suggests that heading into an era of enhanced competition with China, we need to be aware that not all of that competition will be on foreign fields but also in our respective capacities to mobilize and efficiently deploy our populations and our national resources.

When it comes to challenges affecting foreign policy, our most pressing task may be domestic—but it is less internal development and more a matter of governance. Arguably our greatest challenge at home is the paralyzing partisanship that vastly transcends the normal differences and political friction expected in a democracy. Stated simply, we are a divided country, and we are dealing with competitors who lack many of our foundational strengths but who seem able—admittedly through political systems we abhor—to make and implement decisions rapidly.

We court danger if we take too much comfort in the home advantages we have and that have allowed us to prevail in the past—resources, education, innovation, and favorable demographics. We are not using these to full advantage and the American people sense this; the latest surveys¹³ show that only 17 percent of the U.S. population trusts the government to “do the right thing” compared to 75 percent in the late 1950s. Gifted leadership and a “whole of government” effort is required to bring our domestic and foreign policy goals into harmony.

Turning to specific foreign issues, it no longer works to march through a series of the world’s obvious “hot spots” because most of them are now connected in ways that rule out dealing with them one at a time. Better to start with two mega-requirements for U.S. foreign policy heading into the twenty-first century.

The first key objective for American leadership in 2021 is to correct the confusion and disorientation—worldwide—about whether and how the U.S. intends to lead. After a period of withdrawal from or neglect of multilateral settings, the world is waiting for a confident and long-term reassertion of U.S. leadership. Related to this is the second requirement: reinvigorating our traditional alliances—some multilateral, some bilateral—and perhaps creating new ones. As surely as we enjoy advantage from natural and man-made gifts at home, we have a decisive edge internationally through our ability to attract, hold, and lead *values-based alliances*—something most of our competitors are unable credibly to accomplish.

Alliances and strong bilateral relationships will be our most powerful force multiplier. *This is foundational work for American foreign policy in 2021*, which, when accomplished, will pave the way for all else Washington needs to achieve.

Then we need to turn to the big global issues on which only U.S. engagement can make the difference between progress or paralysis. This includes climate change, about which there is no longer credible debate, beyond just how rapidly and severe the damage will be. Climate scientists see a 2° C increase in warming as the tipping point for catastrophic levels of change, but at the current pace of greenhouse gas increases, the earth is on track for 3-4° C rise over the next eighty years. More urgently, the 2018 UN study¹⁴ said we have only about twelve years to take actions to stay under 1.5° C or face an acceleration toward worst effects. Without mitigation, the impact on our health, economy, military readiness, food and water security, and migration is likely to grow throughout the period—not to mention the threat to our coastal military installations (DoD calculates 128 such bases¹⁵ valued at \$100 billion would be mostly or completed submerged by 2100), low-lying islands, and countries such as Bangladesh.

A comparable issue requiring U.S.-led multilateral engagement is the unraveling global arms control regime and the threat of proliferation of nuclear weapons beyond the current nine nuclear powers. With the 2011 New START Treaty set to expire¹⁶ less than a month after a new U.S. administration takes office, we are on the verge of having for the first time since the 1960s no formal agreement with the world’s other major nuclear power on the management and reduction of the world’s most dangerous weapons. That can weaken the international Nuclear Non-Proliferation Treaty (NPT), in which countries’ agreement to refrain from developing nuclear weapons is based on an assumption of continued reductions among the major powers. With North Korea already possessing nuclear weapons and Iran

restocking¹⁷ its enriched uranium following U.S. withdrawal from the 2015 agreement limiting Tehran's nuclear work, these two regions at minimum are vulnerable to the proliferation temptation. Few issues have greater urgency for American foreign policy in 2021 than getting nuclear weapons and materials managed securely—with an eye toward continued reductions.

Looking at specific regions, the United States will face tough choices everywhere in 2021.

In the **Middle East**, the question is just how much the U.S. wants to continue significant commitments such as those in Iraq and Syria and whether to strive as in the past to be the honest broker in settling regional disputes—at a moment when the region seems to be realigning itself with minimal U.S. input.

Europe, whose unity and influence has often benefited from U.S. engagement, needs understanding and support from Washington at a moment when it is struggling with internal divisions, a change of leadership in Germany, democratic backsliding in the east, financial stresses in the south, migration, and the centrifugal stimulus of Brexit.

Although election interference has made **Russia** toxic in American politics, U.S. foreign policy in 2021 must find a way to couple firm deterrence with sufficient engagement, now at historically low levels, to restore at least mutual comprehension, get arms control back on track, and find a measure of common ground where our interests coincide, as in combating terrorism.

Latin America and Africa in 2021 must command American attention for their most sharp-edged problems. After a democratic resurgence in the 1990s, **Latin America** is in now troubled with widespread protests that show dissatisfaction with democratic governments and of course openly authoritarian regimes in countries such as Venezuela and Nicaragua. **Africa** presents a tableau of broadly successful governments—South Africa, Namibia, Ghana, Tunisia, Morocco—and present dangers, such as the terrorism flourishing in large ungoverned areas of the Sahel.

Managing the U.S. relationship with **China** is the challenge looming over all the others, sure to affect to one degree or another success in other arenas. What are the realities facing the U.S. as it crafts China policy in 2021? Here are four important ones.

First, it is hard to sustain the long-dominant American notion that simply supporting China's rise would ultimately make it the "responsible stakeholder" many envisioned in international trade and in the global order created mainly by the U.S. after WWII. President Xi's statements are open to interpretation, but these and China's actions are hard to read in any way other than, at minimum, signaling deep dissatisfaction with the current global order or, at maximum, a desire to replace it¹⁸ with one revolving around a series of interlocking political and economic relationships with China.

Second, China will continue growing economically,¹⁹ even if at a slower pace than in its boom decades of double-digit expansion. Its economy is already one-third larger than that of the U.S. in purchasing power parity and will achieve parity soon in nominal rates. It produces 30 percent of global manufacturing and is the major trading partner for about three-fourths of the world's countries.

Third, China's military modernization of the last four decades makes it able to hold U.S. forces at greater risk in the Pacific—with an aspiration to be dominant in the region by 2049. It plans to double its nuclear arsenal²⁰ in the next decade, according to the Pentagon. Within five years, it will have about 200 nuclear warheads capable of hitting the U.S. (keeping in mind that the U.S. has about 3,800 and that China's posture is defensive, eschewing a nuclear first strike).

Fourth, although China seems unable to build values-based alliances rivaling those of the U.S., it is fielding transformational ideas attracting large participation, much as the U.S. did after WWII. Its Asian Infrastructure Investment Bank (AIIB) has drawn participation from many American allies, including half of NATO and many Asian partners, such as Australia. Beijing's Belt and Road Initiative (BRI) is gradually connecting China with the Middle East and Europe through a network of roads, rail, ports, and air agreements. And in the wake of American withdrawal from the Trans-Pacific Trade Partnership, China threw its weight behind a comparable pact, the fifteen-nation Regional Comprehensive Economic Partnership (RCEP)²¹ whose Asia-Pacific members comprise one-third of the earth's population and production.

In the face of such realities, there is no perfect strategy for U.S. foreign policy—but there are strategies to avoid. One is the “economic decoupling” many tout as the way to end any dependency on China and weaken its economy. But our two economies are too entangled²² to realistically plan this—the U.S. buys on average around \$500 billion in goods of all kinds²³ (ranging from sophisticated electronics to common household items) from China annually and sells it more than \$100 billion (ranging from transport equipment to electronics and food), along with \$300 billion in computer chips alone. Decoupling also implies needless fear of head-to-head competition, which we simply have to face and in which we continue to enjoy significant advantage. This includes even emerging technologies such as artificial intelligence, according to several recent university studies,²⁴ in part because of our open research tradition—the very opposite of decoupling.

Presumably, we want a strategy that leads to something other than military conflict. Accepting that means that at any point, our relationship, even if it has moments of hostility, can also be marked by moments of partnership or shared interests on some issues (North Korea, terrorism) and by intense competition on a range of economic and political matters. In other words, we have to accept that it will be complicated and resist characterization by labels that echo the past, like “containment” or “Cold War.”

Our China strategy will require the flexibility to adjust to changing circumstances, but starting principles could include:

- A determination to compete aggressively on all measures of power and influence and to implement this with an American “whole-of-government” effort;
- Enhanced consultative mechanisms with China—military, diplomatic, economic, intelligence—to foster mutual comprehension and conflict management;
- U.S. cultivation and strengthening of U.S.-based alliances aimed not at walling off China but at coordinating interaction with it;
- Focusing on aspects of U.S. defense acquisition and planning that give priority to enhancing deterrence.

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