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Chairman Risch, Ranking Member Menendez, and distinguished members of the committee, thank you for the opportunity to discuss some of the ways China is challenging US primacy in the region and in the international system more broadly. Before I begin describing the tactics China has been employing to accumulate power and influence, at times at the United States' expense, I want to be upfront about the strategic framework that colors my thinking.

First, I do not believe China is inherently a threat to the United States. But China has defined its interests and goals in such a way that they conflict with those of the United States. Specifically, China believes that dominance of the Indo-Pacific is central to its security and interests, meaning that Beijing cannot feel secure with the US forward presence in the region. And the United States cannot protect its own interests and national security without the ability to operate there. Thus, we have a serious conflict of interest.

Second, China prefers to use political and economic tools to achieve its security goals, but as its military becomes more proficient, it will not shy away from using this tool as well if the issue at hand is important and the other tools do not suffice. In other words, I believe Chinese leaders are being truthful when they say they would prefer to achieve China's goals peacefully. But this just means that they hope the United States and others will fully accommodate their position without a fight.

Lastly, I believe China's territorial aims are limited. It wants control over the South China Sea, the East China Sea and Taiwan, and nothing more. Thus, if the United States conceded to China the sphere of influence of Northeast, Southeast, Central, and South Asia, our points of contention would be greatly lessened. However, I also believe these demands are too much and that the US cannot concede to them without seriously jeopardizing its own security and that of its allies and partners in the region. In other words, it is easy to avoid conflict if you give the other side everything it wants.

The Strategy Behind China's Rise

China's rise has been meteoric in pace and astounding in scale. Since Deng Xiaoping's market reforms in 1979 that shifted China to a more market-based economy, Chinese gross domestic product growth has "averaged nearly 10 percent a year . . . and has lifted more than 800 million people out of poverty."¹ Today, China is the second-largest economy and the largest single contributor to world growth since the 2008 financial crisis.² Between 2005 and 2018, China invested around \$1,941.53 billion (USD) worldwide.³ In the same time frame, nominal Chinese military spending increased from \$76.6 billion (USD) to \$228.2 billion.⁴

China has managed to translate its economic growth into vast economic, political, and military power on the world stage. On the most basic level, power is the ability to get other countries to do what you want. China's system and values are generally less attractive than those of the United States. China also does not have allies or even the long-standing relationships that the United States has around the world, its military is still greatly inferior to that of the United States in power projection capabilities, its economy has been smaller, and it entered an international order in which the United States wielded a disproportionate degree of influence. But even with all these disadvantages, Chinese relative power has grown to the point that we now find

ourselves in a great power competition.

This situation highlights the theme of my testimony today: how China has managed to make relative power gains from its weaker position over the past 20 years. My bottom-line argument is that China has consistently chosen a position in the international system from which it can best limit the degree to which other states' policies affect it and from which it can influence the nature and terms of competition. For example, China spent much of the 1990s and 2000s finding places and issues where the competition among states was the weakest—military operations other than war such as peacekeeping and infrastructure development as a key component of economic aid and engagement with specific countries in Africa, Latin America, and Asia that had a weak US presence. China then leveraged its strengths and took entrepreneurial actions to outmaneuver the United States, tipping the balance of power in its favor. Admittedly, China is not always successful in its endeavors. But its share of world power has increased, suggesting that it succeeds often enough. I argue that this is not because the United States is insufficiently competitive on the world stage as a political, economic, or military partner, but because Washington has simply not been competing.

China's Approach to Building Political Power

The United States set up international institutions after WWII as means of promoting cooperation and constraining states in ways that encouraged responsible, stabilizing foreign policy choices on the part of the participants. This experiment has largely been successful. States are more cooperative than ever before, and the rate of interstate conflict is at a historical low. (And the interstate wars that do erupt are shorter and less violent.) These institutions also facilitate the promotion of structures, norms, principles, and values that support US power and reduce the transaction costs of diplomacy, making it easier for the United States to exercise its power.

For these reasons, China avoided international institutions during the Cold War and criticized them as tools of US hegemonic power. In the 1990s, however, Chinese leaders decided it would be to their benefit to become less isolated economically and politically, so China joined almost all of the existing institutions. The United States supported this change, as American strategists believed that the more China participated, the more it would be socialized into the then-current norms and rules of behavior.

The logic behind the US support has proved flawed. This does not imply, however, that the inclusive approach is incorrect. That others benefit from US leadership is one of the greatest competitive advantages the United States wields over China. And there is little evidence that China wants to overturn the current order, as Beijing benefits greatly from aspects of it. As a member of the permanent five with veto power, China has gained significant power over international security from its participation in the United Nations Security Council. As of April 2018, the World Bank had lent China more than \$60.495 trillion for 416 projects on domestic growth in transportation, urban development, rural development, water resources management, energy, and the environment. China's accession to the World Trade Organization (WTO) expanded China's access to foreign markets, leading to a surge in exports that fueled its impressive economic growth.

The biggest issue is not China's participation in international institutions. The central problems are not only that these institutions have not adapted to ensure that China is accommodated when its aims are legitimate and constrained when they are not, but also that the United States has not attempted to build new institutions to address contemporary issues. As a result, China has been able to build up its political power in three ways: by exploiting blind spots in the international order, by building alternative institutions, and by shaping roles and norms in its favor. The result of this strategy is twofold. First, China is more inured from international pressure, making it more difficult to shape Chinese behavior. Second, states are dependent on Beijing economically and politically, which allows China to compel others to accommodate its will. States' desire to avoid Beijing's wrath to not become targets of its political warfare or economic coercion makes many, including allies and partners of the United States, unwilling to support US policies that push back against China or condemn some of its irresponsible behavior.

Exploiting Strategic Blind Spots. First, the US-led world order has weaknesses and gaps that China has successfully exploited. When China began to enter international institutions, some parts of the world were largely outside the US-led world order and consequently were not benefiting from it. Thus, China initially chose to focus on increasing its influence in parts of the world where the US presence was weak or nonexistent. These areas included unsavory regimes that the US had abandoned such as North Korea, Myanmar, and Zimbabwe. China's relationships with these regimes increase its political power without threatening the United States. They also included parts of the world that the United States had neglected. China did not supplant the United States in Central Asia or in many African countries; the US was simply not there. US companies in particular have been conspicuously absent. For example, in Ecuador, Chinese companies invested \$1.8 billion USD in 2005, while US companies invested less than \$50,000.⁵

Second, Beijing actively builds defenses against aspects of the order that are unfavorable to its interests. It has done so, for example, by infiltrating groups to render them ineffective, as in the case of the UN Human Rights Council (UNHRC).⁶ Within the UNHRC, China has used its position to shield itself from criticism about its domestic human rights violations and change norms surrounding transparency and accountability in dealing with human rights violations in other countries.⁷ For instance, China has blocked the accreditation of certain nongovernmental organizations that criticize or investigate human rights violations. It has also emphasized principles such as "sovereignty" to shield states from having to disclose certain information about domestic human rights violations.⁸ The United States, instead of strengthening its role in the UNHRC to ensure that the institution performs as originally intended, has conceded ground by withdrawing from it.

When it does not infiltrate international organizations to render them ineffective, Beijing repurposes institutions for its own strategic purposes. For example, it uses INTERPOL's "red notice" system to track down dissidents. Since Meng Hongwei,⁹ a former Chinese vice minister of public security, was elected the leader of INTERPOL in 2016, INTERPOL has released nearly 100 red notices for Chinese dissidents abroad.¹⁰

Building Alternative Institutions. In some cases, China has worked to change the rules of

institutions to gain a greater official say in their activities and decisions. It has sought to rewrite the rules in institutions like the WTO, the International Monetary Fund (IMF), and the World Bank to increase its voting power to be commensurate with its economic stature. For example, during the 2001–09 WTO Doha development rounds, China led a group of developing countries in pushing back against the developed nations to demand better trade deals for developing nations worldwide.¹¹ At the IMF, voting power and governance are based on special drawing rights (SDR), or an international reserve asset.¹² In 2015, China fought to make the renminbi part of the SDR, and its quota share increased from 4 percent to 6.41 percent.¹³

Yet when China believes it cannot achieve a level of influence commensurate with its economic status, it is often prepared to create its own institutions. For example, the Asian Infrastructure Investment Bank (AIIB) shows China’s willingness to found organizations that further its interests but that are still tied to the international trade system. After years of arguing for better infrastructure investment in Asia at the World Bank and the IMF, China launched the AIIB in 2016 to invest in projects that were “high quality, low cost” in infrastructure and connectivity.¹⁴ In the most recently available Annual Report (2017), the AIIB claims to have 84 approved members and over \$4.22 billion USD worth of investments in projects and funds.¹⁵ The United States has no influence in this institution because Washington refused to participate.

The most significant initiative for building and exercising Chinese power globally is the Belt and Road Initiative (BRI). Since 2013, over 70 countries have signed contracts for projects under the BRI, and it is reported that between 2013 and 2018 China spent a total of \$614 billion USD on BRI projects.¹⁶ In Africa, the BRI has built airports, railways, manufacturing hubs, and infrastructure improvements with significant investments in Nigeria, Ethiopia, and Kenya. In Europe, the BRI has made inroads in central and eastern Europe and has recently been in dialogue with Portugal and Greece (with a specific interest in port access). In Asia, the BRI has made significant investments in railway and port construction, with proposals in Indonesia, Laos, and Malaysia.¹⁷

But the initiative is not just about building infrastructure. Through the BRI, China is attempting to leverage its economic power for political and security purposes, which include making the world a safe place for authoritarian governments. Nadège Rolland, in her definitive book on the BRI, writes that “BRI is intended to enable China to better use its growing economic clout to achieve its ultimate political aims without provoking a countervailing response or a military conflict” to achieve its ultimate goal “of establishing itself as the preponderant power in Eurasia and a global power second to none.”¹⁸ Many of these countries take Chinese funding because they have few other options—and the Trump administration’s initiative to dedicate \$113 million to new technology, energy, and infrastructure initiatives in emerging Asia is far from sufficient to change this calculus.

Shaping Rules and Norms in China’s Favor. Third, China has sought to establish new standards, rules, norms, and processes to give it a competitive advantage where the established order is weak, ambiguous, or nonexistent. For example, China is trying to shape governance and policy in artificial intelligence in ways that give its companies an edge, legitimize its internal social uses of technologies such as face recognition software, and weaken the voices of independent civil society actors who inform the debate in North America and Europe.

In the cyber realm, China has been pushing an idea of “cyber sovereignty” that considers cyberspace to be primarily governed by states and recognizes the legitimacy of every state’s efforts to govern content within its borders, rather than just ensuring the functioning of the internet. This idea stands in contrast to the United States’ desired model, which is multilateral and guarantees a role for nonstate, civilian actors. To shift the norm in its preferred direction, China has put the brakes on US-led norm building in the UN Group of Governmental Experts (the main norm-setting body for Western governments in cyberspace) and has held its own annual World Internet Conference in Wuzhen since 2014. China has been watching the 2016 US election hacking with keen interest to see if Western countries will start to follow China’s lead in favoring content controls over the internet and will walk back from the ideas set out in the UNHRC’s “internet freedom” speech.

In the maritime realm, the United States insists that freedom of navigation of military vessels is a universally established and accepted practice enshrined in international law, but not all countries accept this interpretation. Argentina, Brazil, China, India, Indonesia, Iran, Malaysia, the Maldives, Oman, and Vietnam argue that warships have no automatic right of innocent passage in their territorial seas. Twenty other developing countries (including Brazil, India, Malaysia, and Vietnam) insist that military activities such as close-in surveillance and reconnaissance by a country in another country’s exclusive economic zone (EEZ) infringe on coastal states’ security interests and therefore are not protected under freedom of navigation. China is exploiting this lack of consensus, and that the United States has not even ratified UN Convention on the Law of the Seas, to its advantage. It is seeking to establish a code of conduct with Association of Southwest Asian Nations (ASEAN) countries that could legitimize Chinese expansionist activities in the South China Sea.

China’s Approach to Building Military Power

Chinese leaders and strategists have long understood that to rise to great power status, they must avoid a strong negative response from the US. In the late 1990s, China adopted a strategy of reassurance that emphasized “regional economic integration and multilateral confidence building in an effort to assuage the fears of China’s neighbors during its ascendance to great-power status.”¹⁹ Chinese military modernization came last and is therefore a relatively new phenomenon. Ten years ago, Chinese defense spending was a third of what it is today. By all standard measures, the Chinese military was backward. Its navy was a glorified coast guard that could not sail beyond visual range of the coastline. Its pilots, poorly trained and with few flight hours, did not fly at night or over water. Its nuclear forces still relied on liquid fuel and storage in silos, both of which greatly reduced its survivability. And none of the services had modern, mechanized equipment. Indeed, the mechanization of the Chinese military is only scheduled to be completed two years from now.

Once China did begin modernizing, it focused on defensive military capabilities first. China’s desire to engage in “military operations other than war” such as peacekeeping, humanitarian assistance, and disaster relief under Hu Jintao’s New Historic Missions reassured many that China planned to use its military for the global good. China has been the number one contributor of peacekeeping troops among the permanent five since 2012.²⁰

This is all to say that China's overwhelming economic power and military capabilities are relatively new phenomena and that there is a clear connection between China's increasing clout and its shift from reassurance to a growing reliance on coercion to achieve its goals. In its defense policy, China made a conscious shift to prioritize the military as a key tool of national power and to leverage it for national security purposes, especially the aim of protecting its territorial integrity and sovereignty as defined by China. Xi Jinping has put the military at the forefront of China's efforts to achieve national rejuvenation. A strong military is one of the key components of the China Dream, and Xi has called on China's armed forces to be prepared to fight and win wars. This assertiveness is no longer new; it began in 2009 with coercive diplomacy in the South China Sea. This fact suggests that China's reliance on coercion will only increase. It is also telling that Chinese leaders and strategists perceive coercion as an effective strategy.

Two reasons explain why Deng's approach of keeping a low profile was jettisoned for a more assertive, confident, and proactive foreign policy. First, the previous policy of *taoguangyouhui* was seen as insufficient to protect national interests because it did not persuade others to respect China's interests in the region. Second, while some admit that the United States and China's neighboring countries are uncomfortable with the new approach, they argue that it is more practical and effective than letting China suffer disgraces and insults for the sake of "biding its time." Many Chinese thinkers complain that the potential benefits of keeping a low profile—a positive international image or greater support and friendship from neighboring countries—have not materialized.²¹ Neighboring powers were suspicious of China's rise long before the foreign policy shift, and the behavior of other South China Sea claimants during that period suggests that an "unprincipled" strategy like "biding time" does not command respect or prevent countries from harming China's core interests.²²

Perhaps nowhere is the challenge of China's entrepreneurial strategies more evident than in military competition. First, China's anti-access area denial (A2AD) strategy, in which it developed relatively low-cost asymmetric capabilities to erode US military supremacy, significantly complicates any US plans to come to the aid of Japan, Taiwan, or the Philippines in the event of a conflict with China. China is also building economic and political power that it can leverage during a time of conflict to convince countries not to host or support US military operations. This strategy includes using all the tools at its disposal to create wedges between the US and its allies so that countries such as Japan or Australia will choose to stay neutral in a conflict between China and the United States over Taiwan or the South China Sea, for example.

Second, instead of directly confronting the United States to push it out of the Asia-Pacific with military force, China has engaged in gray-zone activities. Specifically, China has increased the risk to the US of operating in the South China Sea by harassing US vessels and aircraft with nonmilitary platforms. In this way, it maintains a degree of deniability that discourages a US response. With these tactics, China has made significant political and territorial gains without crossing the threshold into open conflict with the United States or rival claimants, especially in the South China Sea. These strategies help China build relative power vis-à-vis the United States. Beijing also strives to reduce US credibility as a security partner and ally to erode the US-led security order in Asia.

China's Strategy to Control the South China Sea. China's strategy of focusing on areas where competitive forces are weakest and then leveraging its comparative advantages is strikingly evident in its strategy to control the South China Sea—an end China is actively pursuing.

On the military side, Beijing is positioning itself in a way that weakens the conventional US deterrent against China. China wants the ability to deny foreign military vessels and aircrafts access to the sea and airspace over the South China Sea. It has been making progress toward this goal by building bases in the South China Sea, specifically on Fiery Cross, Subi, and Mischief Reefs in the Spratlys (known as the Big 3). All these bases will have approximately 10,000 foot runways and the airfield support facilities (including reinforced hangars) to accommodate fighters, bombers, tankers, large transport, patrol airborne early warning, and aircraft refueling.²³ China's largest island in the Paracels, Woody Island, is also China's largest military outpost in the South China Sea. China has developed airstrips and port facilities and placed permanently stationed military personnel and temporarily deployed fighters, surface-to-air missiles, and anti-ship cruise missiles on the island.²⁴

These bases will eventually house systems that will expand the reach and increase the layers of China's A2AD capabilities and the range of China's own power projection capabilities. For example, if China were to deploy H6-K bombers to the Big 3, it could then hold US defense facilities in northern Australia and Guam at risk. If they were stationed at Woody Island, almost all of the Philippines, including the five sites selected for US base development, would fall within range.²⁵ If China put HQ-9s and anti-ship on Woody Island and Fiery Cross Reef, Subi Reef, or Mischief Reef, it could hold any US assets that dared to operate in most of the South China Sea at severe risk.

I could spend pages laying out the possible combinations and what they mean for US operations. But the bottom line is that while China is building facilities to house military systems, they are still in the initial stages. In May 2018, the Chinese landed a H6-K bomber on Woody for the first time. HQ-9 anti-aircraft missiles were first reported on Woody Island, an island disputed by China, Taiwan, and Vietnam, in 2016 (though they were removed in 2018 and then redeployed).²⁶ Since April 2016, China has deployed, at various times, Y-8 military transport planes, YJ-12B cruise missiles, and HQ-9B surface-to-air missile systems on each of the Big 3.²⁷ In February 2019, after the People's Liberation Army Navy conducted a monthlong series of drills in the South China Sea, an anonymous source mentioned that the People's Liberation Army Strategic Rocket Force was looking to deploy its HQ-9 anti-air missiles and YJ anti-ship missiles on Woody Island on a permanent basis.²⁸ We should thus expect the pace and scale of future deployments to increase. With these deployments, China will be in a position to enforce an overly expansive air defense identification zone or eventually even a maritime exclusion zone in the region, which will put the burden of escalation on the United States if it chooses not to recognize the zones. This means that the present moment is a crucial time for US policy. If Washington hopes to deter or prevent the militarization of the South China Sea Islands, it has to take a tougher stance now.

Yet China's preferred strategy is to sidestep, rather than confront, the United States and to cajole other countries into agreeing to resolve their claims on terms favorable to Beijing. China calls

this the “dual-track” [双轨思路] principle, according to which regional neighbors negotiate to resolve disputes and cooperate to maintain peace and stability.²⁹ This doctrine implies exclusion of the US and other non-regional powers, as well as international institutions. For example, after the Permanent Court of Arbitration (PCA) ruled in favor of the Philippines in its case against China in 2016, China deemed the PCA illegitimate because the Philippines had violated the Declaration on the Conduct of Parties in the South China Sea by taking the case beyond the concerned parties.³⁰

China also uses influence operations and predatory economics to coerce neighboring countries to reorder the Indo-Pacific region to its advantage.³¹ For example, after the PCA ruling, the Philippines’ President Rodrigo Duterte said he would “set aside” the ruling “in the play of politics” to avoid “impos[ing] anything on China.”³² This position was widely attributed to Duterte’s view of China as an “essential ally” that he hoped would fund his infrastructure plans in the Philippines.³³ At the July 2016 ASEAN meeting, Cambodia—a close political ally of China’s—blocked any mention of the PCA ruling, effectively shielding China from any ASEAN-led multilateral approaches to dealing with Chinese actions in the South China Sea.³⁴ Laos, which heavily relies on Chinese investments, supported Cambodia’s block, demonstrating China’s ability to leverage its economic and political clout over small regional neighbors.³⁵ China has tried to insert language that would prevent countries from engaging in military exercises with countries from outside the region (read: the United States) unless the parties concerned, such as China, do not object.

The Implications of Chinese Control. If China controlled the South China Sea, the restrictions it would impose there would likely depend on the activity. On the more permissive side, China has not shown interest in disrupting commercial transit through the South China Sea. In 2016, global trade transiting through the South China Sea reached \$3.37 trillion USD, with most exports coming from China, or about 39.5 percent of the total Chinese trade goods passing through these waters.³⁶ These commercial activities benefit China, and there is little incentive to disrupt them wholesale.

However, China has shown a great willingness to engage in economic coercion to signal its displeasure with other countries’ foreign policies, and if it controlled the South China Sea, it might disrupt selectively and periodically to the same end. In 2010, after a territorial dispute with Japan in the East China Sea, China implemented a rare earth minerals embargo against Japan. (This ban was later extended to include the United States and Europe after the Obama administration called for investigations into whether this ban violated international trade law.)³⁷ In 2017, after South Korea confirmed its purchase of the US Terminal High Altitude Aerial Defense battery, China retaliated against South Korean companies in China and significantly reduced Chinese tourism to South Korea. A year later, the Bank of Korea estimated that this backlash had reduced South Korea’s economic growth rate by 0.4 percent.³⁸ In other words, while China will not seek to deny commercial access to the South China Sea as it will deny military access, it may periodically hold commercial interests at risk as part of a campaign to coerce a country to concede on something.

In the middle of the spectrum would be China’s approach to the exploited natural resources in

the waters that fall within the nine-dash line. These resources include oil and gas deposits and fisheries. An estimated 190 trillion cubic feet of natural gas and 11 billion barrels of oil reserves lie within the South China Sea, and access to these energy resources is crucial for all of the claimants involved.³⁹ On the fisheries side, the South China Sea is in the top five “most productive fishing zones,” with half of the fishing vessels in the world operating in these waters and accounting for over 10 percent of the global fish catch.⁴⁰

China has proposed a number of joint cooperative ventures with other claimants. Since 2007, China and Vietnam have conducted regular joint Gulf of Tonkin exploration ventures,⁴¹ and China and Brunei embarked on joint oil and gas development ventures last year.⁴² In 2017, China supported the idea of a joint energy venture with the Philippines that would develop oil fields and exploration and exploitation in the South China Sea.⁴³ This is the aspect of their strategy that Chinese leaders highlight to present their position as fair, legitimate, and peaceful. An analysis of the statements made on the South China Sea by members of the Political Bureau of the Communist Party of China Central Committee, for example, show these leaders use terms such as “cooperation” and “political solution” six times more frequently than competitive themes such as “sovereignty,” “military,” “tension,” “freedom of navigation,” or other US themes.⁴⁴

On the other end of the spectrum, China would be the most restrictive about military activities, which is why the issue is central to US national security. Chinese domestic law attempts to extend more state power over China’s EEZ than international law allows, including jurisdiction over hydrographic surveys, military surveys, and intelligence gathering.⁴⁵ China believes the EEZ does not constitute the high seas, and therefore the US does not have the right to conduct intel gathering activities or other military activities there.⁴⁶ China also claims the Paracels and Spratlys, including the artificial islands. Each is surrounded by a 200-mile EEZ, and China argues that the islands should be treated as archipelagos, which means the waters between them would be territorial waters (according to international law).⁴⁷ It is through this manipulation of international law that China deems the South China Sea within its EEZ and claims that the US military is not allowed to operate there.

Much more is at stake for the United States if it concedes to China in the South China Sea. First, China currently claims nearly the entire East and South China Seas as its historic waters and EEZ.⁴⁸ If China proves successful at changing the interpretation of maritime law so that the EEZ is equivalent to territorial waters, then (1) the United States will be unable to conduct operations vital to US national security in much of the world’s oceans and (2) “freedom of navigation near the shore will be diminished, impairing naval and air operations and diminishing power-projection and forced-entry capabilities of amphibious forces.”⁴⁹

Politically, US acquiescence to Chinese coercive diplomacy could increase anxiety among US allies and strategic partners, leading to Asian policy changes that could undermine regional stability.⁵⁰ Moreover, US deterrence against China would be severely weakened. Without the ability to operate militarily in the South China Sea, given the tyranny of distance, the United States’ ability to hold China at risk would be greatly reduced. This is the whole point of China’s South China Sea strategy—to push the US military out so that China can do whatever it wants without having to answer to the United States. For deterrence purposes, the United States needs to be able to threaten China with unacceptable costs. It cannot do so if the US military does not

maintain a presence in Asia and the ability to operate freely around China. And the United States cannot protect and defend South Korea, Japan, Taiwan, or the Philippines without the ability to operate in the waters surrounding China. This is simply the reality of current technology.

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To sum up, China is not outcompeting the United States; the US is not competing. China is gaining power and influence at the expense of the United States by focusing on areas where the US ability and willingness to compete have been weakest and then leveraging its strengths in entrepreneurial ways to build power in those areas.

Washington needs to get back in the game, but without lowering its standards to China's level. While perhaps imperfect in implementation, the values and principles behind US global power and leadership ensure others benefit. China's Achilles' heel is that its leaders have failed to articulate a vision of Chinese dominance that is beneficial for anyone but China. In its pursuit of economic, political, and military power, the protection of liberal values needs to be a guidepost and a priority.

The South China Sea lies at the center of this geopolitical competition. The United States has to move beyond symbolic displays of force such as the freedom of navigation operations to include actions that improve the United States' ability to operate in those waters. This could include building a new institution or coalition of like-minded states that patrol the waters and protect all countries' rights of freedom of navigation in the South China Sea. Or the US could make peace in the South China Sea a real diplomatic priority, getting all parties to the negotiating table, and if China is unwilling to participate, the US could bring the other claimants together without Beijing to establish a consensus at least among them that supports US interpretation of freedom of navigation. And if the United States wants to deter the militarization of these islands, which threaten US sovereignty, it has to threaten unacceptable costs on China, for example, by communicating to Beijing that the United States will build its own bases in the area in response.

Beyond the South China Sea, Washington needs to embark on a program of institution building that will shape norms in our favor and fill the gaps in the order that China has been able to exploit. The United States needs to leverage its own strengths against Chinese weaknesses, one of which is the ability to build coalitions. This should not be a great power competition between China and the United States but between China and the United States along with its allies and partners. China cannot outspend the United States and the European Union together. For example, it cannot prevail in a regional conflict against the United States, Japan, and Australia. So, if China uses economic coercion against a country, US allies and partners should ban together and sanction China. We should be patrolling the South China Sea together to ensure that every country, even those that are not treaty allies of the United States, has the ability to sail and fish there. And the US needs to lead by example. If Washington is unwilling to stand up to China as the most powerful nation in the world, it cannot expect anyone else to do so. It will take immense political capital to facilitate such cooperation among nations, but it is the only way to ensure the United States, in conjunction with its allies and partners, maintains the vast share of power and influence in the international system.

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