

# The US Strategy to Maintain Hegemony and the Future of China-US Relations

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Zhao Minghao

Since the Declaration of Independence in 1776, the United States has leaped from a small, newly independent colonial nation on the east coast of the North American continent to the world's dominant hegemonic power within a short span of fewer than 200 years by the end of World War II. The United States has a sense of moral superiority over its hegemony and strongly believes in its exceptionalism. The country considers itself a “benevolent hegemon” different from other hegemonic powers in terms of history, values, political system, etc. However, the United States is also a “hesitant hegemon” in its ascendancy to become the leading power. Twists and turns characterized the US ascendancy, and it was not until the end of World War II that the US became a global hegemon and constructed the so-called *Pax Americana* supported by its alliance system. In the 1990s, when the Cold War ended with the disintegration of the Soviet Union, the US gained even more prominence, and the world ushered in the so-called “unipolar moment” when the US alone dominated global affairs based on its superior national strength. According to Robert Kagan, a senior research fellow at the Brookings Institution, all people live in an America-made world, and “American institutions, despite their tiresome attributes, have shown more capacities for adaptation and resilience than those of many other countries, including its geopolitical rivals.”<sup>1</sup> According to Professor Stephen

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1 Robert Kagan, *The World America Made*, Liu Ruonan, trans., Social Sciences Academic Press, 2013, p.200.

Walt at Harvard University, successive American administrations have tried to maintain the unipolar hegemony and resisted a multipolar world after the Cold War.<sup>2</sup>

At the pinnacle of global power, the United States has an almost pathetic anxiety about the decline of its hegemony. As Thomas Donilon, who served as National Security Advisor to former US president Barack Obama, said, “Americans are optimistic, but they have always been concerned about their position in the world. It’s in our DNA ... every ten years or so, a new, strong wave of pessimism sweeps across the country.”<sup>3</sup>

Theories about the decline of the United States have a long history. As early as 1815, when the United Kingdom and the United States were at war, some predicted that the US would soon decline. In 1941, Henry Luce, then Editor-in-Chief of Time magazine, proclaimed the dawn of the “American Century.” However, theories of the US decline in all versions came to the forefront in the second half of the 20th century. The “Sputnik moment” coming with the launching of Soviet satellites, the Vietnam War, the civil rights movement, the collapse of the Bretton Woods system, and Japan’s economic rise made the United States nervous about its hegemony. In 1987, Paul Kennedy, a professor at Yale University, published a book, *The Rise and Fall of the Great Powers*. He argued that the United States would probably follow in the footsteps of Britain and Spain, declining due to their over-expansion. The over-expansion of the US became evident at the beginning of the 21st century when it got into wars in Afghanistan and Iraq to democratize the Greater Middle East. The Middle East wars triggered heated debates on the future of US hegemony. Niall Ferguson, then a professor at Harvard University, wrote a book detailing the rise and fall of US hegemony, arguing that the 21st century would belong to China.<sup>4</sup> However, Josef Joffe,

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2 Stephan Walt, “America Is Too Scared of the Multipolar World,” *Foreign Policy*, March 7, 2023, <https://foreignpolicy.com/2023/03/07/america-is-too-scared-of-the-multipolar-world/>.

3 Thomas E. Donilon, “We’re No.1 (and We’re Going to Stay That Way),” *Foreign Policy*, July 3, 2014, <https://foreignpolicy.com/2014/07/03/were-no-1-and-were-going-to-stay-that-way/>.

4 Ezra Vogel, *Japan as Number One: Lessons for American*, iUniverse, 1999; Paul Kennedy, *The Rise and Fall of the Great Powers*, Vintage, 1989; Niall Ferguson, *Colossus: The Rise and Fall of the American Empire*, Penguin Books, 2005.

publisher-editor of the German weekly *Die Zeit* and a fellow at the Hoover Institution, in a comprehensive analysis of the US decline, concluded that believers of the decline theory are naïve and often mistook single transient events such as the Soviet Union's advantages in missile research and development and Japan's economic growth as the continuing long-term trend to exaggerate the US decline.<sup>5</sup>

The rise and fall of hegemony are enduring debate topics among academics and policymakers. However, less attention has been paid to the idea of hegemonic renewal, which is, in fact, an essential adaptation of the US strategy to maintain hegemony. The US hegemony is in relative decline compared to its post-Cold War dominance, but the US is seeking to renew itself to maintain its hegemony. Historically, the hegemonic renewal power of the United States is often a response stimulated by its rivals. The resurgence of great-power competition has given new impetus to the American hegemonic renewal. During the Obama administration, the United States shifted its focus to great-power competition and promoted its hegemonic renewal. The Obama administration announced "middle-class economics," emphasized re-industrialization, and adopted strategic contraction in diplomacy to reduce strategic burden and focus its resources on the most critical regions to maintain US hegemony, as in the case of the "Asia-Pacific rebalance" strategy.

The Trump administration declared that the US is facing a "new era of global competition" and focused on halting the "hollowing out" of the US economy. It adopted the principle of "America First," trying to "Buy American and Hire American" through trade wars, reduce the burden of US hegemony through "withdrawal diplomacy," and forcing allies to raise military spending and implement the Indo-Pacific strategy to comprehensively contain China, the country's primary rival. During the Biden administration, the US deepened the great-power competition with China, and it worked to accelerate the hegemonic renewal, trying to integrate

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5 Josef Joffe, *The Myth of America's Decline: Politics, Economic, and a Half-Century of False Prophecies*, Liveright Publishing Corporation, 2014, pp.1-28.

its China policy covering investment, alliance, and competition. The Biden government is also trying to synergize its global strategy and China policy.<sup>6</sup> Thus, it is necessary to analyze the US strategy to maintain a hegemonic power and the dilemmas the US faces based on the triple dimensions of material power, network power and ideological power during the Biden administration. On this basis, it is also vital to examine the impact of the US strategy on China-US relations from the perspective of hegemonic renewal.

## **Modern Industrial Strategy and the Material Power of US Hegemony**

Economic and technological competitiveness is the foundation of US hegemony. The Biden administration has put forward the new Washington consensus, of which implementing a modern industrial strategy is at the center of the strategy. The strategy emphasizes the government's role in economic competition and connects the US economic security to its scientific leadership.

Biden has continued its predecessor's positioning of the global strategic environment as an arena for great-power competition and claimed that "economic security is national security."<sup>7</sup> In October 2022, the White House released its latest National Security Strategy, stating that China is the "most consequential geopolitical challenge" and the only competitor with the will and ability to reshape the international order.<sup>8</sup> The Biden administration knows well that the China-US competition is special, and the coming decade will be crucial. The international political landscape is at an inflexion point. Compared to previous rivals, such as the Soviet Union, China's economic power and global influence are particularly challenging to

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6 High-ranking officials in the Biden administration, such as US Secretary of State Antony Blinken, often use the term "renewal" to articulate their policy ideas. See US Department of State, "Secretary Blinken to Deliver Remarks on Domestic Renewal as a Foreign Policy Priority," August 6, 2021, <https://www.state.gov/secretary-blinken-to-deliver-remarks-on-domestic-renewal-as-a-foreign-policy-priority/>.

7 Gerald F. Seib, "In Biden World, Economic Policy Is National Security Policy," *The Wall Street Journal*, February 15, 2021.

8 The White House, "National Security Strategy," October 2022, pp.23-25.

the US. If the United States wants to win the competition against China, it must strengthen its economic competitiveness and widen the China-US technological gap.

The Biden administration seeks to reshape the US economic strategy based on the new Washington consensus and the material power of US hegemony. The core ideas of the new Washington consensus are as follows. Firstly, national security and human rights considerations are increasingly important in its international economic policy formulation and China-US trade relations. The US will engage in healthy economic competition while defending its security interests, responsibly manage its competition with China, and cooperate with China where possible. Secondly, the US will vigorously implement the modern industrial strategy to increase government and private sector investment in semiconductors, clean energy, key minerals, and quantum computing. The new investments in these critical technologies to improve the US supply chain security and resilience will total about \$3.5 trillion over the next ten years. Thirdly, the US will work with its allies, partners and relevant developing countries to jointly build a strong, resilient, and leading-edge techno-industrial base; revamp the traditional international trade agreements through the Indo-Pacific Economic Framework (IPEF) to create an innovative economic partnership; and make sure that international economic and trade policies are consistent with democratic values with the focus on issues related to labor rights and human rights. Fourthly, the US will revitalize the World Bank and other multilateral mechanisms, mobilize trillions of dollars to support emerging economies, and promote the Partnership for Global Infrastructure and Investment (PGI) to offer an alternative to the Belt and Road Initiative. The PGI promotes infrastructure development in a transparent, high-standard, sustainable, and inclusive approach, and it will try to address debt distress associated with infrastructure investments in vulnerable countries. Fifthly, the US adopts the “small yard, high fence” strategy to protect critical and basic technologies, advances customized export control measures, focuses on technologies that can alter the military balance of power, and intensifies national security

reviews of foreign investments.

Modern industrial strategy is a top priority in the new Washington consensus. The Biden administration hopes to boost US industrial competitiveness in semiconductors, clean energy, and key minerals by increasing government investment and support, to safeguard supply chain security and reduce economic dependence on competitors like China.

A focal point of the modern industrial strategy is semiconductors (also known as chips), critical to US economic, technological and military hegemony. The Biden administration pushed Congress to pass the CHIP and Science Act to strengthen domestic capacity for advanced chips with a clear intention to contain China. Under the Act, the federal government provided \$52.7 billion in grants, tax credits, and other subsidies for chip R&D and manufacturing, the largest investment in a specific manufacturing sector since World War II, with \$13.2 billion of that money going directly to promote innovative chip R&D and related human resources training. The Biden administration intends to build an industrial ecosystem and cluster for advanced chips and create millions of jobs throughout this process to invent, invest, and manufacture in the United States and address the national security risks caused by chip shortage.

In addition, the modern industrial strategy also focuses on industries, such as electric vehicles, to promote the transition towards clean energy and ensure the US dominance in future economic competition among great powers.

The material power of US hegemony is highly dependent on its technological and innovative strength. As Vannevar Bush said in *Science: The Endless Frontier*, “No matter how skilful the craftsmanship, the industry cannot advance or compete in world trade if it depends on others for new knowledge in the basic sciences.”<sup>9</sup> In July 2023, US President Joe Biden signed an executive order to advance domestic invention and manufacturing to benefit US workers and communities. Moreover, given the increasing

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9 Vannevar Bush, *Science: The Endless Frontier*, United States Government Printing Office, 1945, p.19.

impact of technology on great-power competition, the United States has tried to increase federal funding for science and technology innovation and restructure the development system to forge an innovation ecosystem, thereby laying a solid foundation for competition with China. In the fiscal year 2023, the US federal government's R&D spending budget is \$204.9 billion, exceeding \$200 billion for the first time, an increase of more than \$40 billion year-on-year or up to 28 percent.

## **The Latticework of Alliances and the Network Power of US Hegemony**

During World War II and its aftermath, the United States built a system of alliances covering Asia, Europe, and other regions to compete against the Soviet Union for global hegemony. The US alliance system was based on shared democratic ideals and benefits, including opening the domestic market to US allies. However, after the collapse of the Soviet Union, the system was loosened, and some alliances became dormant. In 2001, the Bush administration's War on Terrorism put the US alliance system to a severe test as some Western allies were hesitant to join in the war against terrorism. Donald Rumsfeld, then US Secretary of Defense claimed that "the mission will define the coalition—not the other way around."<sup>10</sup> Western allies, such as France, were at odds with the US over issues, including the Iraq War, and tried to limit the unipolar power through soft containment. Although NATO has expanded for several rounds in the post-Cold War era, it still faces challenges such as reduced cohesion and blurred common threats. With China's integration into the international system and rapid rise, the US alliance strategy has increasingly focused on the so-called "China challenge." China has close economic ties with US allies, including Japan, Germany, and the Republic of Korea (ROK).

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10 Donald Rumsfeld, "A New Kind of War," *The New York Times*, September 27, 2002; Mark Webber, "NATO: The US, Transformation and the War in Afghanistan," *The British Journal of Politics and International Relations*, Vol.11, No.1, 2009, p.59.



The US considers this security-economic nexus a new threat to its alliance system.

The Obama administration tried to rectify the unilateralist approach in the Bush era and attempted to repair the US alliance system. It focused on implementing the “Asia-Pacific rebalance” strategy to form a multilateral alliance against China. However, the Obama administration had to reduce the strategic burden and put pressure on NATO to increase the military spending of US allies. The Trump administration continued this pressure with a direct and assertive approach. It required allies such as France, Germany, and Japan to shoulder more military spending based on a reciprocal principle. While the Trump administration was seen as undermining the US alliance system, in the view of Nadia Schadlow, who authored the Trump administration’s National Security Strategy, this approach is based on a commitment to national sovereignty, “prompting other countries to take more responsibilities for their security and to contribute more to the Western-led order.” Schadlow cited NATO Secretary-General Jens Stoltenberg’s view that Trump’s emphasis on burden-sharing has made NATO stronger after NATO member states (other than the United States) increased their military spending by \$43 billion between 2016 and 2018.<sup>11</sup> However, French President Emmanuel Macron’s warning of NATO’s “brain death” and European countries’ search for strategic autonomy, as well as former Philippine President Rodrigo Duterte’s suspension of the US-Philippines Visiting Forces Agreement (VFA), suggest that the US alliance system has been undermined under the Trump’s administration.

The Biden administration has made repairing the US alliance system a key goal and recognized the importance of network power.<sup>12</sup> Firstly, it emphasized the need to reshape the US alliance system to compete with rivals, including China. Biden claimed that allies were the “greatest asset,” and US Secretary of State Antony Blinken summed up the US strategy in

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11 Nadia Schadlow, “The End of American Illusion,” *Foreign Affairs*, Vol.99, No.5, 2020, p.41.

12 Wu Xinbo, “The Biden Administration and the Prospect of China-US Strategic Competition,” *China International Studies*, No.2, 2021, pp.34-48.



three words—“invest, align, compete.”<sup>13</sup> Secondly, the Biden administration must face the reality that “America First” is well accepted domestically and the public wants to reduce investment in foreign affairs such as military intervention. Moreover, many US allies believe that it is not in their interests for the US and China to head toward conflict, and their China policies do not align with US interests and goals. Thus, the Biden administration has adopted a new alliance strategy, that is, to build a latticework of alliances and partnerships. The “latticework” is embodied in the cross-linkage between geographic factors and issue areas and in the US emphasis on integrating governmental and social forces. The “alliances and partnerships” imply the Biden administration’s attempts to deepen the integration and policy synergies among treaty allies and between treaty allies and partner countries to extend its perceptions of the “China challenge” and containment measures against China and other adversaries to the latticework of alliances and partnerships in a relatively flexible manner. With this latticework, the US seeks to strengthen its network power to support its hegemonic position.

First, the Biden administration focuses on the interaction between the two alliance mechanisms in the Indo-Pacific and Europe. In February 2022, the Biden administration released the report *Indo-Pacific Strategy*, stating that the United States is the resident power in the Indo-Pacific region, and the regional situation will define the international order. The report emphasizes that allies are the “greatest asymmetric advantage” over China and the Biden administration will build a “robust and mutually reinforcing network of alliance” to shape collective power against adversaries like China.<sup>14</sup> Over the past few years, the US has deepened and modernized its relations with allies such as Japan, the ROK, Australia, and the Philippines. At the same time, the Biden administration has tightened ties with regional partners, including India, Indonesia, Malaysia, Mongolia, New Zealand, Singapore, Vietnam, and the Pacific Island countries. It views “integrated

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13 US Department of State, “The Administration’s Approach to the People’s Republic of China,” May 26, 2022, <https://www.state.gov/the-administrations-approach-to-the-peoples-republic-of-china/>.

14 The White House, “Indo-Pacific Strategy of the United States,” February 2022.

deterrence” as the cornerstone of US Indo-Pacific strategy, vigorously enhancing the capabilities of allies and partners to conduct multi-domain operations, i.e., integrating forces across multiple domains, such as land, sea, air, and space, and responding to “full-spectrum conflict.” The Biden administration has also implemented new operations concepts, built a more resilient command and control system, increased the scope and complexity of multilateral military training and exercises, added flexibility to military deployment, and enhanced the interoperability of military forces with US allies and partners.

After the outbreak of the Ukraine crisis, the Biden administration has focused more on the linkage between the Indo-Pacific and Europe. The US has been playing up the rhetoric of a so-called “China-Russia quasi-alliance” to convince NATO and its member states to take a more active part in Indo-Pacific affairs. It has also pushed its European allies to intervene in issues related to the South China Sea and the Taiwan Strait to lift the US leverage to suppress China on two fronts, namely Asia and Europe.

In June 2022, NATO released a new Strategic Concept document, asserting that China challenges NATO’s security and unity and that the advancing strategic partnership between Russia and China undermines the rules-based international order.<sup>15</sup> NATO has also proposed to deepen cooperation with its Asia-Pacific partners in cybersecurity, maritime security, new technologies, and combating disinformation. In recent years, Japan, the ROK, Australia, and New Zealand have participated in NATO summits and conferences. In January 2021, a cybersecurity center for the Mongolian army was inaugurated with NATO assistance. In May 2022, the ROK announced joining the NATO Cyber Defense Center. NATO also plans to set up a liaison office in Japan to facilitate information sharing with US allies in the Indo-Pacific, promote emergency response plans across Asia and Europe, and radiate NATO’s influence throughout the Indo-Pacific region, with Japan as the central axis. Under the US push for a “global NATO,” the “Asia-

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15 NATO, “NATO 2022 Strategic Concept,” June 2022, [https://www.nato.int/nato\\_static\\_fl2014/assets/pdf/2022/6/pdf/290622-strategic-concept.pdf](https://www.nato.int/nato_static_fl2014/assets/pdf/2022/6/pdf/290622-strategic-concept.pdf).

Pacificization” of NATO is becoming prominent. In addition, the European Union, the UK, France, and Germany have introduced and promoted their respective Indo-Pacific strategies. They have also increased dialogue on regional affairs with the United States and expanded related military operations. In particular, Japan has signed or negotiated military alliance agreements with the UK, France, and Germany, which provided conditions for the US to bring Europe into Asia and deepen the US-European alliance in the Indo-Pacific.<sup>16</sup>

Second, the Biden administration has focused on issue-based coalitions and mini-laterals to increase the relevance, flexibility and effectiveness of the US alliance system. It has tried to build issue-based alliances in many areas, such as supply chain reconfiguration, investment review, technology export control, countering “influence operations,” public health, and infrastructure. For example, to “de-risk” from China, the Biden administration has adopted the strategy of interoperability, strengthening US manufacturing strength on the one hand and building a supply chain covering allies and relevant developing countries on the other.<sup>17</sup> It organized the Summit on Global Supply Chain Resilience and the Supply Chain Ministerial Forum. It boosted the global supply chain reshaping based on IPEF and the Americas Partnership for Economic Prosperity (APEP). At the bilateral level, the US and Europe have established the Trade and Technology Council (TTC) to reduce the dependence on China on chips, medical devices, clean energy products, etc. The US also has economic and security policy coordination mechanisms with Japan, the ROK, Australia, and the UK. In addition, the Biden administration has set up a multilateral mechanism for the Minerals Security Partnership (MSP), deepened bilateral collaboration with Japan, Australia, and the European Union, and brought in critical mineral-rich countries such as the Democratic Republic of Congo (DRC) and Indonesia to weaken China’s role in the international supply chain of lithium,

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16 The White House, “National Security Strategy,” October 2022, p.11.

17 Gong Ting, “US Government’s Push to Build ‘Supply Chain Coalitions,’” *Fudan American Review*, No.2, 2022, pp.10-22.

nickel, cobalt, and other vital minerals.<sup>18</sup> As for infrastructure, the Biden administration, in conjunction with the Group of Seven (G7) countries, has launched the Partnership for Global Infrastructure and Investment, seeking to lead so-called democracies in providing developing countries with alternatives for infrastructure development.<sup>19</sup>

The US has increasingly focused on the cohesion and operational strength of the alliance system through mini-laterals and upgraded the connection of nodes into more vital pivots or clusters with traction on other allies, thus consolidating the US control over the network. On the one hand, the Biden administration has upgraded existing mini-lateral mechanisms, such as the US-Japan-India-Australia quadrilateral mechanism (Quad). The Quad Mechanism, now at the level of heads of state and government, has six working groups on climate, critical and emerging technologies, Cyber, space, health and security, and infrastructure with concrete projects such as the Clean Energy Supply Chain initiative and the Quad Mechanism Infrastructure Fellowships. It has also connected with the ROK and Vietnam and deepened relations with ASEAN and Pacific Island countries through the Indo-Pacific Partnership for Maritime Domain Awareness (IPMDA). On the other hand, the Biden administration has established a new US-UK-Australia trilateral security partnership (AUKUS) and the US-India-Israel-UAE quadrilateral mechanism (I2U2). AUKUS, launched in September 2021, is a new type of military alliance, which amounted to “the most important strategic innovation” according to Kurt Campbell, Deputy Assistant to the President and Coordinator for the Indo-Pacific.<sup>20</sup> It will provide Australia

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18 The White House, “Fact Sheet: Securing a Made in America Supply Chain for Critical Minerals,” February 22, 2022, <https://www.whitehouse.gov/briefing-room/statements-releases/2022/02/22/fact-sheet-securing-a-made-in-america-supply-chain-for-critical-minerals/>; Christina Lu, “The Critical Minerals Club,” *Foreign Policy*, April 14, 2023, <https://foreignpolicy.com/2023/04/14/us-china-critical-mineral-security-europe-rare-earth-energy-transition/>.

19 The White House, “Memorandum on the Partnership for Global Infrastructure and Investment,” June 26, 2022, <https://www.whitehouse.gov/briefing-room/presidential-actions/2022/06/26/memorandum-on-the-partnership-for-global-infrastructure-and-investment/>.

20 Lowy Institute, “In Conversation: Kurt Campbell Speaks to Michael Fullilove,” December 1, 2021, <https://www.lowyinstitute.org/publications/conversation-white-house-indo-pacific-coordinator-kurt-campbel>.

with nuclear-powered submarines and long-range strike capabilities. It will also promote collaboration among the three countries in the defense industry supply chain and advanced military technology, including artificial intelligence, quantum computing, cybersecurity, etc. US allies such as the ROK and India will flexibly join the mechanism, and Japan will likely become a full member of AUKUS soon. AUKUS may link closely with mini-lateral mechanisms such as the US-Japan-ROK mechanism, the US-Japan-Australia mechanism, and the US-Japan-Philippines mechanism.

Third, the Biden administration emphasizes the role of social forces in the latticework of alliances and partnerships. As for the United States, there are many moving pieces in today's great-power competition, especially a series of new challenges to US hegemony, including "digital authoritarianism." The US needs to stimulate and apply the power of businesses, financial institutions, universities, research institutes, the media, non-governmental organizations, and other social forces to make them vital to the latticework of alliances and partnerships. The Interim National Security Strategic Guidance issued by the Biden administration states, "We will stand with our allies and partners to combat new threats aimed at our democracies, ranging from cross-border aggression, cyberattacks, disinformation, and digital authoritarianism to infrastructure and energy coercion."<sup>21</sup> In December 2021, the Biden administration convened the "Summit for Democracy," inviting more than 100 countries and many science and technology enterprises, media, and non-governmental organizations. In addition, the US has constructed the Chip 4 alliance, in which Intel, Tokyo Electron, Samsung, and TSMC play an important role. The US government requires these companies to provide business data to enhance its control over the chip supply chain and the trade network. It also supports them in increasing mutual investment within the Chip 4 alliance, deepening cooperation in chip technology standards, developing secure architectures, and ensuring the flow of high-end chip innovation within the alliance.

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21 The White House, "Interim National Security Strategic Guidance," March 2021, p.19.

To build the alliance of infrastructure, the Biden administration has facilitated the collaboration of more than 200 companies, financial institutions, non-governmental organizations, and the media in developing certification standards for high-quality infrastructure through the Trust in Business Initiative within the Organization for Economic Cooperation and Development (OECD).<sup>22</sup> The US has also tried to build a multilateral camp for anti-corruption. In December 2021, the United States released its first Strategy for Countering Corruption, declaring that the fight against corruption is a “core national security interest.” It will preserve and strengthen the multilateral anti-corruption architecture and “elevate diplomatic and development efforts to support, defend, and protect civil society and media actors, including investigative journalists.”<sup>23</sup> The Biden administration has asked the Departments of State, Treasury, Justice, Defense, and the Agency for International Development to provide funding and training support to stakeholders involved in global anti-corruption cooperation through foreign assistance and multilateral diplomatic plans, such as Reporters Shield, the Open Government Partnership, the Global Anti-Corruption Tech Sprint, and the Regional Anti-Corruption Hubs.<sup>24</sup>

## **Revitalizing Democracy and the Ideological Power of US Hegemony**

Unlike other major powers, the national identity of the US does not stem from ethnic conformity but is based on political concepts such as democracy and freedom, or “civic nationalism.” To this day, the majority of the American elite believes that the US is still the leader of the “free world,” and its natural calling is to defend the free world and eliminate the forces of evil.

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22 OECD, “The Blue Dot Network: A Proposal for a Global Certification Framework for Quality Infrastructure Investment,” 2022, <https://www.oecd.org/daf/blue-dot-network-proposal-certification.pdf>.

23 The White House, “U.S. Strategy on Countering Corruption,” December 2021, pp.12-13.

24 The White House, “Fact Sheet: Implementing the United States Strategy on Countering Corruption: Accomplishments and Renewed Commitment in the Year of Action,” May 29, 2023, <https://www.whitehouse.gov/briefing-room/statements-releases/2023/03/29/fact-sheet-implementing-the-united-states-strategy-on-countering-corruption-accomplishments-and-renewed-commitment-in-the-year-of-action/>.

There is no such thing as a grey area or intermediate zone. The dichotomous worldview of freedom versus non-freedom, good versus evil, democracy versus authoritarianism have become the national consciousness in the United States. The democratic system of the US and the political philosophy it espouses play an essential role in building the American hegemonic power. Especially after the Cold War, the United States has expanded its political philosophy through information technology and economic globalization to build a democratic empire that transcends national borders. The US attempts to be a democratic role model while building its followers by shaping and exploiting ideological contradictions with its rivals.

However, the democratic backsliding in the US has become increasingly acute over the past few decades, and the trouble has eroded the ideological power that underpins American hegemony. The US is often regarded as the world's most longstanding democracy, but this is inaccurate. Suzanne Mettler, Professor of Political Science at Cornell University, pointed out that the United States could not be considered a “truly vibrant and inclusive democracy” until the 1970s, more than 200 years after its independence.<sup>25</sup> In particular, since the beginning of the 21st century, the polarization of domestic politics, the fragmentation of political parties, the rise of identity politics and culture wars, and the increasing political violence have brought about political chaos and damaged the image of the US as a hegemonic power. The democratic backsliding has led to growing economic, social, and political fissures. In recent years, the US response to the COVID-19 pandemic, the “Black Lives Matter” protests, and the occupation of Capitol Hill in January 2021 have further escalated the anger and hatred embedded in American politics, revealing the fault lines within American society and the deep-seated challenges facing American democracy.

The democratic backsliding is reflected in the following aspects. Firstly, inequality has increased in the US. In the 1970s, the US government began implementing neoliberalism and trickle-down economics, causing growing

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25 Suzanne Mettler and Robert C. Lieberman, “The Fragile Republic: American Democracy Has Never Faced So Many Threats All at Once,” *Foreign Affairs*, Vol.99, No.5, 2020, p.183.



economic inequality closely related to political inequality. Over the past few decades, while the average income of the bottom 50 percent of Americans has stagnated, the average income of the top 1 percent has soared.<sup>26</sup> A survey, led by United Nations Special Rapporteur Philip Alston, found that the United States is the most unequal society in the developed world, with tens of millions of people living in poverty.<sup>27</sup>

The United States' social and political system faces a significant impact of growing inequality, and the fundamental reason for this growing inequality is legalized political corruption. The political elite tends to define democracy in terms of elections, but in the view of many scholars, elections have become a game for the rich. Lobbying and political contributions have become legal bribes, and the rich have become the most organized political group. The cost of running the American democratic system has risen, and plutarchy has become a persistent problem. Research by Martin Gilens, a professor of political science at Princeton University, shows that while the United States is characterized by democratic governance, including regular elections, the influence of ordinary people on policy is weak, with influential business organizations and a small group of wealthy Americans dominating policy-making.<sup>28</sup> According to Jacob Hacker, a professor of political science at Yale University, "winner-take-all politics" has taken hold in the United States.<sup>29</sup> According to Professor Robert Putnam at Harvard University, social mobility in the United States has declined dramatically, barriers between different classes have become distinct, and equality of opportunity is more like a myth.<sup>30</sup>

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26 Kishore Mahbubani, *Has China Won? The Chinese Challenge to American Primacy*, CITIC Press Group, 2021, pp.77-78.

27 The Office of the High Commissioner for Human Rights (UN Human Rights), "Statement on Visit to the USA, by Professor Philip Alston, United Nations Special Rapporteur on Extreme Poverty and human Rights," December 15, 2017, <https://www.ohchr.org/en/statements/2017/12/statement-visit-usa-profesor-philip-alston-united-nations-special-rapporteur>.

28 Martin Gilens, "Preference Gaps and Inequality in Representation," *Political Science and Politics*, Vol.42, No.2, 2009, pp.335-341.

29 Jacob S. Hacker and Paul Pierson, *Winner-Take-All Politics: How Washington Made the Rich Richer and Turned Its Back on the Middle Class*, Simon & Schuster, 2010, pp.4-6.

30 Robert Putnam, *Our Kids*, Tian Lei and Song Xin, trans., China University of Political Science and Law Press, 2017, pp.38-42.

Secondly, racial tensions and social cleavages in the United States are deepening. The vast majority of Americans believe that “systemic racism” is a major problem facing American democracy.<sup>31</sup> The median household wealth of the 44 million African Americans in the United States is only \$18,000, one-tenth that of white households, and this rate has remained virtually unchanged since 1990. More than 25 percent of African Americans live in poverty, and 11.5 percent of adult African Americans have no health insurance.<sup>32</sup> According to the US Census Bureau, by about 2044, people of color, such as African-Americans, Latinos, and Asians, will outnumber whites.<sup>33</sup> Under such circumstances, the white community is increasingly anxious. With the rising white supremacy and the extreme right-wing political forces, racial conflicts in the American society have intensified. In recent years, the far-right political philosophy of Richard Spencer, Steve Bannon, and other iconic figures has gained popularity, and far-right political organizations, such as Proud Boys, Vanguard America, and the Patriot Front, have become increasingly influential.<sup>34</sup> The far right is also called the radical, extreme, and alternative right. Some American scholars even regard it as fascism. Racial antagonism in the United States has worsened, especially since the Trump administration, with a significant increase in white-led hate groups and hate crimes. With the prevalence of extreme right-wing politics, the problem of tribalism in American politics has become even more acute. Social media have trapped American voters in information cocoons, where they only pay attention to and accept information and opinions similar to their political beliefs. People have become more politically biased and extreme, and hate speech can be found everywhere on the internet and social media.

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31 Justin Worland, “America’s Long Overdue Awakening to Systemic Racism,” *Time*, June 11, 2020, <https://time.com/5851855/systemic-racism-america/>.

32 “Black and African American Communities and Mental Health,” <https://www.mhanational.org/issues/black-and-african-american-communities-and-mental-health>.

33 Justin Gest, “What Happens When White People Become a Minority in America?,” *Foreign Policy*, March 22, 2022, <https://foreignpolicy.com/2022/03/22/us-white-majority-minority-nation-demographic-change/>.

34 Ben Schreching, “The Alt-Right Comes to Washington,” *Politico*, January/February 2017, <https://www.politico.com/magazine/story/2017/01/alt-right-trump-washington-dc-power-milo-214629/>.

Thirdly, the polarization of party politics and the governance dysfunction in the United States is evident. Historically, political parties in the US have undergone profound restructuring every few decades due to the fissure between different interest groups. Since the 1970s, congressional reforms have led to more powerful caucuses, an increase in the homogeneity of party members, and a widening ideological gap between the two parties. Politicians from both parties tend to use polarized views to appeal to their party activists and base voters to win in primaries. Since the 2008 financial crisis, there has been an increasingly intense battle between Democrats and Republicans. Factors such as redistricting have exacerbated the left-right struggle in the United States. The drivers of the growing polarization of bipartisan politics include rising inequality, the restructuring of congressional power, the constraints of pre-election mechanisms, the moralization of political issues, and media amplification. There is increasing hostility between the two parties. As Rachel Kleinfeld, a senior fellow in the Democracy, Conflict, and Governance Program of the Carnegie Endowment for International Peace, puts it, “Politicians who see a path to power by enabling violence pose the greatest danger.”<sup>35</sup>

In addition to the differences between the Republican and Democratic parties, divisions within a party are prominent, with the populist forces represented by Donald Trump challenging the Republican Party’s establishment and the conservative groups represented by the American Compass attempting to consolidate the “Trumpization.” Such polarization has a profound impact on the governance of economic and social ills, including hate crimes, tax loopholes, and inequalities. According to Francis Fukuyama, a senior fellow at Stanford University, American democracy has been reduced to a kind of vetocracy, in which everything faces veto. It paralyzes society and exacerbates the political dysfunction in the United

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35 Rachel Kleinfeld, “The U.S. Shows All the Signs of a Country Spiraling toward Political Violence,” *The Washington Post*, September 11, 2020.

States.<sup>36</sup> According to Professor Graham Allison at Harvard University, Washington DC has become an acronym for “dysfunctional capital.”<sup>37</sup> Since 2008, the American people’s trust in government has not exceeded 25 percent under either Democratic or Republican administrations.<sup>38</sup>

The decline of US democracy posed by these challenges has received widespread attention and left a profound impact on the image of US hegemony. The Economist Intelligence Unit of the UK downgraded the United States from a “full democracy” to a “flawed democracy.”<sup>39</sup> Freedom House, a non-governmental organization, gave American democracy a score of 94 out of 100 in 2012, but by 2022 the score had fallen to 83. According to Sarah Repucci, the organization’s vice president, US performance has steadily declined over the past decade regarding people’s political rights and civil liberties.<sup>40</sup> According to a Pew poll of 16 developed countries, including the United States, 57 percent of international respondents and 72 percent of American respondents believe that the US is no longer a model of democracy for others to follow.<sup>41</sup>

The Biden administration, since taking power, has looked at the democratic decline based on the interconnection of domestic and foreign affairs and made the restoration of American democracy a significant policy goal. Biden said that American democracy needs to be saved, and the extreme Republicans in Congress, whose slogan is to “Make America Great

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36 Francis Fukuyama, “American Political Decay or Renewal? The Meaning of the 2016 Election,” *Foreign Affairs*, Vol.95, No.4, 2016, pp.66-68.

37 Sam Roggeveen, “China, America and the Thucydides Trap: An Interview with Graham Allison,” Lowy Institute, August 23, 2017, <https://www.lowyinstitute.org/the-interpreter/china-america-thucydides-trap-interview-graham-allison>.

38 Jeffrey M. Jones, “Confidence in U.S. Institutions Down: Average at New Low,” Gallup, July 5, 2022, <https://news.gallup.com/pol/394283/confidence-institutions-down-average-new-low.aspx>.

39 Economist Intelligence, “Democracy Index 2022,” <https://www.eiu.com/n/campaigns/democracy-index-2022/>.

40 Sarah Repucci, “Reversing the Decline of Democracy in the United States,” Freedom House, <https://freedomhouse.org/report/fredom-world/2022/global-expansion-authoritarian-rule/reversing-decline-democracy-united-states>.

41 Jake Lahut, “Only 17% Think US Democracy Is ‘a Good Example for Other Countries to Follow’ in New International Survey,” Business Insider, June 10, 2021, <https://www.businessinsider.com/approval-of-american-democracy-us-pew-research-capitol-siege-2021-6>.

Again,” have chosen regression, violence, and division.<sup>42</sup> He also linked US democracy at home to the US role in global affairs, arguing that world politics is at a turning point between democracy and autocracy, and “the quality of our democracy at home affects the strength and credibility of our leadership abroad.”<sup>43</sup> To address the decline of American democracy, the Biden administration has focused on the following areas.

The first is to safeguard the right to vote in elections. Biden emphasized that the riot at the Capitol on January 6, 2021 was the first time in US history that a peaceful transfer of power had been denied. The first and foremost way to reflect on the malaise of the system and revive democracy is to safeguard the American people’s right to vote with enough time and easy access to the polls. Biden and the Democrats argued that the tightening of voting restrictions in many Republican states was a disguised disenfranchisement of minorities and other groups. The Biden administration pushed the Freedom to Vote Act and the John Lewis Voting Rights Advancement Act through Congress to address voter suppression practices in states such as Georgia. These legislations aimed to preserve people’s voting right and expand democratic participation. Some Democrats have even expressed the intent to change the voting rules of the Senate to prevent individual members from obstructing the right to vote. In addition, Biden issued a presidential executive order requiring the US Departments of Justice, the Interior, Labor, and Veterans Affairs to take a whole-of-government approach to protect voter rights, including improving rules for early voting and voting by mail.

The second is to address social injustice in the digital age. The Biden administration and the Democratic Party believe that digital technology and the digital economy have brought new challenges to American democracy. It is a complex task to safeguard civil rights such as freedom of speech and

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42 The White House, “Remarks by President Biden Celebrating Labor Day and the Dignity of American Workers,” September 5, 2022, <https://www.whitehouse.gov/briefing-room/speeches-remarks/2022/09/05/remarks-by-president-biden-celebrating-labor-day-and-the-dignity-of-american-workers/>.

43 The White House, “National Security Strategy,” October 2022, p.7.

assembly in the digital age and to address systemic injustices in US laws, policies, and institutions. In implementing the Bipartisan Infrastructure Law, the Biden administration has invested \$65 billion to support the information infrastructure across the country to alleviate the digital and information divide among voters and to improve their digital literacy. It also announced an interagency Information Integrity Research and Development Working Group to address information manipulation related to elections and support local media and journalists. The Biden administration focuses on addressing the tribalism in American politics and repairing trust among the American people. For example, it has established the Community Revitalization Fund and promoted infrastructure projects based on communities to strengthen the bonds, sense of community, and trust among ordinary Americans. In addition, the Biden administration has implemented the Bipartisan Infrastructure Law and related agendas to promote social justice through skills training, health insurance, retirement security, and affirmative action in education. It has also set up mechanisms such as the Domestic Policy Council to facilitate these policies.

The third is to promote tax reform to address economic inequality. President Biden stressed that the substantial tax cuts for the wealthy and large corporations over the past decades have not benefited the American middle class but have increased inequality. Trickle-down economics, representing the neoliberal philosophy, has failed and needs to be replaced by “Bidenomics.” The Biden administration has revised the globalist approach of the Democratic Party, reshaped the international economic and trade policies, and reduced the impact of foreign economic cooperation on the middle and lower classes. At the same time, it has pushed forward the domestic tax reform and adjusted the distribution system to alleviate the discontent of American voters with money politics and enhance their confidence in democracy. The tax reform plan proposes to raise the top individual income tax rate from 37 percent to 39.6 percent for single filers with annual incomes of more than \$400,000 and married couples with annual revenues of more than \$450,000; to impose a 25 percent minimum

income tax on the wealthiest US nationals with a net worth of at least \$100 million, or 0.01 percent of the net worth of the wealthiest US nationals; to raise the corporate tax rate, which was lowered by the Trump tax reform in 2017, from 21 percent to 28 percent; to raise the tax rate on multinational corporations' overseas profits from 10.5 percent to 21 percent; and to increase the tax rate on stock buybacks from one percent to four percent. The Biden administration has underlined that these tax reform measures designed to “reward work, not wealth” will reduce the deficit by \$3 trillion over the next ten years.<sup>44</sup>

The fourth is to combat the major threats to US democracy. In the Homeland Threat Assessment 2020 issued by the US Department of Homeland Security, white supremacist extremists are identified as the gravest domestic terror threat.<sup>45</sup> President Biden made it clear that the United States faces major challenges posed by severe domestic threats, especially political extremism, white supremacy, and domestic terrorism. In June 2021, the Biden administration issued the first National Strategy for Countering Domestic Terrorism in US history. The strategy is organized around four pillars: firstly, enhancing domestic terrorism analysis and improving information sharing throughout law enforcement; secondly, preventing domestic terrorism recruitment and mobilization to violence, especially on internet-based communications platforms; thirdly, disrupting and deterring domestic terrorism activities, especially within the US government; and fourthly, confronting long-term contributions to domestic terrorism, which may be grounded in racial, ethnic, and religious hatred, bolstering public confidence in US democracy, and combating conspiracy theories online.<sup>46</sup> Moreover, the Biden administration has responded vigorously to alleged foreign interference, such as accusing the Russian government of meddling in

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44 The White House, “Fact Sheet: The President’s Budget for Fiscal Year 2024,” March 9, 2023, <https://www.whitehouse.gov/omb/briefing-room/2023/03/09/fact-sheet-the-presidents-budget-for-fiscal-year-2024>.

45 US Department of Homeland Security, “Homeland Threat Assessment,” October 2020, p.17.

46 The White House, “Fact Sheet: National Strategy for Countering Domestic Terrorism,” June 15, 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/06/15/fact-sheet-national-strategy-for-countering-domestic-terrorism/>.



US elections and launching multiple rounds of sanctions against Russia.

The fifth is to revitalize the leadership of American democracy at the global level. According to Professor Hal Brands at Johns Hopkins University, democracies face three interrelated threats: the challenge to democracies from authoritarian states such as Russia, transnational issues vital in the institutional competition, and the decline of democracies from within. In his view, a global response is necessary to counter those threats, and the Biden administration address them in a larger strategic framework.<sup>47</sup> The Biden administration tries to integrate the domestic restoration of democracy with US global leadership and its response to great-power competition. It has dramatized the ideological competition between the US and China and even characterized it as “between democracy and authoritarianism.” The Interim National Security Strategic Guidance declared, “Authoritarianism is on the global march, and we must join like-minded allies and partners to revitalize democracy worldwide.”<sup>48</sup> In December 2021, the Biden administration hosted the first “Summit for Democracy.” The Presidential Initiative for Democratic Renewal was launched during the event to strengthening democratic resilience and human rights protections globally through diplomacy and assistance. The US announced \$424 million in 2022 to support media freedom, international anti-corruption, democracy and elections, and technology for democracy.<sup>49</sup>

## **US Hegemonic Renewal and the Future of China-US Relations**

The hegemonic renewal led by the Biden administration is closely linked to the strategic competition with China. One impetus for US domestic and foreign policy changes is to triumph over China in the great-power

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47 Hal Brands, “The Emerging Biden Doctrine,” *Foreign Affairs*, June 29, 2021, <https://www.foreignaffairs.com/articles/united-states/2021-06-29/emerging-biden-doctrine>.

48 The White House, “Interim National Security Strategic Guidance,” March 2021, p.19.

49 The White House, “Fact Sheet: Announcing the Presidential Initiative for Democratic Renewal,” December 9, 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/12/09/fact-sheet-announcing-the-presidential-initiative-for-democratic-renewal/>.

competition. Political elites recognize the importance and urgency of this competition, which also connects with the dilemmas of US hegemony. In their view, China's rise poses the biggest challenge to US hegemony, and the competition against China has a bearing on the direction of the international order. Identifying China as "the only competitor with both the intent to reshape the international order and, increasingly, the economic, diplomatic, military, and technological power to advance that objective," the Biden administration's National Security Strategy stressed that the US will maintain a "a free, open, prosperous, and secure international order."<sup>50</sup> The United States views the 2020s as the defining decade in the China-US competition and fears that China may soon overtake the US as the world's largest economy. The US strategic circle is also concerned that China poses a significant challenge to US global leadership based on the technological revolution and undermines US dominance in international security through its militarized use of advanced technologies. Thus, the Biden administration has promoted the hegemonic renewal, especially in bridging the partisan differences, by dramatizing the "China threat." The renewal of US hegemony aims to systematically repair and strengthen its material, network, and ideological power. It poses risks to China and a significant challenge to the trajectory of China-US relations that should not be taken lightly.

First, the United States tries to widen the gap between China in economic, scientific, and technological strength, reduce its dependence on China, and weaken the world's expectation of China's development. The competition for material strength is the key to the great-power competition, based on the economic system and closely related to a country's innovation capabilities. According to Robert Atkinson, President of the US Information Technology and Innovation Foundation, while the United States and the Soviet Union fought the Cold War primarily through military force, the China-US geopolitical game is a competition for economic power based on

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50 The White House, "National Security Strategy," pp.23-25.

technological leadership.<sup>51</sup> Suppose the American modern industrial strategy is successfully implemented, the advanced manufacturing of the United States will be improved, and its innovation ecosystem will take on a new look to build “lasting competitive advantages” over China. With Biden’s implementation of the new Washington consensus, changing the United States’ selective decoupling from China is a complex issue. It is expected to intensify the securitization of US economic and trade policy toward China while other Western countries become more cautious in their economic cooperation with China. Although the China-US trade volume reached a new high in 2022, China fell from the United States’ top trading partner to the fourth. According to Chad Bown, a senior research fellow at the Peterson Institute for International Economics, China and the United States have shown signs of decoupling on consumer electronic products.<sup>52</sup>

The A.T. According to Kearney’s annual Reshoring Index, the share of Chinese goods in US imports from Asian countries fell to 50.7 percent in 2022, down from nearly 70 percent in 2013. This share could fall below 50 percent by 2023 as Western enterprises move their operations out of China. At the same time, there are strong trade relations between the US and the EU, with US imports from Europe growing by nearly 13 percent in 2022, compared with a 6 percent increase in imports from China. The share of US imports from Vietnam has doubled over the past five years, and the percentage of imports from India, Malaysia, and places like Taiwan has also expanded. According to a Deutsche Bank study, 95 percent of Chinese goods the US needs can be substituted in other Asian countries and regions.<sup>53</sup> An article in *The Economist* suggests that the “Alternative Asian Supply Chain,” including India, Vietnam, and Malaysia, is more cost-competitive, and its

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51 Robert Atkinson and Nigel Cory, “Time for Competitive Realism,” *The International Economy*, Winter 2023, October 13, 2022.

52 Chad P. Bown, “US Imports from China Are Both Decoupling and Reaching New Highs. Here’s How,” March 21, 2023, <https://www.pie.com/research/pie-charts/us-imports-china-are-both-decoupling-and-reaching-new-highs-heres-how>.

53 Primrose Riordan, Chan Ho-him and Andy Lin, “China Set to Account for Less Than Half of US’s Low-Cost Imports from Asia,” *Financial Times*, June 3, 2023.

exports to the United States will continue to grow.<sup>54</sup>

It is worth noting that strategic circles of the US and other Western countries have advocated the theory of “China’s rise is about to peak” to affect the China-US competition from the perspective of development expectations. The move is to swing allies and partners’ sentiments and attract them to support the US. According to Professor Michael Beckley at Tufts University, China’s rise will come to a standstill in the coming years due to serious ageing problems, lack of resources, increasing financial pressure, and the West’s decoupling from China. China’s rise will end, and the country will not overtake the US in terms of economic scale.<sup>55</sup> In this context, China can hardly attract other countries economically and become more “aggressive” due to domestic challenges, thus shaping a “peak power trap.” This theory has been met with doubts. Joseph Nye said that underestimating China is just as dangerous as overestimating it and that downplaying China’s achievements and ambitions could cost the US its long-term advantage. He also emphasized that US efforts to prevent China from acquiring advanced chips would slow, but not end, China’s progress in artificial intelligence. Even so, the theory of “China’s rise is about to peak” still hurts the world’s perspectives on its development and puts undeniable pressure on China’s ability to stabilize its foreign trade and investment, expand its international technological cooperation, and even maintain its diplomatic relations. China must pay attention to the controversy over its economic development expectations, proactively introduce meaningful reforms and high-level opening-up, promote technological independence and keep growth momentum on course.

Second, the US latticework of alliances and partnerships poses a new challenge to China’s strategic environment. Since 2012, when China put forward the concept of building a community with a shared future

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54 “Global Firms Are Eyeing Asian Alternatives to Chinese Manufacturing,” *The Economist*, February 20, 2023, <https://www.economist.com/business/2023/02/20/global-firms-are-eyeing-asian-alternatives-to-chinese-manufacturing>.

55 Michael Beckley and Hal Brands, “The End of China’s Rise,” *Foreign Affairs*, October 1, 2021, <https://www.foreignaffairs.com/articles/china/2021-10-01/end-chinas-rise>.

for mankind, it has oriented its policy thinking on connectivity, actively constructed a global partnership network through the Belt and Road cooperation and other initiatives, and raised its voice in regional and international multilateral mechanisms. The US perceives China's strategy of choosing partnerships over alliances and its leadership in global governance as a threat to its hegemony. The game related to network power has gradually become a focus of the US strategic competition with China. The Biden administration pushes to form a latticework of alliances and partnerships and reinforce the bloc politics of China-US relations. The US will use the alliance system to shape and solidify its allies' perceptions of China as a threat. It will use issues such as "economic coercion" and digital authoritarianism" to exert pressure on China, undermine China's image, weaken the strategic trust between China and other countries, and increase China's political cost of participating in and leading international affairs. The US-led multilateral groupings in the military, supply chain, critical minerals, and science and technology will cause substantial damage to China's sovereignty, security, and development interests. For example, with the interconnection within the US-Japan-Austria, US-Japan-ROK, US-UK-Australia, and US-Japan-Philippines mini-lateral mechanisms, the US military deployment in China's neighboring regions and the effectiveness of such synergy will bring greater military pressure on China. Some countries may also decouple from China under the pull of the United States and threaten China's role in the global industrial chain and supply chain.

In particular, the US latticework of alliances and partnerships also includes some developing countries, complicating the China-US game around the Global South. The Biden administration's National Security Strategy states that "we recognize that some may harbor reservations about American power and our foreign policy. Others may not be democratic but depend upon a rules-based international system," emphasizing that the US would not transform other countries into US models but build an inclusive coalition, engage more with countries in the Middle East, Africa, Latin America, and other regions, and place greater emphasis on meeting their

economic and developmental needs to ensure they maintain autonomy when facing China.<sup>56</sup> The American flexibility to enlarge its partner circle suggests that the United States is trying to pull in anyone that is resource-rich, geo-strategically important and has a considerable potential market. While denying China's identity as a developing country, the US works with its allies to expand its influence in the Global South and drive a wedge between China and the Global South. According to Finland's former Prime Minister Alexander Stubb, the new world order will be determined by a triangle of power oscillating between the Global West and Global East—which comprise China, Russia, Iran, etc.<sup>57</sup> This view of China as disconnected from the global South represents a Western strategic view.

Third, the United States will intensify its ideological competition against China. According to Robert Kagan, competition among the great powers and the confrontation between democracy and authoritarianism are the two realities of our time. The reinforcing ideological competition between the US and its allies and rivals is a crucial component of the US strategy to maintain hegemony. In discussing the US strategy of long-term competition with China, Hal Brands argued that the United States should escalate, not diminish, the ideological conflict between liberalism and authoritarianism. However, the predicament of the American democratic system is one of the most crucial factors affecting US hegemony. In this context, ideological considerations occupy a vital part of Biden's China policy, which keeps on propagating the idea of "democracy versus authoritarianism," hoping to revitalize American democracy on the one hand and force other countries to choose sides. US politicians such as House Republican Leader Kevin McCarthy have maliciously exaggerated the ideological confrontation between the so-called liberal democratic world and the Communist Party of China (CPC) and turned the "China threat" into the "CPC threat" to activate the Global West and intensify the ideological

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56 The White House, "National Security Strategy," p.18.

57 Alexander Stubb, "The West Must Learn from Its Mistakes If It Wants to Shape the New World Order," *Financial Times*, May 10, 2023.

confrontation. The ideological competition is increasingly characterized by a “whole-of-government” and “whole-of-society” approach, with more inter-agency coordination within the government and an emphasis on mobilizing civil power from tech enterprises and labor organizations. The Presidential Initiative for Democratic Renewal and the Countering Chinese Influence Fund have become significant policy tools to exert ideological pressure on China.

In addition, the US ideological pressure on China is characterized by cross-domain linkage, i.e., the integration of ideological factors with policy issues in different fields such as economy and trade, science and technology, security, etc., thus highlighting the expanding “China threat” and creating conditions for economic and trade decoupling from China and an alliance of democracy and technology against China. The multilateral synergy also deserves attention. The Biden administration has formed a coalition of values through various approaches. Besides the “Summit for Democracy,” the US has used platforms such as the G7, the US-Japan-India-Australia Quadrilateral Mechanism, NATO, and the US-ASEAN Summit to bolster China’s “ideological threat.” Some members of the US Congress have formed an Inter-Parliamentary Alliance on China with members of the British, German, and Japanese parliaments. They have tried to exert pressure on China on the grounds of so-called “digital authoritarianism” and “forced labor” through cooperation among the legislative branches. The US has worked with Japan, Australia, and the authorities in China’s Taiwan region to promote the Global Cooperation and Training Framework (GCTF), a mechanism for exchanging experiences dealing with China’s rising power.

The renewal of US hegemony has a strong inclination against China. However, it should be noted that the US has many limitations in promoting the hegemonic renewal, whose goals are contradictory in different dimensions. For example, President Biden’s economic revitalization plan failed to win the support of Republican lawmakers and even some Democratic lawmakers, the “big government” and protectionism embedded



in the modern industrial strategy have been controversial, and the reshaping of the supply chain has triggered high inflation and other economic problems. The Biden administration cannot heal the cracks in American democracy. Driven by demographic factors, white supremacy and right-wing populist politics are becoming powerful, and political fragmentation, dysfunctional governance, and even risks of civil war will make the US restless. The country's ideological power as a model of democracy may continue to decline. The "America First" principle of the Biden administration and the Democrats and Biden's weak position in domestic politics limit Biden's ability to reshape its alliance system. The US strategy of hegemonic renewal will put relations with allies to a new test. According to Gary Hufbauer, a senior fellow at the Petersen Institute for International Economics, statements by senior Biden administration officials like Jake Sullivan signalled a shift toward neo-mercantilism. The modern industrial strategy may trigger a subsidy race between the US and its allies, who are also dissatisfied with the US export controls and long-arm jurisdiction to maintain its trade advantage. They try to find a middle ground between full compliance with US prohibitions and pushing back to US controls. Moreover, the Russia-Ukraine challenges have brought the US strategic pressure from different perspectives. The Indo-Pacific Strategy of the United States also suffers from a lack of economic and financial support and policy coherence.

In short, great-power competition is a multi-dimensional game of material, network, and ideological power and, to a large extent, a game of strategic adjustment. China should pay attention to the US moves toward hegemonic renewal and, at the same time, have a clear understanding of the dilemmas faced by the US and the limitations the country faces in its hegemonic renewal drive. China must respond to the long-term and complex strategic game with the United States in a confident, prudent and sophisticated way. 🌐



# Contents

## **5 The US Strategy to Maintain Hegemony and the Future of China-US Relations**

*Zhao Minghao*

The US hegemony is in relative decline compared to its post-Cold War dominance. The US seeks to renew itself to maintain its hegemony, which is closely linked to the strategic competition with China. The renewal of US hegemony aims to systematically repair and strengthen its material, network, and ideological power. It poses risks to China and a significant challenge to the trajectory of China-US relations that should not be taken lightly.

## **35 The Evolution of US Indo-Pacific Strategy and China's Perception and Strategic Response**

*Ling Shengli*

The US has transformed its Indo-Pacific strategy from a concept into a reality with a growing international impact after three terms of US administrations. The Indo-Pacific strategy has intensified the China-US strategic competition, worsened the security situation in the Asia-Pacific region, and harmed regional cooperation, with all kinds of strategic blockades against China. China's perception of and response to the strategy are of particular importance.

## **57 The De-Risking Strategy of the US and the EU Toward China and Its Impact on China**

*Ke Jing*

President von der Leyen proposed that the US and the EU align on a de-risking strategy towards China, focusing on critical supply chains, economic coercion, export controls, and technology standards. As the US and the EU converge, skepticism lingers on achieving de-risking goals, yet the potential to disrupt China's development environment is undeniable. It is necessary to delve into this evolving dynamic and emphasize China's need for global partnerships and open trade strategies.