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WEBINAR

THE LONG GAME: CHINA'S GRAND STRATEGY TO DISPLACE AMERICAN ORDER

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PARTICIPANTS:

SUZANNE MALONEY
Vice President and Director
Foreign Policy
The Brookings Institution

MICHAEL O'HANLON, Moderator
Senior Fellow and Director of Research
Foreign Policy
The Brookings Institution

RUSH DOSHI
Former Director
Brookings China Strategy Initiative
Former Fellow
The Brookings Institution

THOMAS WRIGHT, Moderator
Director of the Center on the US and Europe
Senior Fellow
Foreign Policy
The Brookings Institution

JACKIE DEAL
Senior Fellow
Foreign Policy Research Institute
President and CEO
Long Term Strategy Group

DAVID EDELSTEIN
Vice Dean and Professor
Georgetown University

JUDE BLANCHETTE
Freeman Chair
China Studies
CSIS

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ANDERSON COURT REPORTING
1800 Diagonal Road, Suite 600
Alexandria, VA 22314
Phone (703) 519-7180 Fax (703) 519-7190

P R O C E E D I N G S

MS. MALONEY: Good morning to those of you in the Washington area. And good afternoon and good evening to those of you elsewhere in the world. I'm Suzanne Maloney, Vice President and Director of the Foreign Policy program at the Brookings Institution.

On behalf of Brookings Foreign Policy, I'm really delighted to welcome you to this very special event, launching the book of our former colleague, Rush Doshi. Rush's new book, [*The Long Game: China's Grand Strategy to Displace American Order*](#) was released last month and offers deeply informed analysis on the evolution of China's grand strategy and outlines recommendations for how the U.S. should respond.

In researching this book, Rush reviewed an impressive array of Chinese primary sources, Party documents, speeches, memoirs from Party leaders to draw conclusions around Beijing's long game and focus. He charts China's strategy of hiding capabilities and biding time in the 1980s to a more aggressive shift in 2016 after a string of populist elections highlighting the phrase, "Great changes unseen in a century."

Examining China's true foreign policy objectives, Rush offers a valuable approach for how the U.S. should respond to China's rise. I'm eagerly looking forward to hearing more from Rush and what promises to be a rich and timely conversation.

Today's event will begin in a moment with a moderated discussion with Rush and Mike O'Hanlon, our Director of Research, Senior Fellow and Director of the Center for Security Strategy and Technology in the Foreign Policy program at Brookings. Their conversation will be followed by a panel discussion featuring Jackie Deal who is a Senior Fellow in the Foreign Policy Research Institute and President and CEO of the Long Term Strategy Group; Jude Blanchette, Freeman Chair in China Studies at CSIS; David Edelstein, Vice Dean and Professor at Georgetown University. Moderated by our Brookings Senior Fellow and Director of our Center for the U.S. and Europe, Thomas Wright.

In a moment, I'll hand off the program to Mike. But first let me provide a brief introduction of our featured author here today, Rush. Until earlier this year, Rush Doshi was director of the Brookings

China strategy initiative and a fellow here at Brookings Foreign policy. He was also a fellow at Yale Law School's Paul Tsai China Center. And part of the inaugural class of Wilson China Fellows. He's proficient in mandarin and received his Ph.D. from Harvard University.

As many of you know, Rush is currently serving as Director for China on the Biden's administration National Security Council. He completed the research and writing of his book before his government service began and the book itself is drawn entirely from open-source materials.

I'd like to reiterate Brookings commitment to independence which is sacrosanct and foundational to everything that we do. And I'd underscore that the views expressed today are solely those of the speakers. Neither the book nor any of the remarks made at today's event necessarily reflect the views of the U.S. government or the National Security Council.

Rush, congratulations on this very important new book. We are all looking forward to hearing your insights. I'll turn the mike over to Mike to moderate the conversation.

MR. O'HANLON: Thank you, Suzanne. And, Rush, welcome back to Brookings. Thank you for rejoining us today. Thanks for your government service as well. And let me just start with a brief recognition of the book and maybe a round of applause that we can all give silently or virtually for your accomplishment. But thank you again for joining us today. I look forward to the conversation. So here's to you. (Clapping)

By the way, let me say as I hold the book up and before we get into the discussion, this is a very nicely written book as well as a meticulously researched book. And it's about 300 pages of text. Very readable, very digestible and quite compelling. And I would just say by way of my introduction that Rush does offer policy recommendations as you said, Suzanne, and very thoughtful and persuasive. But irrespective of where one comes down to the policy debate, I feel that Rush has done essential work that is just so empirically and analytically rigorous in understanding China that whatever you are in the policy debate, you have to begin with an awareness of what he has accomplished and what he has presented.

To me this is one of the most important books on China I've ever read in my career. And so, Rush, congratulations and welcome back.

MR. DOSHI: Thank you so much, Mike. I really appreciate all those kind words. Thank you, Suzanne, for supporting the book when I was working on it at the Brookings Institution as well as for supporting this event. I'm grateful to the panel we're going to have on shortly for taking part of their day to join this conversation. I think it will be a very rich and interesting conversation. And I look forward to listening in as well.

And, Mike, thanks to you as well for just agreeing to kind of moderate this conversation. I've read so many of your works over the years. This is pretty humbling that we'll now be discussing one of mine. And I think I just want to thank also Andy Moffatt and Emily Kimball and some of the others for helping organize this particular session particularly on short notice. So with that I just want to express my gratitude and look forward to the conversation.

MR. O'HANLON: Super. So as you and I discussed previously, we would like to work a little bit through the three main grand strategies that you have identified that China, in your judgment, has essentially formed a consensus around during three different periods. And then, you know, we'll lay out your layout of those grand strategies and then say a bit more about each. And then, of course, wind up with not so much policy recommendations today as just what we need to grapple with and understand about China as it views the world of 2021 and beyond.

And so, that's the logical sequence that I think we'll be following. But first, I wanted to offer you an opportunity just to say a bit more about methodology. About how you did this book because again I find the research so empirically and analytically compelling so rock solid that I think it's worth sharing with the audience a little bit about just how you developed your sources of information.

MR. DOSHI: Well, thanks so much, Mike. And I'm particularly excited to talk about some of that. Let me just say at the outset, one other item I wanted to flag, which is of course I'm just here in a personal capacity as a former Brookings fellow just to talk about my book. And I want to make sure that that's clear to everyone who's in the audience today. But these are my own views from the book and we'll talk a lot about history today in particular.

And so, the book itself, there's two methodological points. The one is to kind of how to

think about grand strategy. And the second is how to think about how to do research on China's open sources. And I'll note that my colleague, Jude Blanchette, who is going to be discussing some of this later, has also got an open source initiative at CSIS, which I think is very promising to kind of continue this work.

So on grand strategy itself. It's a term we often use. It's a term that's pretty hard to define. And I tried to get at that question using some of the social science tools that folks at Brookings have used and folks in academia have used. And basically, the idea here was that a grand strategy exists. How do we know it? How do we know if we see it?

And there are a few things you look for. You look for concepts. Grand strategy concepts in key texts. Not like one master text, but the key ideas behind grand strategy incorporates the text. You look at grand strategy in conduct. That is are you seeing behavior that's largely consistent with what's outlined in those text? And you look at grand strategic capability. That is does a country have the institutions necessary to coordinate multiple instruments of state craft and service of a grand strategy?

As I tried to argue in the book and others have made this point too. What makes grand strategy grand isn't just the fact that, you know, you've got these ambitious end goals. It's also the challenge of coordinating multiple instruments to achieve those end goals. So with those three kind of broad conceptual categories for finding grand strategy in mind that's how I kind of set about doing the research.

And the research itself and in getting to that second point was about, you know, doing two things. Looking at Party texts and looking at China's behavior and trying to understand that behavior as best we could.

On the textual side, Mike, and kind of as Suzanne mentioned earlier. One of the key things here was understanding that the Party itself has a rich hierarchy in terms of how it guides, you know, policy. There's sort of the line, a *Luxian* (路线). There's like the guideline, the *Fangzhen* (方针), and then there's policy, the *Zhengce* (政策). And there's sort of this hierarchy when things are said and

sort of attach each of those terms. You know, where they follow the system, you can trace how those things change over time.

The best way to trace how those things change over time is to have a pretty large database of these text that you can kind of mine. And so, what I tried to do is get these text, make them open source. Some of them are accidentally posted online. Some of them were leaked inadvertently. Some were available in Taiwan and Hong Kong. Pulled them together and studied the evolution over time on some of these key concepts.

And then match that up against behavior and ask ourselves this is really puzzling stuff that we've seen in the last 30 years. Why is China trying to make this military decision or economic decision versus another one? And understanding that those puzzles are useful opportunities for us to make progress analytically in thinking about why and where China's grand strategy comes from? Why it exists the way does? Where it comes from? That was the other part of that methodology.

So with that very long and winding answer that's basically how the book was written.

MR. O'HANLON: Thank you. I think it's a very useful answer. And just one further clarifying small technical question before we get into your three main periods and three main concepts.

Different people use grand strategy in a slightly different way I've noticed. For some it's really fundamentally about security. It's about the power and safety of a state, its territory, and its people.

Others use it much more comprehensively to essentially mean everything a country seeks to achieve in its foreign policy. Do you lean towards one of those or the other? Is this primarily about security or is it about everything China wants to do in the world?

MR. DOSHI: Yeah. It's a great question. And one of the ways to think about it -- I think you nailed the two major approaches to the term. At least the ones that I'm tracking. One is it's about security and it's about how to use military instruments to achieve security. But we know that grand strategy is about more than military instruments.

It's about economic instruments, technological ones, informational ones, political ones. So we have to widen the means that we consider. On the flip side, yeah, grand strategy could be the use

of any means to accomplish any ends but then it's no different as a term than the term strategy.

So what we mean when we talk about grand strategy is how to use multiple instruments of statecraft to achieve strategic objectives often related to security. So that's how I'm thinking about it here. Granted, though, there's a challenge with that definition which is what do you mean by security?

And so, I have defined security pretty broadly. And that's one area where people can disagree about the approach taken here. But that's basically how I thought about it. The use of multiple instruments to achieve China's security and strategic interests which in many ways are not purely defensive as the book argues.

MR. O'HANLON: So before we get into each period separately, individually and in a little bit more depth. Could you just in a single, you know, paragraph lay out all three? Roughly the duration of each and sort of the main concept under guarding China's grand strategy and each of these post-1949 periods that we look at.

MR. DOSHI: Thanks, Mike. Yes, absolutely. So there's basically three broad grand strategies after the Cold War that I perceive. And I don't make them up myself. I don't say, okay, I think this grand strategy of this group or this group because I see this pattern.

I try to tie that definition of the existence of the strategy to a specific element of Party thinking. And so, in other words, in the China's Communist Party there is the strategic guideline or the *Zhanlüe fangzhen* (战略方针). And that particular phrase sits above other kinds of guidelines because it's the strategic one. It sits above the political ones, the military ones, and economic ones.

We don't really see economic guidelines as much. It's mostly political or diplomatic and military. The strategic presumably sits above all of those. And that strategic guideline has only changed a handful of times. And so, the first time, you know, was right after the end of the Cold War. We get hide capabilities and bide time or *Taoguang yanghui* (韬光养晦). And I kind of associate that with the strategy called blunting, which is about blunting non-assertively the foundations of American power to create some freedom of maneuver from China in a period, right after the end of the Cold War, of maximum danger of

risk, peril, and uncertainty.

And so, that's the first strategy. And that goes on for about 20 years until 2008. In 2008, you have a new strategy which is more focused not on blunting American power but building the foundations for Chinese order within Asia. And that strategy is accompanied by a change in those strategic guidelines as well from hiding capabilities and biding time to actively accomplishing something or the *Yousuo zuowei* (有所作为). So the strategy has a strategic -- there's a shift in the guidelines. A big speech given in 2009 to mark that.

And then there's kind of been now this third phase. And we don't have as clean a shift in strategic guidelines, but we have the dawn of a new phrase which came about a few years ago in 2017. And that phrase as Suzanne mentioned in her opening remarks is "great changes unseen in a century" or *Bainian wei you zhi da bianju* (百年未有之大变局).

And this phrase is debated. There's questions about what it means. I make arguments in the book about what I think it means, and I feel that those arguments are well supported. But the idea is that a combination of populist elections and other aspects that China associated with evidence of American decline that led it to be much global in its approach. And it's taking blunting and building strategies and globalizing them essentially. In a strategy that I call expansion.

And again, it's accompanied by this phrase which is not just appearing once or twice but appears in all the major speeches by Xi for the most part as well as all the whitepapers. I mean, it's really just exploded onto the scene in a few years.

And so, I'm happy to go into greater detail on each of those, Mike, at your convenience.

MR. O'HANLON: And just to clarify the time horizon. And since most of the audience, of course, knows very well, but could you -- we'll come back at the end of our discussion to Xi Jinping specifically and personally and how he relates to these. But the last phase that you talked about, the more ambitious global phase that's several years into his leadership, right? It's not the immediate beginning of his leadership. It's several years in, right?

MR. DOSHI: That's absolutely right. And I don't see this as much about his personality as much as a Party consensus. And those key questions that I'm going to address, those guidelines. And what's that's based on, and that's based on an assessment of American power as I can explain, you know, in more detail shortly. That is a decision made by the Party. In key text it essentially says that the Party's central committee that makes that decision. So that's not to say that Xi Jinping doesn't have enormous influence over those questions and how they're implemented.

But there is a strategic logic that sort of isn't just about his personality that pervades all of this, which is what I think we're taking into account. Mike, to your point, that later phase, at least according to my reasoning in the book. It probably begins around 2016 and 2017. So several years into his tenure.

And conversely, the second phase of building of Chinese order within Asia, it sort of begins with his predecessor, Hu Jintao, and continues into the first term of Xi Jinping. So there is some overlap across these leaders.

MR. O'HANLON: So thank you. Going back now to your first phase, first post-Cold War phase, the blunting. Let me ask you just to explain a bit more about what China was trying to achieve. But let me also put a little more of a point on my question hearing you describe, you know, the basic concept a minute ago.

Why did China feel the need to blunt American power at a time when presumably things apart -- now, admittedly Tiananmen Square soured our relationship in 1989 specifically at the human rights level. But overall, we think of this -- we look back to this period, maybe it's just the American bias, but a period, yes, of American unipolarity.

But also, a period of openness, friendliness between the United States and China apart from the human rights issue. There was not a lot of strategic concern yet in most camps. Why did China feel the need to blunt American influence in order to open up space for itself?

MR. DOSHI: Thanks, Mike. This is one of the puzzles that I was grappling with when I started researching the book. I mean it really -- you could argue that that period of time, the 1990s, was

enormously benign period where the United States was welcoming China in the key economic institutions, providing capital, technology, expertise in its market to help China grow. It wasn't particularly aggressive militarily within the region. And, you know, it was sort of politically not particularly confrontational either with China. And yet, that sense of anxiety still exists.

And so, I think if you think about this so you go back to the 1980s. We were quasi allies. We actually worked together in many sensitive areas to counter the Soviet Union and really the cooperation surely was quite sensitive in some cases. We allowed -- for example, the United States allowed the sale of an aircraft carrier, the Hull, with certain key technology to China in that period so they could study it. And that would be unthinkable later on but that was the nature of the 1980s. It was a kind of wilder and free willing period, but there was this change.

In the book, I mention this traumatic trifecta of three events. Tiananmen Square as you noted, the Gulf War and the Soviet collapse. So Tiananmen Square reminded, I think China's beliefs of the America's ideologic challenge and threat. The threat to a kind of Leninist Party from sort of liberal values which is an important point that we can explore further.

And the second part was, you know, the Gulf War, which reminded China of the American military threat. And a lot of observers back then -- and I kind of quote some of them in the book -- really thought that the Iraqi military would put up this kind of fierce resistance that the United States would be bogged down in another Vietnam. And they viewed that a lot of the weapons they had were very similar to the ones the Iraqi's had. And yet, the Iraqi didn't -- they were completely defeated promptly, quickly and in a way that was unnerving to China. So that was the American military threat.

And then the collapse of the Soviet Union eliminated what was the shared binding between the United States and China strategically. That's not to say that they weren't still -- it wasn't still a case for alignment and coordination if not cooperation on key issues. But the glue wasn't quite as strong after the collapse of the Soviet Union and that was very unsettling as well.

And in the book, I try to show that top elites in China including Deng Xiaoping himself changed their thinking and the way they talk with the United States dramatically after this event,

particularly after Tiananmen Square.

And the other point and part of this that's worth keeping in mind is that the Chinese Communist Party is also a Leninist Party. It believes or the Party itself has historically been modeled on Leninist precepts, Leninist architecture and hardware and it's also this Leninist world view that comes with that. That the Party itself is key to accomplishing China's objectives of rejuvenation and national rejuvenation in particular but also just revitalization, catching up with the West.

And while in typically Marxist Leninism like a Party vanguard, stewards a revolution cause. Here the cause of the Party vanguard is stewarding is fundamentally a rejuvenating cause, it's a nationalist cause. But if you believe in that mission and you believe in the Party then you also believe in a certain world view which is that there are threats to your ability to accomplish those objectives and some of those threats are ideological. They come from the ways in which liberal values can undermine the centralization and the sort of elite ownership of a Leninist Party state in ways that are really unsettling.

So by virtue of who we are and what we believed there was an element of threat and then there was the strategic military element that was layered on top. And there was a pronounced sense that economically they were dependent to some degree on U.S. beneficence, benef-...generosity, since I can't pronounce the other word.

And all of those things created great anxiety. And then of course -- Mike, I don't want to go too long but if it's helpful I can talk a little bit about what blunting looked like in practice.

MR. O'HANLON: Well, I would like to hear that but I just want to also observe and ask you to comment that what you just said makes a lot of sense to me.

When I think about some of the events that followed that you consider to be within this 20-year time period of relative continuity in Chinese thinking after the trifecta that began the period. We go through a lot of events, right?

There are the Taiwan Strait Crisis of 1995, '96. There's the Kosovo War including the accidental bombing of the Chinese embassy which very few Chinese think could have been accidental. There is 911. The U.S. invasion of Afghanistan and Iraq. The bogging down in Iraq with that conflict. So

all of those events transpired in this 20 year period that you're identifying. And I guess you're suggesting that -- by the way, also NATO expansion in the Clinton administration's national security strategy of promoting enlargement and expansion of NATO and also democratic nations.

So I guess that all fits or most of that fits with your argument that these sorts of, you know, somewhat confrontational exchanges between the United States and China or demonstrations of American willingness to use its power, they all sort of fit with the Chinese theme of blunting, right? Or how much did any of those events really shape or reinforce the Chinese world view during that period of time? Or were they relatively inconsequential compared to the trifecta at the beginning?

MR. DOSHI: Yes. So one of the key arguments of the books is that grand strategies change very slowly. That grand strategy is kind of like an aircraft carrier or a large cargo vessel. Like it's really hard to turn it. It takes a lot of time. And so, what does change a grand strategy is sharp discontinuity in the ways you look at the world.

In sharp discontinuities in your perceptions. Particularly your perceptions of the key variables that you think matter most. For China, the key variable that matter most was its perception of American power and its perception of American threat. And that variable changed fundamentally in the late 1980s when China went from a quasi-ally of the United States to what it called the United States after as the U.S. was sort of its principal adversary or *Zhuyao duishou* (主要对手).

So the idea was that the United States now looked different to China. It was more powerful. It was more threatening. But that change didn't occur with Kosovo. It didn't occur with the Taiwan Strait Crisis. That fundamental discontinuity, that sharp departure.

Fundamentally, it occurred between the years of 1989 and 1991. And that's why I think they are so salient. Once that change has occurred and that new strategy has launched, these other events they're extremely important. They result in tactical adjustment, but they fundamentally are part of the same path. They continue to sustain the same strategic logic that was developed earlier.

And so, the Taiwan Strait Crisis, people will often argue, that was the period where China decided to launch a truly asymmetrical core structure. But as I wrote in the book that's not really true. A

lot of the key decisions, investments, and discourse around this began as earlier as the Gulf War and really right after the collapse of the Soviet Union in particular. And the kind of institutionalization of that into military guidelines occurs well before the Taiwan Strait Crisis, the third one.

And so, you see a number of elements that China then takes on, right? On the military side, they try to blunt American power asymmetrically. So using mines and missiles and submarines to undermine American power projection in a way that's cheaper, asymmetric, and not that flashy. Not as flashy as building aircraft carriers that would be later.

On the economic side, it's about joining these international economic agreements because they're good for China economically. Although, there was some doubt about their political implication that they might overthrow the Chinese Communist Party. So they took on a real cost. And one reason they were willing to do that is there was a belief that joining these economic arrangements would also tie the hands of the United States, which they saw for Tiananmen Square. Was willing to deploy coercive economic leverage against China.

And then at the political level, there was a real concern about U.S. institution building. And your point about NATO expansion is an excellent point because there is a view that the United States might try something like that. As implausible as that may seem to all of us Americans in the Asia-Pacific. And there is concern about APEC or the ASEAN Regional Forum (ARF) as being vehicles for that. So China on the political level would join these institutions and try to undermine them from being signed.

That's all a long way of saying the key change in the way they looked at the world and therefore the key change in their strategy was in the late '80s or early '90s. And that led to a very indirect approach which is nonconfrontational but nonetheless quite directed at wanting American power.

MR. O'HANLON: So now to get to the second period. If the Taiwan Strait Crisis of '95 and '96, the Kosovo War, and the accidental bombing of the Chinese embassy in Belgrade, 911 and its aftermath, the invasions of Iraq and Afghanistan. If none of these were big enough deals to change Chinese grand strategy what was in 2008? Why did things change so abruptly at that point?

Obviously, I know some of the answers, but I'm still intrigued as to just how you'll prioritize, you know, having read your book, I know some of what you think. But I'm still struck in this conversation that a lot of things did not change Chinese grand strategy for 20 years, but then finally around the time when Barack Obama was elected president, you argue that things did change fundamentally. So what was it?

MR. DOSHI: Yes. So all these other events were in the direction of bias, right? So the Taiwan Strait Crisis, Kosovo, the Iraq war, and our reaction after 911 which was, of course, a demonstration of military power and our ability to organize coalitions which was, you know, quite impressive.

All of that is bias in the direction of thinking that America is very powerful. So it sustains that belief. But what makes 2008 different is you now have a precipitous event, a discontinuous event, a sharp shocking event which is in the other direction. Which is the idea that the United States is not as powerful. That maybe the U.S. model isn't quite as effective. But the United States with China up to that point had this incredible capability of reinventing itself, boosting productivity, being an economic dynamo. Maybe its model is wrong economically and politically.

And so, '08 began this reckoning with the idea that maybe the United States is actually weakening. And so, the financial crisis precipitates it. Ahead of that there is, of course, a few others. You know, there's getting bogged down in Iraq. There's our response to Russian assertiveness before and after.

And all that kind of combines. But with the '08 crisis being the major event to give China the confidence to move from blunting American power to building the foundations of regional order. And really because that event is so -- it runs so contrary to their prior beliefs, that's why you see change in strategy.

And really that change is marked. On the military side, it's a movement away from the mines and missiles and the submarines. And when they were doing the mines and missiles and the submarines, they were subconsciously avoiding aircraft carriers or very expensive service vessels going

into serial production. A lot of other capabilities they thought would be vulnerable and that they would not be threatening.

Well after '08, they thought, well, we need these things because we can't just deny U.S. the ability to access the region. We have to project our own power. So we see far greater investment in carriers, and service vessels, et cetera than we saw earlier in power projection essentially.

On the economic side, we see not a desire just to join U.S. economic institutions and U.S. led economic institutions, but now a desire to kind of create China's own and to wield economic tools both on the inducement side in Belt and Road, but also on the cost side, the economic sanctions sometimes declared, sometimes undeclared against other countries.

So Belt and Road was a real opportunity to reshape the region. And you see at the political level a desire to join regional organizations and reshape them or to create China's own. And particularly to create its own that's the major change. And all of this happens actually under the Hu Jintao administration, right? This is all 2008, 2009.

And Hu Jintao gives a speech as I alluded to earlier in 2009. He gives the ambassadorial conference address. And at that time, the ambassadorial conference address which were basically the entire foreign policy establishment and just about every ambassador only deliver once every six or seven years. So this is a big deal that he's giving this speech. And at that speech, he takes hide capabilities and bide time that previous guidelines that guided the period of blunting and he puts into what he calls a dialectical relationship with actively accomplishing something or the *Yousuo zuowei* (有所作为).

And he says, we've got to stress that latter half of the dialectic. And that's pretty arcane and obscure when you read it in the text, but it's actually a pretty momentous decision because he's taking the guy who sort of ran Chinese grand strategy for a while and domestic policy, Deng Xiaoping's fundamental point of view, his fundamental guidance and adjusting it, which is not a trivial thing.

And that adjustment is -- in that same speech, he lays out many of the military, political and economic steps that I just talked about in less detail. We don't have the full speech. We have the excerpts that the Party published where there's plenty of detail in. And so, that's where we get to this

next second phase fundamentally.

MR. O'HANLON: So in this space, we begin with a relatively calm U.S. or excuse me – China-Taiwan relationship, right? Because President Tsai is in power in Taipei and is not really interested in roiling the waters so we don't see too much turbulence initially on that front. But we do see a lot of Chinese assertiveness vis-a-vis the Senkaku Islands disputed with Japan and of course called the Diaoyu Islands by China.

We start to see, if I'm remembering correctly, the nine-dash line being discussed much more in China. Essentially, claiming something close to sovereignty in the South China Sea. And then we see the Chinese militarization of a number of islands and reclaiming land features. Is that all consistent? Does that all follow from this grand strategy?

MR. DOSHI: I think it does. I mean there's an important differentiation from the strategic behavior and sort of a tactical behaviors. There's different levels of granularity. And no grand strategy can account for every single action that the Chinese state takes.

But many of these actions, particularly in the territorial realm, are associated, in my view, with the fact that Hu Jintao tells, you know, at that ambassadorial conference he tells the leadership that's assembled that China needs to make more offensive moves in territorial disputes, and that's his phrase.

And that actually is quite different from what he says just two or three years earlier at a Central Foreign Affairs Work Conference speech. Now, those are also given infrequently so they're also very important. And at that speech, he uses language that's much more about shelving disputes and jointly developing. It's much more benign language. And so, there's a change in the language. And that change is reflected in the thinking.

I mean putting aside the Party text which we have to parse. There's a line in the book about -- from a famous Sinologist talking about parsing those text is like drinking buckets of sawdust or something and munching rhinoceros sausage. And that's kind of true. Sometimes, you go from that to the think tank discourse and it's not quite as -- maybe it's a little livelier than some of our think tank discourse, Mike, but it's, you know, or maybe a bit more -- it's really more politically associated with the

leadership because they've got to make sure they're towing the line.

So it's useful, but it's also more candid. And there you have a lot more focus on these exact questions. And there are some indications that in the system right then and there, thinking in '08 and '09. If funding was dramatically increased for territorial dispute kind of studies, for studies in maritime rights and sovereignty questions because they really wanted to make progress on these questions. That changes by the way about ten years later.

So that's kind of how I see it. I see a lot of this is wrapped up in a fundamental shift in grand strategy, but I fully acknowledge the degree of -- what I say humility that no grand strategic explanation accounts for every aspect of behavior, but it does account for the major muscle movements. What weapon systems do you buy? What economic initiatives do you launch? What political organizations do you create? That question is very much dictated by their grand strategy.

MR. O'HANLON: Now, I want to thank the audience for sending in questions and in a minute, I'm going to wrap a few of them into one final question to you. Although, I want to talk about the third period and Xi Jinping a little bit more first.

But I have a question that follows on about the second period first. And that's going to be -- this is a little bit of an interpretative question, but, you know, you present your three grand strategies in a very empirical way without a lot of, you know, value judgment per se. But I'm wondering as a student of international relations and as a student of China.

Do you see the second period as one where China should be a little more sharply criticized by the outside world? Or do you feel that -- do you not really think in these sorts of terms? I mean there are realists who just say as China becomes more powerful, it's going to become more of a problem. And we might as well not associate or attribute normative terminology or judgments to that. It's just sort of the law of physics of how states behavior. Now, this is sort of the John Mearsheimer way of looking.

There are others who would say no. China had an opportunity for a long time to work with us and at some point sort of chose more to work against us. And maybe we made mistakes too. But

do you identify any part of this progression so far -- either the 1989 to 2008 or the 2008 to 2016.

Is there a period where you say to yourself, come on China. Come on Beijing. You really didn't need to do this. You really should have known better and you chose a confrontational path. Has that happened yet in the time period we have been talking about? Or does my question not really make sense to you?

MR. DOSHI: It's a great question and I don't have a great answer on the normative question. I haven't sort of evaluated the strategies entirely in terms of their efficacy or in terms of like whether or not they are correct or incorrect in some other -- with respect to some other, you know, standard.

But I do think that your question gets at a very important point, which is can we reassure? You know, we talked -- there's a lot of discussion about deterrence because there's also the possibility of reassurance here. And I think that's one that I try to explore a bit in the book historically because as we were discussing earlier the 1990s should have been a period. If you ask me when was the period of maximum U.S. reassurance?

That should have been the period where China could have felt reassured because there was so much the United States was doing to incorporate China into the international system. And it wasn't as much, you know, there wasn't as much great political tension with the exception of a few events between the two countries particularly after 1993 when, you know, the relationships sort of reset after Tiananmen Square more fundamentally.

But we don't get reassurance. We don't succeed in reassurance and maybe we never could have. And so, during that period -- even now, you have very senior Chinese officials whose job it is to kind of interact with the United States. These are retired officials say, you know, you're at that period if the United States were to overthrow the Chinese system of government. The continue to say that even though their job is to not say stuff like that because they believe it, I guess so strongly.

And at the same time, you have you the WTO discourse. I mean Jiang Zemin convenes when he's leader right after -- right up to and then right after the WTO session. There's a series of high-

level meetings convene. One particularly high-level meeting is like every minister, every single provincial head, everybody on one place to hear a speech about WTO sessions. It's a big deal. It's like getting every single governor and senator in one room and even a cabinet official in wanting them to hear our discussion of some U.S. economic initiative like.

And what does he say in that address? And I think this really gets to the reassurance question. What he says is that the WTO session is an opportunity for China economically, but it's also incredible risk because the forces in the West want to use the WTO session to overthrow our system of government.

And so, even this major event, which is controversial in the United States. Which was incredibly important for China's economic ascent was seen as part of an effort to maybe keep the Party down a bit. And I think that is really one of many anecdotes I can give you that shows the challenge of reassurance even in a most benign period. And that has implications obviously for the future.

MR. O'HANLON: That was around the year 2000, right?

MR. DOSHI: Yes, exactly. Yeah. 1999 to '01 is when that debate is really intense in their system.

MR. O'HANLON: So could you please say a brief word about the final strategy? And again, Xi Jinping's role in it and to what extent it transcends or goes beyond him and reflects a deeper consensus in Chinese thinking?

Also, just how dangerous is it for the United States? We know now that China wants a lot, right? But the other question, of course, is what will China do? What risks will it run? What cost will it pay to achieve its maximalist ambitions?

It's one thing to want a certain kind of world. It's something else to be willing to risk war in order to achieve it. And so, that's the other side of my question about this third period if I could ask you to elucidate a bit more?

MR. DOSHI: Absolutely, I think the third period begins, you know, after the global financial crisis there is a surge of populism not only in the United States but across the West. And if you

look at China's scholarly discourse, the references to populism skyrocket. There's just so much attention and study on Western populism in that period because they see there's something fundamentally compromising the ability of government to work. They may be wrong about that assessment, but that's their assessment.

And so, they think that the West is kind of trending towards decline in that period. But then with the major populace selections of 2016, Brexit, then the election of President Trump, their systems begins to really conclude that the United States is in some kind of political decline. And so, previously there was a belief that, you know, whenever the U.S. declined there is an effort to reinvent itself and that was the key element of American power, the resilience.

But they thought, okay, well if the political engine is broken then that resilience is much less -- it's less detectable and maybe it doesn't exist. And again, I'm not saying they're -- I'm not suggesting that they're right. I'm just simply saying that was their assessment.

And so, with that assessment came this phrase we mentioned earlier of great changes unseen in a century. And that phrase has a pretty interesting historical context, right? Because if you go back, the Chinese Communist Party kind of emerged from the nationalist ferment of the Qing Dynasty's decline. So a lot of the leads washed over 60, 70 years that the Qing Dynasty declined and they were pretty upset about what that meant. And they wanted to fix it.

And there was a lot of nationalist thinking. And in that soil, one of the kind of plans that emerged was the Chinese Communist Party. And a lot of people were drawn to it because they saw it as a vehicle for achieving nationalist aims. And in that rough period, the 1870s, well before the Party. There was this statesman, Li Hongzhang who was a major Qing Dynasty self-strengthening trying to protect the Dynasty against foreign depredation and make China basically great again.

And he had a phrase which was that China was experiencing great changes unseen in 3,000 years. And that phrase has a bit of cachet because it's seen as a marker of the beginning of China's, you know, humiliation. It actually began a little bit sooner but that phrase is symbolic ingredient in that.

And the current phrase, great changes unseen in a century, rhymes with that past phrase. But the difference is that this time instead of it being about weakness and humiliation, it's much more about strength and opportunity.

That's not to say that China doesn't perceive significant risks. And this gets to your point. They are likely to perceive risks and that literature on great changes unseen in a century suggests that the risks are very high right now, but the opportunities are in many ways still greater. And that is, I think, what drives what I call this third phase of Chinese strategy, expansion. Which takes the blunting and building strategies from the earlier period and applies them on a global stage.

And so, when you kind of look at it from the perspective of the phrase is providence, which is this kind of nationalist phrase. It gives a different texture to the nature of this particular moment in strategy. And a lot of the secondary source, a lot of the think tank material, et cetera, suggests that the goal is to kind of displace the United States, the order of the United States to create and maybe surpass the U.S. in key fields like economics and technology by 2049 before the centennial of the founding of the People's Republic of China. So that's a sense of the time horizon. But in many ways, the competition is acute -- will be acute even well before that particular date and that's also acknowledged.

And so, great changes unseen in a century captures the risks, it captures the opportunity and it believes that the opportunities exceed the risks and is now a motivating phrase in just about every major speech, in my opinion.

MR. O'HANLON: So that leads to my final question which is my effort to take some of the excellent audience questions and bring them into a single thematic sort of package which flows from your point about China's global ambitions.

And there were a number of questions about specific countries, key countries in this broader calculus. So to what extent are you -- or you don't have to answer all of these. But there were questions, to what extent are you worried about China-Russia cooperation? To what extent do you expect China and India to get along or not? To what extent do you think the United States and Europe can work together in trying to channel China's rise in a more productive and less threatening way?

And then there were also questions about Japan and Africa, but maybe I shouldn't throw the kitchen sink at you. But anything you want to speak on that list please do. Again, with appreciation to those who sent in the questions.

MR. DOSHI: Well, thanks for the audience members for sending them in. And I think I can address almost all of it in one sentence, which is that if you look at the Chinese discourse on what they see as the future competition. They perceive, you know, they believe that the West and the United States and others will sort of increasingly work together in tiers maybe in an ad hoc fashion. And they think they have to do the same thing with other states.

That's a little harder in their own estimation because they don't have the same network of alliances and historical partnerships. But they do have this close relationship with Russia which they see as a foundational ingredient in this approach.

And they also believe as key scholars have indicated like Yuan Peng who is affiliated with the ministries -- the head of the Ministry of State Security, think tank Ministry of State Securities for the leading intelligence service in China. And he is one of the key thinkers. He's a very inventive and original thinker and he talks a lot about how he sees the future competition being, you know, assembling ad hoc coalitions on key issues. And I'm giving you a sense of where he thinks the U.S. coalition will drive its strength.

And for him, you know, not only is there the Russia part but there's also what he calls the Belt and Road countries or the community of common destiny countries. Countries that are bound by China to affinity by economic -- bound by economic ties to China rather than pure affinity. And also bound by sometimes shared views on governance including questions about liberal values and democracy or sometimes countries that have elite connections to China that are enduring and deep. And others that are sort of benefiting enormously from Chinese security, implicit partnership or from economic benefit.

And so, that is true in Africa and Central Asia. It's true all over the world. That's global question. So all the countries you just mentioned from the perspective of this Chinese academic and

many others within the system there. Those countries are going to sort of increasingly, you know, move in different directions on different issues, but they're going to be sort of ad hoc camps.

And it's not exactly the block thinking approach of yore, but it might be more fluid. But nonetheless, the challenge, the game as it were, is to kind of bind different countries together on key issues.

And so, that's true again globally. And that I think leads to a final point which is in the Chinese destination, this competition is now increasingly global. Whereas blunting and building had very strong regional dimensions. This third phase, if it can be said to exist in the wake of this great changes unseen in a century concept has a much more global feel to it. And that's not just regional, but it's also functional. It's in key domains like economics, technology, finance, emerging technologies and obviously in security and political institutions.

And so, the nature of the competition is much -- the aperture is much wider and that requires pulling in more countries. And again, that's exactly how the writing goes.

MR. O'HANLON: Rush, thank you. Very invigorating and insightful conversation. Fantastic book. I'm going to hold it up one more time and encourage everyone to peruse and learn from this outstanding piece of work. I want to congratulate you again. And as I hand out Tom Wright for the panel discussion and wish everybody the best. Again, Rush, thank you and kudos. Job well done.

MR. DOSHI: Thanks so much, Mike. I appreciate the chance to be in conversation with you today. And I appreciate the comments that came from the audience. Thank you for joining. Again, everything is personal capacity, but hopefully it's interesting and if you do pick up the book some of the chapters can be useful, FDA approved. Thanks.

MR. O'HANLON: Thank you kindly. And, Tom, over to you.

MR. WRIGHT: Thank you, Mike. Thank you, Rush. That was a terrific conversation and I think sets the stage perfectly for our panel to discuss the themes of Rush's book. While I'm waiting for the panelist to join, I'll just sort of start off and say, I thought this was an extraordinary book and an incredibly important contribution, as a non sort of China expert but a student of grand strategy and U.S.

foreign policy.

I just learned a tremendous, you know, amount from it. And I think its implications for what we do is pretty profound. I particularly liked, of course, the very sort of empirical, primary source and rigorous methodology that I think really just added a lot to our understanding of that perennial and the incredibly important question of what China wants from its foreign policies.

So we are joined by a really great panel to discuss Rush's book. And it's a follow on from the conversation with Mike. And David Edelstein is the Vice Dean at Georgetown and a Professor of International Relations there. Jackie Deal is a Senior Fellow at the Foreign Policy Research Institute and President and CEO of the Long Term Strategy Group. And Jude Blanchette is the Freeman Chair in China Studies at CSIS.

And you have all written extensively or worked extensively on these questions. So I think we'll get into that. And we'll also try to go to the audience questions. I will say, I've never seen in my sort of 10 years at Brookings, I've never seen so many audience questions that came in advance. I think we're at over 100 so if we started, it would literally be 100-year mark to get through all the questions. But I will try to integrate them into the conversation as we go and there's some very important points that are raised in them so thank you for submitting those.

But, Jackie, if we might sort of start with you. I'm going to ask you all to sort of the version of, you know, the same question to start off with. But I'd love your sort of reaction to Rush's thesis and, you know, just what your initial reaction is? And what you particularly liked about the book? And also, if there were, you know, points of departure where you had sort of a different view with some of his analysis. We'll come onto the implications for you as foreign policy and other aspects in a little bit. But why don't you kick us off, please?

MS. DEAL: [Technical difficulties on the part of the panelist] Thanks, Tom, for the question and for hosting this panel. (Inaudible) the question. Really excellent. I guess, I'm a little bit (inaudible) together to benefit from his research earlier in his career. (Inaudible) the way he painstakingly reviews primary sources and the record of behavior over time, documents trends, looks at discontinuities

and establishes that China has been following and executing a grand strategy.

(Inaudible) did at key points when Chinese's thinkers and planners. The architects of the strategy have detected shifts in the environment and shifts in Chinese's relative power and the threat to the United States in particular. There has been evolution, but there is a plan in an effort to execute grand strategy. And I think it's particular important for certainly the United States and the U.S. government to take (inaudible) as I think we've gotten out of the habit of believing in grand strategy and (inaudible) its viability (inaudible).

(Inaudible) over time (inaudible).

MR. WRIGHT: Jackie, I think we're getting some interference on your line there. So we will try to fix that and come back to you if that's okay? So there's a little bit of choppiness there, but we'll come back to you in a moment.

David, if I could turn to you and just pose the same, you know, question? And you've written a very sort of important book. I'd like to ask you about that on the next question in terms of its relation to Russia's argument. But just, you know, taking the book on its own terms what was your reaction?

MR. EDELSTEIN: Yeah. But thanks, Tom. And thanks for the invitation to be here. And I'll start by reiterating what others have said. It's a terrific book. And I really do think it's perhaps the best and maybe not even perhaps. Simply the best kind of study of Chinese grand strategy over the last 30 years or so that we have. And the empirical research is truly impressive.

You know, I think what I would focus on is just as kind of a question and kind of a provocation that I think Mike got at it in some of his questions to Rush is what exactly are the kind of underlying drivers here of Chinese grand strategy, right?

And I thought though kind of the back and forth between Mike and Rush over, you know, why did it take to the 2008 financial crisis, right, for there to be this change in Chinese grand strategy? Why does it not happen as a result of, say, the developing U.S. struggles in Iraq and Afghanistan, right? Why is that not seen in China as the moment that is kind of propitious for a shift in Chinese grand

strategies?

So there's kind of these, you know, dogs that don't bark in a sense, right? Of kind of non-changes in Chinese grand strategy that I think sort of need to be explained.

I would also say that there are kind of more general questions about what's driving Chinese grand strategy here. And I'll just -- let me just highlight a few, right? One is the book conveys an almost kind of Chinese obsession with the United States, right? That everything is responsive to the U.S. And, you know, I have a question about whether that's an accurate kind of portrayal of the way that the Chinese thinking about their grand strategy, right?

Is everything necessarily in response to kind of, you know, shifts in U.S. power and perceptions of U.S. power? Or are there other things that are underlying these shifts? Namely shifts in Chinese power, right? So the kind of causal story that Rush tells is one of shifts in U.S. capabilities, power leads in shifts in Chinese grand strategy. While over this entire same period of time, China is getting wealthier and transforming that economic wealth into military might. Why isn't that driving Chinese grand strategy independent of anything that's going on in the U.S.?

Along kind of similar lines, right, I think we have lots of other work. Here, I think particularly sort of the fantastic work that Taylor Fravel has done on kind of Chinese military doctrine about the ways in which kind of Chinese domestic politics, right? And kind of concerns within the Party really drive, say, military doctrine.

It was interesting to me just how kind of absent those considerations are from Rush's book, right? Again, it's all about kind of reactions to what the U.S. is doing or the U.S. -- perceptions of the U.S. capabilities. And I'll kind of leave this point by just saying and kind of throwing out there, right, that the reason why I think this is an important conversation, right, and to identify what these causal drivers are is because I think there's a question about what could be the driver of the next transformation in Chinese grand strategy, right?

Based on Rush's book, I don't think we should have any confidence that what is Chinese grand strategy now is just going to continue even as far as 2049, right? That seems optimistic, right? Or

kind of perhaps a misguided assumption to think that it's going to continue that long.

So what would it be that would drive China either to adopt an even more aggressive grand strategy, right? And all the conversations recently about Taiwan, for example? Or on the other hand, what could it be that would drive China to maybe pull back, right? And pursue a more modest grand strategy? Would it necessarily be driven by what's going on in the United States? Or are there other dynamics within China or within kind of thinking about China's capabilities that could drive those transformations?

MR. WRIGHT: Thank you, David. And I think that sets the stage nicely for some of the conversation later on. But, Jude, if I could come to you now and just get your sort of general reaction? And obviously, you've done a lot of work on this topic too. But what do you see the main connotation of Rush's book being? And what was your overall reaction to it?

MR. BLANCHETTE: Yeah, thank you. And actually, David just made more eloquently a few of the comments that I was going to make on just observations that I think are necessary components to have a real robust picture. And again, as David said, not only to a complete understanding of what Chinese grand strategy is now, but I think critically what's going to drive it and shape it moving forward?

Just a positive comment and then not a criticism per se, but maybe just flagging something that I think is worth mentioning. Rush has definitely has now set the standard, I think for how primary source documentation has to be included and utilized when we're making pronouncements about what China wants or doesn't want. Or more specifically what the senior leadership of the Party wants. And again, I think this has been highlighted as one of the great strengths of the book and rightfully so.

Let me mention though briefly about where I found that the strength of the book was also one of the areas that I had the most question marks in my margin notes. And I appreciate Rush flagging that we're doing an open-source project at CSIS which is why I've got the juices flowing on this issue.

What I've realized is, and this may be obvious to many, but a primary source research is really bedeviled by a number of methodological challenges with selection and interpretation being critical. Selection because you have a -- especially when you're talking about primary source document in the

internet age.

You know, on my screen over here, I almost always have about 50 tabs open from various Communist Party websites, publications, government policies. There is almost an infinite mass of material. And deciding which document you're going to focus on or not requires a good deal of subjective judgment but also a framework so that you are articulating why this document and not another document.

And so, there are often times where I was wondering why Rush had chosen, for example, to highlight one versus another? Some of these are no brainers. A speech by Xi Jinping is always important. A plenary communique, the work report from the 19th Party Congress. But once you get under that, I think a clear articulation of why some statements or others is critical. And I raise that for one important reason.

Xi Jinping in 2017, for example, made a statement to a group of foreign visitors where he said, look, we're not trying to exploit the economic model. What we do here is just for us. It's not for anybody else. Now, I think I and Rush would both read that statement and go, nawh, I don't know if I buy that.

But why we don't buy that is really critical. Why we decide that statement isn't necessarily have full fidelity to China's intentions or capabilities is a really critical piece of this framework. And because the primary source documentation is one of the great strengths of this book and selling points, it also to me is an area where I think we should continue to tread lightly because often times these are subjective choices by an author. I do this myself. Where you really need to understand their underlying framework for why they selected and put weight on one statement versus another.

Because we could have two parallel debates right now. Someone could be excavating all the comments by the senior leadership of the Party where they talk about a warm and fuzzy vision of global cooperation, win-win, opening up the market for foreign companies. And another could be pulling statements that paint a much darker picture and without understanding really the context, the domestic politics, the audience. Then it's really hard to parse these statements.

So there's a lot to praise about this book and I think the praise has been noted here, but I

would just say as a methodological point of view, I found this a great strength, but also I think there's some areas whereas an analyst I come to different conclusions based on some of these subjective judgments about which documents you pick and what you put weight on.

MR. WRIGHT: Jude, can I ask you a quick follow up just before we go back to Jackie just on that point? I guess one thing I'm sort of wondering is we've had a big debate, you know, amongst China scholars and more broadly on what it is that China wants.

To what extent is that debate, if not over, I mean debates are never over. To what degree is it sort of settled? Or are those who sort of say, you know, this is a lot more ambiguous. China doesn't actually seek to displace the U.S. You know, are they likely to have sort of a substantive critique of this book? And is that going to be an ongoing, you know, question and debate in the field?

MR. BLANCHETTE: My own -- yeah, this is a hard question. I think especially now that the political system is centralizing and the arena of debate and discussion is necessarily restricting as Xi tightens control. So the robust debates and discussions you would see Chinese IR journals or in person meetings or in Track 1.5 and 2s, 10 or 15 years ago are absent now.

But that leads you to either an analysis that only the remaining voices are precisely where the debate is. Or that much of the dissenting voices just aren't out there in the debate and discussion because Xi has grabbed control.

I think clearly this general view of China as seeking to become a global power, maybe even want to be dominate powers is uncontroversial and I think probably should be uncontroversial. But what does it want to be? The sole power that is to fundamentally displace the United States and see the United States fail? I think is an open discussion and debate. And that's one where maybe in a friendly way, I have -- my spin on the ball is slightly separate from Rush's because I don't have the degree of certainty, he does in precisely what China's grand strategy is.

A word like rejuvenation is like saying China's foreign policy is based on rejuvenation is like saying American foreign policy is based on liberty. It is a -- maybe an orienting position, but it doesn't really tell you much about the granularity especially when we're looking at China's ability or not, in my

case, to think that China can plan out 10, 20, 30 years. I don't think it can.

So I think rejuvenation is the top of a mountain in which China is going to be constantly orienting and reorienting itself towards.

MR. WRIGHT: Thank you, Jude. Jackie, to come back to you. I'd love you to finish your thoughts from earlier. We had some technical sort of audio interference. But also, you know, to react to what Jude and David said.

But you've also written extensively on and worked on, you know, the concept of strategic surprise and how countries can be surprised by other countries and by geopolitical developments. David sort of finished his answer by talking about that next phase of Chinese strategy is going to be. I mean how do you sort of think about that future evolution and obviously the definition of surprise is we can't really predict it.

But can you give us sort of any guidance on what you're sort of looking for there?

MS. DEAL: Sure. I mean I go back to just on the discussion of what China wants. I think a term that Rush used in the book that's persuasive is partial hegemony. The United States obviously doesn't want any country to exert partial or full hegemony over the world.

We prefer a world where states are free to engage with each other. Respect each other's status under international law and benefit from peaceful exchange. But I think Rush establishes that part of the CCP's conception, the Chinese Communist Party's conception of what it requires going forward is the ability, to some extent, to dictate terms in the region and beyond that.

And in terms of surprise, I think what I was saying earlier was just that we may have -- you know, the states may not have stopped believing so much in the possibility. It's grand strategy or the pursuit and execution of the strategy over time. And certainly, we've long been skeptical of the ability to achieve geopolitical ends for a surprise because we're a democracy and we expect that things will leak. And it's hard to kind of conspire or plan in secret.

Whereas, China's record of conflict initiation in the time of the PRCs since 1949 has been one of extensive use of surprise. And going back to some of the previous panelist's comments on the

internal or domestic drivers of China's perceptions of the environment and changes in strategy and building on Rush's work in the book.

He talks about at the end, the Chinese faith. And this is something that Jude has written about too. The fourth industrial revolution and its possibilities. And the kind of in a sense great wager that the Xi Jinping administration is placing on the possibilities of the fourth industrial revolution in trying and seizing the commanding heights of the information technology in data, artificial intelligence possibilities to continue its growth makes for a situation where together with the kind of limits on China's old model of growth and it's now bumping up against -- confronting because of demographics and because of the inability of the rest of world to continue to consume eight to twelve percent more of China's goods every year.

China is bumping up against the limits of what has been a very benign, favorable environment for its economic growth to date. And it has great hopes in its ability to use technology to continue to grow and build wealth and then exert control over its own population and populations abroad, but it seems to be in a rush.

And so, I worry that we could be surprised by a potential calculation from Beijing that a window is closing and that action needs to be taken to lock in its scheme or lock in its partial hegemony. Its ability to dictate terms sooner rather than later. And this is something that you see on the military side in addition to the economic side because only 100,000 evacuees from Kabul -- a week ago before we started evacuating Kabul.

The China Aerospace Studies Institute of the U.S. air force released reports saying if it just discovered a third huge field or big field of Chinese intercontinental ballistic missile silos. And this is the third field that has been revealed or reported on the summer. There are others reported in June and July. So now China is in the U.S. air force institutes where it's on track to approaching parity with the United States in long-range delivery systems for our nuclear weapons.

And this follows a period in which Rush documents of going much more sort of explicitly full board on the PLAs conventional build up in terms of power projection capabilities, Conventional like

air craft carriers, amphibious warbird capabilities.

So on the conventional and on the nuclear side, we're seeing almost a rush. Xi Jinping keeps talking about 2027 as the centennial of the PLA. That's the 100-year anniversary of the Chinese military as part of the interim stage towards 2049. The rejuvenation goal. In the 2017, he had already said, Chinese military needs to be fully modernized by 2035.

So we maybe in this period where Xi Jinping for a variety of reasons, demographic, economic perceives that China's window, the CCP's window of opportunity to really advance its status, lock in its special hegemony is narrowing and he needs to act decisively to take advantage of the trends and the opportunities and also to ward off or for stall so that some of the downside scenarios that he could foresee if China doesn't seize this opportunity. Given again, the kind of headway as part of the demographic problems, environmental problems.

He may think this is not just a time when we have opportunities, but it could also be a time when we need to act sooner rather than later. And so, I worry that the United States could be surprised by that within the next two, three, four, five, six years.

MR. WRIGHT: Thank you, Jackie. And, Jude, I want to come back to you on that because I know you had a great article in foreign affairs on a similar argument recently.

But, David, if I can turn to you next. I mean, you wrote a book several years ago, *Over the Horizon*, on sort of the way in which declining powers sort of calculate their policy towards rising powers. And I guess what I'm -- and I think what your argument was that, you know, the uncertainty over what the rising power's behavior is going to be can sort of impair a balancing response by the preexisting hegemon.

And so, I guess what I'm wondering is are we at sort of a critical moment now in U.S./China relations that if sort of views of policymakers and others is crystalizing around, you know, an argument that we know now what China's intentions are. How does that change America's sort of view of political calculations? And I guess, I would also invite you to comment on what Jackie and Jude said as well. But to what extent is this debate in academia on China's intentions and international relations, to

what extent is that more settled now maybe than it was a few years ago?

MR. EDELSTEIN: Yeah. Thanks, Tom. And I will say kind of self-indulgently, right? One of the reasons why I like this book so much is it fits well, I think, with the argument that I make in *Over the Horizon*.

And you've got the argument right. You've got but one part of it, right? One part of it is that they're kind of declining great power in this context of the United States, relatively declining great power in the United States sort of because of that uncertainty refrains from balancing. And also refrains because it may have a kind of short-term threats that it's more worried about than a potential long-term threat from a country like China.

And then simultaneously, the rising power has incentives to refrain from provocative acts that might get the attention of that declining power, right? And so, I think that period comes before 2008, right? That period when we think about. And many people have now sort of expressed regret over of kind of cooperation between the United States and China.

And the logic of my argument is explained by this combination of a China looking over the long-time horizon and thinking, let's not provoke right now. And a United States that is more focused at that moment on Iraq and Afghanistan than it is on countering the potential long-term threat from China.

I think that's all changed now, right? I think China has kind of the Chinese time horizon is shrinking. I think the U.S. time horizon has kind of expanded somewhat, right? As it has moved, as we all know, to move out of Iraq and very recently Afghanistan. And so, I think that combination kind of foretells this more competitive relationship that we've seen between the United States and China.

You know, so I would just say that it's consistent with my argument. And I would just say it's consistent with what we've seen in past dynamics between rising powers and declining powers, right? I am not a -- I don't consider myself a China expert per se as much as a kind of great politics expert, right? And this is a dynamic that we've -- a movie that we've seen before.

On your question, I actually think within the academia, at least, there's still a pretty robust debate over Chinese intentions. And I would kind of characterize it this way, right? I think there are those

who think that China has aggressive intentions. It has global ambitions and is acting on those global ambitions because that's what great powers do, right? And as they get more powerful, they get more ambitious.

I think there is another school of thought that sees this as in the kind of international relations literature what we would describe as sort of classic security dilemma, right? That both the United States and China are doing things to secure their interests. But in kind of taking steps to secure their interests, they simultaneously threaten others even if they don't mean to threaten others. And that that's a way of interpreting this dynamic.

And then I think there's a third argument out there that has said that, you know, what China is really after is kind of domestic security, right? And that what matters most to the Chinese leadership is a world that is safe for Chinese authoritarianism. And as long as it's safe for Chinese authoritarianism then they don't have much kind of ambition beyond that, right?

And my sense is that within academia, at least, there's still a pretty robust debate over which of those kind of angles? And you could imagine combining them, right? But which of those angles is the correct take on where Chinese intentions are at the moment?

MR. WRIGHT: Thank you, David. Jude, I mentioned earlier just your article. But you had an article as Xi's gamble in foreign affairs in which you said that Xi Jinping is a man on a mission. And that he basically sees this time horizon issue of his -- he has a time horizon issue of his own in which he sees a limited window of opportunity now in the next sort of decade to accomplish what he seeks to accomplish.

So I have to say that makes me very concerned because it's a, you know, Jackie was talking about that too. But if we take Rush's book as sort of a baseline for what China's intentions are and you add onto it a leader who, you know, adheres to all of that.

And then some because of his own sort of personal ambition, it would seem that we're in a rocky road. Could you comment on that? But also, you know, talk a little bit about, you know, the importance of the individual in this case? And to what extent do you, you know, you look at the primary

source documents and long-term strategy but we also have a particular leader of China who has centralized control.

MR. BLANCHETTE: Yeah, thanks. Great question. And it's really interesting hearing, I think a lot of folks -- you know, obviously David's great book with Jackie's comments.

Everyone is now really I think coming to see this element of time as being a real critical component. And -- or maybe a correction from what may have existed a few years ago where the view was long-term competition. China on a 100 year, you know, marathon.

And that was always a thesis devoid of any real, I think, granular look at what policy documents are saying. You know, Rush has some great quotes in the book from Xi where he explicitly says, the next decade is critical.

And, you know, when you look at the problems that China faces if it's going to position itself to become a global power. These all -- the bills for these all come due one way or the other in the next 10 to 15 years. And again, most of Chinese policy documents now are targeting the year 2035, not 2049. It's this kind of 15-year window.

I think the tier -- question, Tom. I think it's a really interesting argument of this kind of agency versus kind of structure in Chinese politics and strategy. And I don't have a good answer to this, but I try to answer it by counterfactuals.

There's a contingent element to who gets to become the top leader of the Communist Party. You know, it's the result of some backdoor, you know, inter-factional bargaining. You know, elite interest bargaining. And there was a period in 2006 and 2007 where we weren't sure if Xi Jinping or Li Keqiang was going to be the -- you know, get the top vote. And I tried to think, what would be different if Li Keqiang had become General Secretary? It was ineluctable that we were going to get to this point in 2021 with these sets of ambitions from China on this timeline or does this contingency matter?

And there's a whole lot when I look back at the past 10 years at a granular level of where Xi Jinping's personality and his own particular set of interests and ambitions really seems to be a shaper of what China has done. And so, you can imagine, you know, for spinal tap fans the volume now is at 11.

I think the volume would have been five, but that sort of six volume point difference is pretty critical here.

You can imagine Li Keqiang being a little bit more patient as we're seeing the end of the Obama administration and the entrance of the Trump administration. I certainly don't think you would have seen many of the antagonisms or irritants in the bilateral relationships surrounding the role of the Communist Party and the role of ideology.

So I think that's going to be a really interesting element of this debate as we think about the critical question which is what lies ahead? Does a post-Xi Jinping China -- whenever that will be in 2080 or in two years, I don't know -- does that -- are we now in this sort of structural path? Or is there the ability for China to course correct in the same way that, you know, with the death of Mao in 1976?

I think few were expecting that by, you know, '79 or '80 that China was going to be in this pretty significantly different trajectory. One that was more befitting U.S. interests and indeed the interests of the Chinese people. I think that's a really critical question.

I end on a note of pessimism though which is Xi Jinping is young for a dictator. These guys seem to live to be 138. He won't be in his 80s until the mid-2030s. He has no significant power base that's going to challenge his rule. And I think if we look at, you know, comparative examples, these guys don't change their mentality or world view as their power increases and as they get older.

So I think the realistic assessment is if this is going to be a one-way ratchet of repression and global ambition that the United States and its allies and partners are going to have to find a way to -- if I can borrow from Rush -- to blunt.

MR. WRIGHT: Thank you. Yeah, he's only 68 as you point out. So there's potentially a lot of time ahead.

I think we should turn to policy questions. And obviously, Rush was speaking in his personal capacity. We are not bound by that here because none of us are serving in the U.S. government. So I think it will be interesting to look at, you know, the Biden administration's policy towards China.

And I guess, Jackie, if I could start with you. I mean, my question is, you know, if we take

this sort of analysis of the base find that this is what China wants and we're facing in with what you said and Jude said about Xi Jinping's personal timeline on this. You know, how does the policy response sort of measure up to the, you know, to the diagnosis?

Is the administration doing enough? And what are some of your concerns maybe about where there might be a gap?

MS. DEAL: Sure. Well, thank you for the question. I mean in a way or certainly Rush in the final or the penultimate chapter of the book lays out the kind of framework for an asymmetric response or set of policy responses as strategic response to the challenge we now face from China.

And just to justify starting there, I wanted to mention a response to some of the other previous comments that in each chapter of the book, one of the things that makes Rush's arguments so powerful is that he explicitly deals with alternative theories of the case that have been advanced by other China scholars about what's driving China's behavior or how it's not the product of the strategy.

And he empirically, rigorously deals with those alternative explanations and then refutes them or rebuts them. So I find it very powerful because he doesn't deny that there are alternative theories. Or that there's a theory out there that China is not strategic or that interest groups, the lobbying groups are driving China's behavior and not any kind of grand strategy agenda.

And then he shows how the observable empirical behavior we see is more likely to be a product of the grand strategy he identifies in traces in these authoritative texts than anything else. And he also has this useful appendix where he talks about how he selected the text that he draws on. And there's a kind of hierarchy of authoritativeness which I think echoes some of the work by Peter Madison and other people who have been writing about how to use Chinese text, open-source material.

And for instance, you should take a speech that was meant for an internal audience and rate that more highly. Or it's more valuable perhaps than a speech that was intended for external audiences or translated to the English or delivered in English before it was -- but not necessarily for internal use.

So I think Rush is trying to be very selective and thoughtful about which sources he

draws on. And then that brings us to what do we do now based on the case? I think that he persuasively builds. And he says, we need kind of an asymmetric approach. We are probably not going to be in a position to be able to meet China ship for ship or aircraft for aircraft he says.

I think we have some room on the defense side to grow though substantially relative to our history. You know, our percentage of GDP that we're spending on defenses, roughly three or four percent, and as I had a chance to write about recently in Politico, most of that spending has gone to operations and maintenance or activities - investments associated with wars and waging in the Middle East and Central Asia, which is very reasonable.

We were in force, we wanted to win them. We're spending to win them. We weren't necessarily spending on the kinds of capabilities that would be best suited to blunt or meet China's arson power projection. So in keeping with Rush's prescription, we put asymmetrically on the military side and best war in the kinds of our own American anti-access, aerial denial, missile systems or transferring them to regional countries around China. Or encouraging those countries to acquire them from each other.

So we have room to grow on the defense investment side. As I mentioned in my last response, I'm worried that we're setting ourselves up to be surprised and we shouldn't necessarily be by China's very rapid conventional and nuclear build up. And again, we have room to grow. We seem to be spending, you know, a trillion dollars here, a trillion dollars there on various other important causes.

So we might want to think about ways that we could spend more on defense to shore up our position vis-à-vis China and the Chinese threat. And also, as Matt Pottinger has written in the new Foreign Affairs piece that cites Rush's book. We need to think very hard about the degree to which we are engaged in providing the capital and the technology to the Chinese companies and the military civil fusion establishment that we may be forced to take on sooner rather than later.

So the FCC chair, Gary Gensler, earlier this week said that he is actually going to enforce a lot of laws that was passed in 2020 that says that Chinese firms that are listing in the U.S. have to follow our accounting transparency requirements. And if not, they can be delisted as soon as 2024. So that's good news.

I mean basically we should be thinking much more carefully and selectively or rigorously about which Chinese state entities or entities connected with this military industrial establishment of China we are providing know how to or capital to. And so, we have to be thinking about which companies can list on our markets, which companies can get smart capital, venture funding, private equity funding from the U.S.?

We should be working with our allies so that they are coordinating with us. So that we're all thinking much more systematically or vigorously and selectively about where we do business, where we provide know how and funding to the system that maybe about to kind of frontally take us on.

Tom, you're muted.

MR. WRIGHT: Sorry. You would think I would have that down now. But thank you, Jackie. We have a lot of questions as I mentioned earlier. I've integrated some of them in already.

David, if I could turn to you next? I mean several of the questions are basically about the role of ideology in U.S. policy towards China. If President Biden is sort of flaming of this? Is the competition of different systems is an appropriate approach?

A number of people have asked about the security dilemma that you mentioned. Feel free to comment on any aspect of the policy, but I think if you're so inclined, it would be interesting to get your sort of thoughts on any, you know, any sort of risks that maybe the administration should be thinking about as well.

MR. EDELSTEIN: Yeah. Thanks, Tom. And I think that goes, you know, this question about ideology goes to my initial comments about kind of what are the fundamental drivers here, right?

And I think there is. And to this question about, you know, where are there still debates on this? I think one of the places where there is still very much a debate is over how much of this China as an ideologically driven actor? Or the United States as an ideologically driven actor, right? Who are in a clash over kind of ideologies and political systems and what's going to be the kind of predominant system globally? Or at least where there's going to space for different systems globally versus this is a story of great powers being great powers, right?

And that when great powers get more powerful, they threaten each other regardless of ideology, right? And that ideology is kind of -- it's a side story here. It's a distraction from what are underlying kind of power dynamics. And, you know, I think this goes in a way to some of the discussions that have been had over, you know, calling this Cold War 2.0 or thinking of this as a Cold War and drawing analogies between the U.S. and the Soviet Union relationship during the Cold War and the U.S. and China and now.

And I think that turns in part on kind of some of these questions of how important do you think ideology was then and is now? I think it also turns -- and I'll just say this. We haven't really talked about this very much. I think it also turns on some of the kind of economic issues that I think are really vital to this relationship. That are fundamentally different than what the U.S. and the Soviet Union where the Soviet Union was basically aiming to be autarkic and wanted nothing to do with the global economic.

China very much wants to be a part of the global economy. There was something in the -- I think it was the Politico -- one of the Politico emails I got this morning about the kind of the next space for competition being over Cloud computing, right? And that, you know, we think of, you know, Amazon web services or Google, Microsoft controlling Cloud computing.

Well, what if China significantly moves into that space, right? And think about all the data that's stored there and what that means and the potential economic implications of this. And, you know, I'll just put plug in here for work that I know Brookings has been engaged in, but also my colleague, George Downey Newman and Emerick Farrel, their work on weaponizing our dependence.

And I think thinking about the -- we've been very much focused on the military/diplomatic components of this. But as Rush said at the outset, another key dimension of grand strategy are economic instruments of grand strategy. And that's a complicated story that I think is going to continue to play out and that I think the Biden administration is going to have to figure out kind of where is the level of engagement between sort of decoupling, right, and out of a heavy level of interdependence that the United States is comfortable with going forward and how to manage that.

MR. WRIGHT: Thank you, David. And it's interesting that you mention that because

there are a number of questions on that. And that was actually my side spin variant on the question from Jude was just on this interdependence question.

But, Jude, if we could come to you? I mean also feel free to comment on any aspect, but I guess as David mentioned one that we haven't really sort of discussed is that it is a different type of competition. And, you know, that has evolved over time as well so I'm just curious. Not just how do you - - what you think the U.S. response should be? But how does this play into Xi Jinping's sort of strategy?

I mean he seems to have been unilaterally decoupling in a strategic way. But if we project out over this next sort of period of time that you have written about how does that all play out? And how should policymakers here think about that?

MR. BLANCHETTE: Yeah, thanks. I was recently reading some work by Barry Norton who has a really good short book on Chinese industrial policy. You know, and he traces this really beginning back in the 2006, 2007 period where China begins to really make this push towards indigenous innovation and start to ramp up its industrial policy.

And I mention that only to say I think often times we are positioning China's economic policy, you know, in this new kind of neo-autarky as a result of U.S. actions since 2016. But of course, as logic runs deep in China and I think as they've understood the strategic benefits of integration, they've also seen the national security risks for the Communist Party and its hold on -- its grip on power.

And so, there's always been this tension or balance. And but recently this is obviously ramped up with policy frameworks like dual circulation which are pushing for a recalibration of just how open and exposed China's market is. And indeed, looking at some of the regulatory actions coming out of Beijing of the past six or so months. Xi is yet again trying to navigate this tension between control and innovation and openness.

But I think what we're seeing with the Xi administration is whereas Deng, Jiang Zemin, and maybe even Hu Jintao had more confidence that the political system could weather more robust global integration. I think the Xi administration is tipped heavily, heavily towards this ideology of national security which is infusing almost all of their policy decisions and how they're looking at the world.

And so, this from our perspective in the United States, you know, thinking about the next 10 or 15 years, I see no off ramp for the Xi administration of continuing to push down this road of tightening of closing of seeing national security risks everywhere.

And I think that's going to work to China's detriment even as they're pouring gobs of money into industrial policy which has important strategic implications for the United States. Regardless, even if these "fail", the knock-on effects are going to be significant and potentially deleterious to U.S. companies and markets.

But from the broader strategic perspective, I think there is this question mark of is Xi pushing the country in a direction where he is fundamentally undermining some of the tenants of national power, which his predecessors had imperfectly built up over three decades of reform and opening. And I -- well, unfortunately for us, we're probably not going to know the answer to that for another 10 or so years, which means the United States won't do well to sit on the sideline and wait it out.

But nonetheless, I think we do want to assess with a more granularity where areas of Chinese power that we see the Xi Jinping pushing it into a cul de sac? And maybe the United States can sort of deprioritize and focus instead on the areas where we see Xi Jinping is able to break through.

And just a final comment. It strikes me right now we're in a -- worried about China everywhere all the time posture. Which has the functional effect of meaning we're not prioritizing scarce resource and bandwidth. And so, that will mean we need to move into a position where we see behavior or activities from China in a certain geographic location that may bother us, but we have to have the strategic maturity to say, we can't focus on that if it comes at the exclusion of focusing here.

And that ability to allocate scarce resources with attention to me seems to be lacking component just of the U.S. in general. And even our own sort of tribe in the think tank world is just we're worried about everything all the time.

MR. WRIGHT: It's interesting, Jude, just on one sort of final comment on that point, which I think is a fascinating one. Is there some sign I think when the administration that that has affected their policy towards Afghanistan? You know, so obviously President Biden has had a view for a long time

about withdrawing.

But my sense of it is that you have additional support for that initial decision within the administration precisely because they wanted to refocus on the Indo-Pacific and a number of scholars sort of wrote that the U.S. should remain in Afghanistan because of China. And they rejected that view and they rejected it for the reasons sort of that you said. And the President in one of his speeches talked about threats of today and tomorrow broader than of the past. So it will be interesting to see if that continues to be a factor.

But we are actually out of time. This is an extraordinarily rich conversation. Thank you so much to the three of you for joining. And thank you also to Mike and of course to Rush earlier for the key note conversation.

Rush's book is [*The Long Game: China's Grand Strategy to Displace American Order*](#) and it's available now in all bookshops and online so I strongly encourage everyone to read it. And thank you again. And with that we are adjourned.

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I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

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ANDERSON COURT REPORTING
1800 Diagonal Road, Suite 600
Alexandria, VA 22314
Phone (703) 519-7180 Fax (703) 519-7190