

Pivot to Power

US Grand Strategy and the Rise of China

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The new spectrum of superpower engagement in, and the shift in US grand strategy toward, the Indo-Pacific carry immense implications for the Indian Ocean region. On 12 March 2021, the first joint meeting hosted by Pres. Joe Biden with India, Australia, and Japan (commonly known as the “Quad Summit,” referring to the four members) proved that America needs its allies to “pivot” in Asia to secure mutual interests and to counter a rising China. The leadership meeting, which was initiated by the United States, signals the immediate significance of “priority theater” and the urgency to counterbalance China’s aggressive behavior and the threat to American hegemony globally.

The joint statement by the Quad leaders reaffirmed their commitment to make sure the Indo-Pacific is “free, open, inclusive, healthy, anchored by democratic values, and unconstrained by coercion.”¹ The region represents a population of 4 billion, or 60 percent of people worldwide.²

This article analyzes the emerging engagement and paradigm shift in the US grand strategy in the Indo-Pacific. Its primary thesis is that the current geopolitical and strategic importance of the region has led the United States to redesign and refocus its grand strategy toward the Indo-Pacific, primarily as a method to establish a rules-based order with other like-minded nations, especially democracies, to counterbalance the rise of an increasingly aggressive China.

US Involvement in the Indo-Pacific

The United States has committed to the Indo-Pacific through “trade, exchange, shared sacrifice, and mutual benefit.”³ The United States first step into the Indo-Pacific was in 1794, when an American trading vessel reached Kolkata.⁴ However, in strategic terms, US involvement was limited and ill-defined until the end of the Cold War. Today, the American presence in Asia centers around US Pacific Command, with established bases throughout the region including Japan, Guam, and South Korea.⁵

In the early post-Cold War period, Bill Clinton and George W. Bush administrations attempted to formulate a new grand strategy, with Europe now taking a

lesser role as it tilted toward addressing issues in Eurasia. The Department of Defense in 1995 issued its “U.S. Security Strategy for the East Asia–Pacific Region,” the official publication depicting the US government’s approach to the Indo-Pacific.⁶ American grand strategy began to shift toward Indo-Pacific in the early 2000s in response to the rise of China, the growing threat from North Korean, and the gradual economic integration of the region. The 9/11 terrorist attacks, China’s growing economic, military, and technological power, and a quantum leap in US–India relations pushed Washington to adjust its strategy to focus even more on this region. The Obama administration rolled out and articulated its strategy as a “pivot” or a “rebalance” toward Asia.⁷ The Obama-era pivot was then readjusted again under Pres. Donald Trump’s Free And Open Indo-Pacific strategy. The US *National Security Strategy*, released in December 2017, recognized authoritarian revisionist power as the consequential challenge for the United States and its partners’ interests.

The growing influence of China in South and Southeast Asia created concerns over US ongoing interests in this region. The aftermath of the coronavirus pandemic and dependence on Beijing raised global concerns regarding the shifting of power balance in the two regions. China has also made huge investments in anti-access/area-denial (known as “A2/AD”) aimed at strategic competition with the United States.⁸

Since 2010, China has been expanding its presence as a dominant regional power vis-à-vis economic growth, advancement of technologies, expertise in cyberwar, and artificial intelligence.⁹ In addition, China’s Belt and Road Initiative (BRI), launched in 2013 by President Xi Jinping, is a vast collection of development and investment initiatives that stretch from East Asia to Europe, pointedly expanding China’s economic and political influence.¹⁰ The latest data on China shows the soaring industrial production and retail sales—35.1 percent and 33.8 percent higher than predictions and betting consensus forecasts.¹¹ China’s growing economic, military, and technological power has raised serious alarm bells in Washington. And China’s aggressive behavior in Asia, particularly toward Taiwan, is further straining its diplomatic relationship with the United States.

A Rising China: Opportunity for Worldwide Progress? Or Threat to Global Stability?

An understanding of the US grand strategy requires an appreciation of core American values, which are represented by a model that maximizes security, prosperity, and liberty. This necessitates optimizing the grand strategy to prioritize those core *American* interests, as opposed to the interests of the rest of the world.¹²

It can be argued that the inherent dynamism of globalization has created an economic and political ecosystem in which US grand strategy must include geopolitical considerations in the Indo-Pacific while stabilizing the bilateral relationship with China both as a near-peer and as an adversary.

But the competitive economic pressures exerted by China have created an imbalance of power in the Indo-Pacific, thereby weakening the US strategic advantage in the region. While the United States maintains its position as the global “security partner of choice,” China’s economic influence has shifted the regional balance of power.¹³ The essential grand strategy domains—security, prosperity, and liberty—are rooted, fundamentally, in the operational realities in the region specific to economics, diplomacy, and military might. For the United States and its allies in the Indo-Pacific, it is critical to maintain and promote an open region that embraces fair trade, adheres to global norms around human rights, and favors diplomacy over armed conflict.

China’s domestic grand strategy, by contrast, mirrors its current foreign policy, which has shifted from relative neutrality into an assertive position to further China’s core soft and hard powers. Much of the soft-power influence is grounded in economic policies that present opportunities for China and threats to the Indo-Pacific. One of the primary characteristics of how China will continue to evolve as a world superpower will be a unique socio-philosophical cultural foundation that works in parallel with robust economic strength within the Chinese ecosystem.¹⁴ Heuristically, the soft-power influence and strength of China, in economic terms, have created an appearance of implicit endorsement of the current regime in the country as trading partners such as the United States and countries within the Indo-Pacific do not respond aggressively to actions taken outside global norms.

In furthering its position as a world superpower, China formulated a well-articulated vision for the future—one of established economic interdependence. In general, this relies on a focus that is rooted in economic concepts of dependency and control: reducing dependency on imports while simultaneously increasing economic control across the world. These concepts set the foundation for Made in China 2025 and the BRI by linking a simple adage—“what is good for China is good for other regions”—particularly, but not exclusively, to developing nations.

Compounding this Chinese expansion of economic power throughout the Indo-Pacific, the US reliance on China-based supply chains was illustrated during the COVID-19 pandemic. As China-centric developments continue to rebound through the region, there is a potential to further strain the resiliency and

security of the value chain for products and services that maintain research and development or manufacturing roots in China.

As part of the shifting balance of power across the world—including in key strategic infrastructure areas that are the focus of the BRI—the use of so-called adversarial capital in China is on the rise. Within the national security and defense communities, adversarial capital is the use of financial and economic tools to acquire sensitive strategic advantages in technologies, data, and other critical assets. These complex interactions among developments in economics, diplomacy, and military action permit the projection of power across the Indo-Pacific as well as toward the United States—advancing the mission of the People’s Republic of China and adding further weight on the scales of power.

Even while the world must acknowledge the growing economic prowess of China, unhumanitarian behavior toward the Uyghur ethnic minority and the crackdown on prodemocracy protesters in Hong Kong (resulting in the imposition of a new security law that could diminish citizens’ freedoms and rights) cause angst and uncertainty. Communist China’s ongoing treatment of the Uyghurs has meant that more than a million Uyghurs have been detained in reeducation camps in the guise of “vocational and educational training.” The Chinese government in early 2017 began building state-run, highly securitized “child welfare guidance centers” to confine Uyghur children full-time, including infants. Institutionalized sexual assaults and rapes have become commonplace within this program. Moreover, during the height of China’s COVID-19 outbreak, detainees were reportedly forced to strip naked on a weekly basis as guards hosed them down with “scalding” and corrosive disinfectant.¹⁵ The Chinese government is intending to destroy the identity of the Uyghurs as a group through elaborate government policies and programs, systemic oppression, and inhumane and degrading treatment (including rape, sexual abuse, and public humiliation) both inside and outside the camps. It is beyond comprehension in the modern world order.

Furthermore, China’s aggressive postures toward Taiwan, eastern India, the South China Sea, and Bhutan are a direct indication of its intent to alter the status quo and cause instability throughout the region.

Challenges

The nature of the challenges faced by the United States in the Indo-Pacific will require deconstructing its holistic grand strategy into actionable goals with defined metrics of success. Whether industrial policy, economic and trade policy, or national security considerations, any undertaking will require targeted and tactical implementation. The standards that govern com-

petition in free and open economies often conflate these issues, which makes finding resolutions increasingly difficult, as with trade policy surrounding intellectual property, data rights, and underselling or underbidding markets—tactical issues that are increasingly identified as national security issues.

Power and Influence

One of the challenges, which will require significant multilateral partnering with allies, will be to ensure that the United States has enough influence in the Indo-Pacific to offset China's influence. While the United States is considered to possess dominant military ability worldwide, the probability of armed conflict that draws in American forces is low. However, the power and influence wielded by China economically on the region remains significant and is growing. The current economic impact of a conflict with China is likely to outweigh the US influence in the region, particularly considering the immense presence of Chinese economic interests in the Indo-Pacific. This will impact US–China trade, foreign direct investment, and free foreign exchange reserves in bilateral and regional relations.

A Center for Strategic and International Studies research report titled “Survey of Southeast Asian Strategic Elites” found that “China is seen as holding slightly more political power and influence than the United States in Southeast Asia today and considerably more power relative to the United States in 10 years.” Along with this, in economic terms, “the region views China as much more influential than the United States today, and this gap is expected to grow in the next 10 years.”¹⁶

Rule of Law

The other challenges the region faces are climate change and extremist policies. With seven of the world's ten largest standing armies, the Indo-Pacific is the world's most militarized region, with five of the world's declared nuclear states; the region will play an important role in determining future strategy formulation in the region.¹⁷ However, regional instability deriving from nontraditional sources, such as weak state capacity, also poses a challenge. A clear understanding is needed for maritime challenges and situations that are likely to develop in the Indian Ocean and in the South China Sea, in addition to nuclear proliferation and its impacts and consequences. Upgraded nuclear arsenals, shifts in power, and collusion among nation-states with a focus on South Asia are of utmost importance.

Extremism and protectionism are on the rise, causing the liberal international order to become nervous and off-balance. In many developed democracies, identity politics is attracting support for authoritarian approaches more than ever. Addressing the scourge of religious fundamentalism and its impact on regional security dynamics is another facet of this burgeoning rubric of challenges. Climate change is now a game-changer in the region as countries take steps to prevent environmental degradation. Indo-Pacific countries will contribute approximately 30 percent to the global rise in temperature by the year 2100, based on the estimates of an international group of researchers.¹⁸

The Russia–China Relationship

Its growing strategic partnership with China has resulted in Russia targeting the Indo-Pacific through foreign policy. However, Russia doesn't have much to offer when it comes to the Korean Peninsula or Southeast Asia other than to raise concerns within the US strategic community, which sees it as a grave threat.¹⁹ Russia's aspirations in the Indo-Pacific have been seen through a lens of geopolitical considerations; however, Russia has to accommodate its position by strengthening the geo-economic component of its foreign policy.²⁰ Russia has reason to prioritize the Indo-Pacific, and it is more concerned about the expansion of Western initiatives through the North Atlantic Treaty Organization than it is about allied relations between the United State and Japan and South Korea. But it cannot ignore the military component in the Indo-Pacific, which may eventually develop its own "Asian NATO."²¹

Policy Implications

The challenges facing the United States in the Indo-Pacific cannot be examined or addressed adequately if the issues are evaluated from a singular or unilateral perspective. The strategy must be evergreen and nontraditional in nature, requiring a mosaic of harmonized solutions—from industrial policy to foreign policy to consistent global economic policy. To succeed in the Indo-Pacific, the United States must focus on shifting the incentives from defense to economics in its own bid to win the soft-power competition for power and influence.

Economics is a key part in understanding and analyzing the US grand strategy in the Indo-Pacific, targeting trade, investment, and infrastructure/connectivity. Importantly, US resources can be conducive to social development, as regional states rely on external assistance; the region is strategically motivated to respond to China's rise. China continues its massive political and economic investment

throughout the Pacific theater, beginning in 2006, and has reaffirmed its position as a major external actor.

China's power and influence are pursued through economic influence over the Indo-Pacific. As such, the United States and its regional allies need to evaluate economics-focused solutions and tools that will mitigate risks associated with the rise of China. This will mean redefining the competitive landscape, including the United States and its allies establishing economic incentives for trading partners that will adhere to global norms while also considering punitive measures against bad acts that may originate in China—such as forced labor, unfair trade practices, and intellectual property theft.

The United States declassified one of its national security documents—the 2018 “Indo-Pacific Strategic Framework”—which reinforces and focuses on “working alongside and encouraging like-minded countries to play a greater role in addressing the challenges and in increasing burden-sharing” and “[s]haring the benefits of US research and development with allies and like-minded partners to retain a collective military edge.”²² Signaling continuity of the policy is a good start for the Biden administration to build on the government's Indo-Pacific strategy.²³ Moreover, the framework reiterated the US commitment to maintaining “diplomatic, economic, military pre-eminence” in addition to supporting like-minded democracies throughout the region. The document pledges the United States to “promote and support Burma's transition to democracy” but, unfortunately, says nothing about democracy or human rights violations anywhere else in Southeast Asia.

Policy makers should prioritize deepening cooperation in investment and infrastructure through domestic and international incentives—thereby competing in the long term with China's BRI. A commitment toward funding projects will help strengthen transparency in cross-border investment, encourage involvement by the private sector, and ensure that investment in innovation and entrepreneurship is pushed forward along with the US–ASEAN Trade and Investment Framework Agreement. Furthermore, the United States could assist other ASEAN countries in digitizing their customs clearance, which would lead to the full operation of ASEAN Single Window (ASW).

Conclusion

Detailed analyses and reexaminations are urgently needed so that governments and think tanks can determine key areas that are likely to have the greatest impact on shaping the contours and future dynamics in the region. The United States should not attempt to single handedly solve these challenges; instead, it should coordinate a consortium of supporters to address them together. The natural allies

in this quest to regain balance in the Indo-Pacific are those that share core American values and are willing to focus on freedom, democracy, and mutually beneficial strategic interests. ★

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Notes

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