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DAY TWO

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Global Trends to 2040: Europe's strategic choices in a more disputed world

Europe, America and the Indo-Pacific: The geopolitics of the future

In conversation

H. R. McMaster, Former US National Security Advisor; Senior Fellow, Hoover Institution, Stanford University, California

Klaus Welle, Secretary-General, European Parliament

Summary of the session

Extract from opening remarks by H.R McMaster:

"Europe has a vital role in Indo-Pacific for many reasons. The stakes are high in the Indo-Pacific region and beyond as the Chinese Communist Party, or CCP, races to perfect its technologically enabled police state and export its authoritarian, mercantilist model. The stakes are high because, if the CCP succeeds, the world will be less free, less prosperous, and less safe. Europeans, Americans, and our likeminded partners across the free world should resolve to compete more effectively, stop underwriting our own demise, and strengthen rule of law and democratic principles, institutions, and processes.

It is obvious that the CCP became more aggressive during the pandemic. CCP leaders believe that they have a narrow window of opportunity to strengthen their rule and revise the international order in their favor – before China's economy sours, before the population grows old, before too many others realize that the party is pursuing national rejuvenation at their expense, and before unanticipated events like the pandemic or the nascent real estate crisis expose the vulnerabilities the party created in their rush to surpass the Free World and realize the Party's dream.

The CCP is obsessed with control because it is afraid of losing its exclusive grip on power. Fear and ambition are inseparable. The manipulation of history during the recent Communist Party plenum and the overall narrative of regaining honor lost during the "century of humiliation" as China takes "center stage" in the world is meant to mask the horrible loss and suffering the Party inflicted on the Chinese people over the past century and to portray the "China model" of one-party authoritarian rule as superior. The CCP's strategies for maintaining control and gaining economic and strategic advantage have names like Military-Civilian Fusion, Made in China 2025, and One Belt One Road. The goals are to create exclusionary areas of primacy across the Indo-Pacific region, achieve preponderant advantage in the emerging data-driven global economy, dominate global logistics, critical supply chains, and communications infrastructure, and rewrite the rules of international trade and political discourse.

Across those strategies, the CCP employs cooption, coercion, and concealment. China coopts countries, international corporations, and elites through false promises of impending liberalization, insincere pledges to work on global issues and especially the lure of short-term profits and access to the Chinese market, investments, and loans. Cooption includes debt traps set for corrupt or weak governments. Cooption makes countries and corporations dependent and vulnerable to coercion. The party coerces others to turn a blind eye to its human rights abuses and support its foreign policy. The party demands that countries, companies, and international organizations support its violent self-conception as a one-party nation with no room for plurality except on its own rigid terms.

The party's success depends on concealment as it portrays egregious actions as normal practice. That is why we should correct two misunderstandings that help it hide what is at stake in its campaign of cooption and coercion. Both derive from the conceit that the CCP responds to external actions rather than pursues its own ambitions.

The first misunderstanding is that Chinese aggression is the result of U.S.-China tensions. But consider a survey of CCP activity from military aggression along the Himalayan frontier with India to the South China Sea to the Taiwan Strait; cyber aggression in the form of massive industrial espionage; diplomatic aggression in various forms of Wolf Warrior diplomacy, economic coercion toward Australia and many other nations and companies, and political subversion of international organizations such as the World Health Organization and the Human Rights Council. It is obvious that the United States did not cause CCP aggression and that China's promotion of its model at the world's expense is the real threat to security and prosperity.

The tendency to blame ourselves for the most egregious CCP acts derives from our self-referential tendency to attribute causality to us alone. That is why I think that the phrase now popular in EU discussions -- strategic autonomy -- is counterproductive and mildly offensive. Strategic autonomy suggests a moral equivalency that helps China conceal its objectives. Some of America's closest friends in Europe and beyond proclaim that they do not want to choose between Washington and Beijing. But the actual choice is not one between Washington and Beijing. It is a choice between sovereignty and servitude.

The second misunderstanding is that competition with China is dangerous or even irresponsible because of a Thucydides Trap, a term coined to express the likelihood of conflict

between a rising power (China) and a status quo power (the United States). CCP leaders use the Thucydides Trap to escape responsibility and promote a false dilemma between passive accommodation or war. The Party promotes the Thucydides Trap to portray itself as a victim and accuse the United States, Europe, Japan and others of trying to keep the rising power and its people down. We must correct these misunderstandings because they provide cover for the party as well as those in our countries who are eager to shrink from competition.

Those who are shrinking from competition include investors who continue to pour money into Chinese stocks and bonds undaunted by the CCP's increasing intervention in the private sector and the utter lack of transparency. One can imagine CCP leaders evoking the quotation erroneously attributed to Vladimir Lenin: "the capitalists will sell us the rope with which we will hang them." Except it is worse; we are financing the CCP's purchase of that rope.

After we stop underwriting our own demise, we must strengthen democratic governance, rule of law, and freedom of expression at home and abroad. The party sees totalitarianism as strong relative to pluralistic democracy. Citizens' participation in the democratic process, however, has been effective in countering the CCP's predatory policies. Freedom of the press, freedom of speech and rule of law have allowed countries to expose the CCPs predatory practices and sanction those who enable it. Support for democratic institutions and processes is not just an exercise in altruism, it is a practical means of countering the CCP's campaign of cooption, coercion, and concealment.

Finally, we should be confident. Democracy is resilient. Communist totalitarianism is brittle. Xi Jinping's speeches to commemorate the 100th anniversary of the founding of the CCP are compendia of admonishments, warnings, and threats. Chairman Xi is, of course, aware of another anniversary this year, the 30th anniversary of Mikhail Gorbachev's resignation and the end of the Soviet Union.

So let us be confident, correct misunderstandings, compete more effectively, stop underwriting our own demise, and strengthen rule of law and democratic principles, institutions, and processes".