

GREAT POWER COMPETITION AND EUROPE

State and network-centric perspectives

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In the United States, there is cross-party bipartisan agreement that China is the U.S.’ most serious long-term threat because it has come to be understood that the costs of accepting China’s own national interest and ideology outweigh the benefits of cooperation. By 2015-2016, it had become apparent that the U.S. had overestimated its ability to compel China to follow international ground rules (as defined by the West) and underestimated the resilience, resourcefulness and ruthlessness of the Chinese Communist Party (CCP) to enhance its wealth, maintain its monopoly on power, avoid a strong counter-reaction by the West and restore its status as a truly global power. Rather than reform and open up, China reformed and closed down.

The CCP has become an even more personalistic, authoritarian, repressive, militaristic and nationalistic regime under President Xi Jinping. China is a party-state, with an administrative, commandist, centralized, extractive and arbitrary autocratic (privatized oligarchic capitalist) system. Unfair trade practices, nonreciprocal market access, intellectual property theft, and coercive data localization and source-code disclosure are in fact understood by the CCP to be competitive advantages for China. China’s governance is characterized by advanced technological-algorithmic authoritarian norms. It is a Leninist police state that practices a “social-credit system” and “social governance,” enforced by the National Intelligence Law (2018), the Cybersecurity Law (2018) and the National Security Law (2015). And such malign governance practices can be exported.

As early as 2013, Xi’s CCP released “Communique on the Current State of the Ideological Sphere,” known as Document 9, at the Third Plenum of its Eighteenth Party Congress. It was subsequently leaked. It warns the party to combat seven political “perils,” including constitutionalism, civil society, “nihilistic” views of history, “universal values”

and the promotion of “the West’s view of media.” In effect, democratic institutions, human rights, rule of law, independent journalism and “universal values” pose an existential threat to the CCP. China adopts a Trojan horse strategy, in that it supports the current international system to gain hegemonic position to advance Chinese governance (“make China’s governance United Nations governance”).



German sailors brief their U.S. counterparts during the exercise Northern Coasts in Putlos, Germany. Cooperation among NATO allies and partners is the best way to counter Chinese influence in Europe.

CHIEF PETTY OFFICER TRAVIS SIMMONS/U.S. NAVY

As a result of this understanding of China’s strategic direction, U.S. threat and risk assessments were radically transformed. The U.S. National Security Strategy (NSS) of December 2017 states that the “U.S. must retain overmatch” and preserve “combination of capabilities in sufficient scale to prevent enemy success.” The U.S. NSS and the National Defense Strategy of 2018 are state-centric,

focused on “China, then Russia.” They posit a zero-sum competition among the great powers of the world over how to realign relations, redefine interdependence and increase the standing of these states in the international system.

This overturns the West’s 40-year, U.S.-led, two-pronged, mixed engagement-balance strategy toward China. It was characterized by engagement across all dimensions (economic, scientific and cultural) and, since the 1990s, balance based on military tools. It was aimed at the deterrence of Chinese aggression and the promotion of stability in the Asia-Pacific region. Engagement has sought to assist China to behave as a responsible stakeholder and to relegate great power competition to the dustbin of history. Engagement was informed by what turned out to be a number of basic and deeply rooted misconceptions:

- Economic trade would create irresistible pressure for liberalization, as a wealthy middle class with rising expectations would demand reforms from the CCP that would lead to incremental changes in domestic governance, greater transparency, accountability and openness, including stronger civil society, reliable rule of law, and checks and balances. The assumption was that being rich and being communist are incompatible, and that once China became wealthy it would have to reform and liberalize.
- Economic norms of free trade, domestic marketization and globalization would socialize China into adopting standard international rules and help make its resorting to military force economically irrational. Belief in convergence was based on the understanding that every state is an engagement partner, if not now then in the future, and that a stress on commerce and economics over human rights would be the best means to address the latter.
- Chinese companies would not become rivals in Western markets, rather the reverse — Western companies could penetrate and profit from Chinese markets.
- Western engagement was in response to Deng Xiaoping’s reform and opening initiative of 1979-1981, a time when the West faced both China and the Soviet Union in the Cold War. A more market-based, albeit communist, China would be less aligned and compatible with the Soviet Union. This Cold War geostrategic consideration played a role in U.S. policy toward China.

Great power competition: state centrism and the Thucydides Trap

Hegemonic-stability and power-transition theories are theories of “conflictual change”: An unstoppable force attempts to displace an immovable object, and this results in war. The rising challenger power seeks to change the existing system’s rules, redefine spheres of influence

and even territorial borders. These theories date to Thucydides writing *The History of the Peloponnesian War* 2,500 years ago. Thucydides stated: “The growth of the power of Athens, and the alarm which this inspired in Sparta, made war inevitable.”

According to Graham Allison, doyenne of the Belfer Center at Harvard University and renowned author, China and the U.S. face a Thucydides Trap. Athens is China, an emerging, vibrant, powerful challenger, while Sparta is the U.S. — an insecure (“fear” or “alarm”) declining established power, according to this understanding. Structural stresses of the international system, such as shifts in the strategic balance, changes in the distribution of material capabilities and the global economic center of gravity are complemented by emotional stress.

The “rising power syndrome” suggests that as a late-rising power catches up and overtakes an existing, dominant power, it will seek to renegotiate any bargain made with the established power. The syndrome implies that established-power uncertainty about the rising state’s future intentions and the credibility of present commitments make a U.S. preemptive attack on China (the rising power) a rational choice. Political psychology argues that feelings, sentiments and emotional change have a powerful influence. The emotions of hubris, overconfidence, resentment and ambition are part of a rising power’s sense of entitlement. By contrast, fear, an exaggerated sense of insecurity and paranoia are emotions experienced by a ruling power determined to defend the status quo, leading to premature containment, preemption and self-inflicted wounds.

The tipping point occurs when the challenger places a greater value on what it desires than what it currently possesses, to the extent that it is prepared to use coercive force to change the status quo. A slow-burn conflict can resemble a process of sleepwalking into war. In this scenario, a trade war escalates and results in the decoupling of the world’s top two economies (40% global gross domestic product, or GDP), fracturing the global trading system, eliminating constraints on the Sino-U.S. geopolitical rivalry, and inviting further escalation, making war “inevitable.” The pathway could also be sudden, contingency- and crisis-driven, involving Taiwan, disputes over islands in the South China Sea, collisions, miscalculation and escalation. Both cases could feature entrapments and entanglements due to alliance commitments and relations with secondary powers.

The Thucydides Trap thesis rests on a number of questionable assumptions. First, given that the liberal-orientated international order is not a single coherent hegemonic order imposed by the U.S., but rather the complex, multilayered, multifaceted and pluralist sum of global international agreements and institutions that operate across diverse domains such as trade, arms control, the environment and human rights, is China so dissatisfied that it becomes a revisionist challenger state? Second, can China decouple and survive?

Third, major powers or international institutions can mediate to mitigate conflict. Fourth, is China as strong as it appears, particularly given the context of COVID-19? Fifth, nuclear weapons suggest precedents set by Thucydides are not applicable. The principle of mutually assured destruction and the practical locations of military forces decrease the potential for “hot” conflict.

Lastly, is the U.S. as weak as the Thucydides Trap thesis assumes? It is not. The dollar is hegemonic with unchallenged international currency reserve status. The U.S. enjoys overwhelming economic preponderance and is energy independent. China’s GDP is 60% of U.S. GDP. China has no real allies and is surrounded by U.S. major-power allies (Japan, South Korea and Australia) and extensive U.S. forward deployments, and the U.S. leads in terms of arms, defense spending and technology. The U.S. is a structurally advantaged hegemon with a systemic stabilizer role, being a “system maker” and “privilege taker.” Its foreign direct investment in global business gives it “command capacity” with regard to decision-making in this sphere. The U.S. is able to attain the benefits of cooperation without resorting to coercion, as these benefits are shared.

Network-centric understanding of great power competition

The U.S. state-centric appreciation of great power competition has implications for Europe. What are the roles of non-great powers and the spaces in between? Should the European Union match its geopolitical power with its economic and become a “great” power? Would this not suggest multipolarity and equidistance? Can a competitive strategy balance short-term costs/risks with possible long-term gains?

In Germany, too, some of the old misconceptions have been challenged. It became clear in 2014, with Russia’s annexation of Crimea, that magnetic market-democratic universalism has not resulted in Russia integrating into Greater Europe under the stewardship of a benign and supportive U.S. By 2018-2019, it had become equally clear in Germany that China’s economic modernization has not created irresistible pressure for liberalization, greater transparency, accountability and openness. Convergence theory (“they will be like us”) and complementarity theory (“we do what they don’t do well”) no longer apply to China.

A network-centric understanding of great power competition accepts that power itself is becoming more diffuse, flowing from state to nonstate actors (conglomerates, media), from military to economic domains and from the Euro-Atlantic to the Asia-Pacific. This process of power diffusion is driven by a digital revolution that is as consequential and transformative as the industrial revolution, but in scale and speed much larger and faster. The systemic effect of this revolution is to create a network-centric world of ever-increasing, cross-border flows of goods, services, money, ideas and data.

This network-centric order rests on a global socio-economic infrastructure based on hubs. According to the World Bank, the U.S. and Europe represent hyper connected “complex” financial and service hubs, while China is a “simple” manufacturing supply chain hub. These central hubs constantly seek to optimize network efficiency and exploit economies of scale and specialization.



A health worker checks the temperature of a man entering the subway in Beijing in January 2020, as Chinese authorities tightened restrictions on travel and tourism. China’s initial handling of the COVID-19 crisis suggests that economic diversification and temporary decoupling are prudent for Western societies. AFP/GETTY IMAGES

However, this world is also vulnerable to nonmilitary sources of insecurity and pressure, such as economic coercion, disinformation campaigns and cyber attacks. The hubs represent potential single points of failure. Hubs can suffer systemic shocks and the very centrality of their role in the international system (their great power function) can lead to systemic paralysis. States face a range of threats that do not respect state sovereignty and territorial integrity, including pandemics, climate change, financial crisis, hostile artificial intelligence and destructive biotechnology. These transnational threats do not carry passports.

Interdependencies and connectedness generate threats that no one state can address alone but are also facilitators of cooperation and coordination, which are needed to manage and solve the threats. COVID-19, for example, suggests it is prudent to enact temporary, coordinated decoupling, promote diversification to reduce risk, and build in functional redundancy to make financial, public health and food supply networks more robust and resilient, and so less vulnerable. Thus, according to this network-centric understanding of great power competition, who you are connected to and what you do to protect and advance connectedness through diversification and redundancy efforts is the strategic prize in the competition. Network politics supersedes power politics. □