

September 11, 2023

White Paper



This is the GEOIntelligence Group's first White Paper – these reports are published monthly on strategic topics. This report focuses on “Great Power Competition.”

After the end of the Cold War in the early 1990s, it seemed that Great Power Competition would enjoy a pause, with a single Great Power (the United States) enabling booming global economics, the spread of democracies, and many other opportunities. This period lasted perhaps 20+ years, but is clearly over, with a return to Great Power Competition and along with it, critical ramifications for the U.S., the West, and indeed, the world.

Great Power Competition Key Points:

- The U.S., and increasingly the West, are scrambling to adjust to a new and dangerous threat environment, with strategic competition with China and Russia. Foreign policy has returned to center stage for the first time since the Cold War era.
- The global operating system is under attack, and diplomacy is rattled due to multiple challenges occurring at the same time:
 - China and Russia are attempting to alter international order, each in their own way, to disadvantage the U.S., our allies, and partners, using all elements of national power (diplomatic, information, military and economic) and across all domains (land, sea, air, space, and cyberspace).
 - In the day-to-day “gray” zone, the economic arena plays a critical role in this competition, but nothing is off limits, even our public institutions and social media.
 - The world is aligning and choosing sides – the G-20, Global South and Developing World are all paying attention to the struggle as they are courted by competitors.
 - This is a very challenging strategic security environment – for the first time in the world's history, there are three nuclear peers, with U.S., Russia, and China each capable of vertical escalation from the gray zone, to crisis, to conflict, and even strategic attack.
- This century will be complex, ambiguous, volatile, and uncertain, with each Great Power vying for the advantage:
 - Russia is the acute and disruptive force, focused mainly on their “near-abroad.” Although declining in power, Russia will be dangerous for years to come.
 - China is a coercive force today with growing power across the board, aimed first to become a regional hegemon, but with long-term global ambitions.
 - The U.S. retains several advantages, including the world's strongest economy and military, as well as reliable allies and partners; yet the U.S. is aggressively contested by Russia in the short-term, with China as the long-term “pacing” threat.



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Background:

Great Powers have many attributes to qualify for this unique status. In the modern era, a Great Power is a nation-state that has the intent and capability to influence the globe spanning all elements of national power. These elements can be succinctly referred to as “DIME,” or Diplomatic, Informational, Military, and Economic qualities.

Great Power Competition is timeless. From antiquity to the present, most of world history involved contests amongst Great Powers. In ancient times, we can reflect on many empires, such as the Egyptians, Greeks, Romans, Chinese, Aztecs, and others. More recently, in the first half of the 20th century, we can recall the Great Powers of the United Kingdom, Germany, Japan, France, Russia, and the emergence of the United States.

During the latter half of the 20th century, the United States and the Soviet Union occupied prime positions for exerting global influence, and engaged in a notable rivalry as Great Powers. During this era, much of the world aligned with either of these powers, their focus centered predominantly on an ideological struggle.

This competition spanned various domains and persisted from around 1948 to 1991, famously referred to as the “Cold War.” The term arose from the unique nature of this conflict, wherein both sides learned to vie against each other without resorting to conventional warfare or a “hot war.” This restraint was motivated by the introduction of nuclear weapons, which raised fears that a direct military clash between nuclear-armed nations could potentially escalate into a catastrophic nuclear conflict.

This is not to imply that the Cold War was devoid of armed conflicts. In fact, numerous conflicts emerged, several of which featured one side – either the USSR or the U.S. – striving to gain advantages by backing and exploiting proxy wars against the other. The early 1990s witnessed an unexpected yet peaceful conclusion to the Cold War, with the Western bloc emerging as the clear victor, led by the United States.

After the collapse of the Soviet Union, optimism took hold, with many believing that a “New World Order” had emerged, replacing Great Power Competition with a stable international order for the foreseeable future, led by a largely benevolent sole Great Power, the United States.

In the early 1990s, Russia had no choice but to take a knee and accept a greatly reduced role on the world stage. At the same time, China focused mainly on its economic prospects while maintaining tight internal control, keeping open the possibility of a non-competitive rise in status over the long term.

In retrospect, it seems clear that Russia and China watched the United States closely, and separately developed strategies to compete with the U.S. and the West in general. It took the U.S. several years to realize the geo-political shift toward Great Power Competition was taking place, and even longer for some of our allies (particularly in Europe), acknowledging that we had many irons in the fire, especially to include extended wars in the Middle East and Central Asia, and more broadly, the war on terror following 9/11.

It is obvious that strategic competition amongst Great Powers has returned to center stage. The White House’s 2022 National Security Strategy states: “We face two strategic challenges. The first is that the post-Cold War era is definitively over, and a competition is underway between the major powers to shape what comes next...”

Implications:

In contrast to the Cold War, which featured a rivalry between two major powers, the current scenario entails a competition among three significant players: the United States, Russia, and China. Various labels are emerging to capture this complexity, and one such term is the “Three-Party Dynamic.” This dynamic renders the Cold War comparatively less intricate in relation to the formidable tests confronting the United States and Western nations. Why is this the case?

An interesting connection in the fields of physics and geopolitics helps to explain this new dynamic. In physics, a two-body problem can be solved with a “closed-form solution” – meaning a solution that can be expressed in finite terms, and with great predictability. In terms of geopolitics, the Cold War would be a prime example of the two-body problem, where both sides, the U.S. and USSR, largely understood each other’s objectives and red lines. Whenever crises would occur threatening stabilization, both sides sought alternatives to direct military conflict, allowing crises to subside, to reestablish two stable bodies and general predictability.

Unlike the two-body problem in physics, with the three-body problem, there is no closed-form solution, and the resulting system is dynamic, unpredictable, and non-linear. This may be the nature of today’s Three-Party Dynamic geopolitically, where each of the three Great Powers has the potential for simultaneous chaotic and unstable interactions. Making it more challenging for the U.S., is that other two parties, China, and Russia, have similar aims, such to destabilize international order at the expense of the U.S. and democracies on a broader scale; whereas the U.S.’ aim is to maintain status quo of international order.

Historically, there are many instances involving competition – even conflict – with three or more Great Powers, but there were no examples where each of the three parties had the ability to existentially destroy the others with nuclear weapons – this is unique.

During the Cold War, where after learning from a series of escalating crises, both sides determined that direct conflict with the other could spiral into a limited nuclear war – or worse. The acme of Great Power Competition was through a mutual vulnerability that enabled deterrence to the left of or prior to conflict.

Strategic Deterrence proved critical to disincentive escalation by Great Powers.

Strategic Deterrence:

Deterrence relies on influencing an aggressor’s perceived consequences of action and restraint. Deterrence aims to convince adversary decision makers that military or other aggression or escalation would be ineffective and/or too costly, and that acceptable, though not preferred, alternatives to aggression exist and should be taken.

Strategic Deterrence involves all elements of national power, or once again, “DIME” (Diplomatic, Informational, Military, and Economic) capabilities. Though deterrence as a theory is perpetual, the domains, especially within the military instrument of power, have changed remarkably with emerging technologies with cyber, space, hypersonics, etc.

Perhaps some have heard of the emerging U.S. strategy of “Integrated Deterrence.” Secretary of Defense Austin and other senior U.S. leaders make it clear that “Integrated Deterrence is the cornerstone of our national defense.” The 2022 National Security Strategy highlights that our integration strategy will be across domains, regions, the spectrum of conflict, and the U.S. Government. It also focuses on strong integration with allies and partners, with a foundation of nuclear deterrence to deter strategic attacks against the U.S., allies, and partners.

Overview of Great Powers:

United States:

Much like the post-WWII Marshall Plan, where the U.S. implemented policies to promote U.S. and Western economic and political/ideological interests through interconnectivity, industrial reforms, and more open economies, its post-Soviet era goals have, in a macro-sense, stayed the same. While some of the key players on the international stage changed over time, U.S. objectives arguably remain similar: open economies, bolstering of the capitalist model as the road to success, encouraging democracies, and reinforcement of the U.S.' role at the head of the table by retaining a dominant voice in the control of the machines that maintain a post-Cold War status quo, such as NATO, the World Bank, and International Monetary Fund. The U.S. model to strategic competition presents challenges to China and Russia, as a U.S. – established world order keeps the U.S. in a dominant position. Conversely, by challenging the U.S.' strengths of alliances, economy, military, and institutions, which is in both Xi and Putin's interests could weaken the U.S. These strengths are therefore the targets that China and Russia aspire to disrupt.

China:

While there are disagreements on the pace and extent of their grand strategic goal, most analysts agree China's fundamental aim is to supplant U.S. ideological, economic, and political dominance. Xi has been much more willing than his recent predecessors to flex his muscle to target U.S. (and generally, Western) dominance. Many of Xi's endeavors confront U.S. ideological, economic, political dominance simultaneously, diminishing the U.S. "brand" while simultaneously enhancing that of China. The list is exhaustive but includes efforts such as: opening the economy and embracing a form of market capitalism; the Belt and Road Initiative; exportation of the Chinese culture through Confucious Institutes and exchange programs; emerging on the global stage to broker international peace accords; and increasingly seeking international agreements/treaties that place China in a leadership role. While already a significant regional military power, China's economic growth has enabled them to become an expanding power (although with very high debt, perhaps 280 percent or more of their GDP).

Yet, recent activity from China suggests that as of today, they realize they are in no position to confront the U.S. boldly and directly (e.g., tepid support for Russia in response to Russia/Ukraine, palpable fear of Western sanctions, loud opposition to recent U.S. calls for export restrictions on high tech, etc.). But China is addressing their relative weaknesses.

China's efforts are underpinned by enormous military growth and modernization, and it appears that Xi's China is ready to increasingly posture against the West. An example of this is China's growing aggression in the South China Sea and near Taiwan. During this decade, China is expected to undergo a significant expansion of military capabilities, to include their nuclear forces, that could give them clear overmatch of U.S. conventional capabilities in the region. While China is largely driven first by its desire for regional security, this expansion of capabilities has led it to lay claims to areas further abroad like the Arctic, as well as develop strategic bases in other regions, along with increasing confidence over time to potentially move against Taiwan. While Xi may be cautious, his eye remains fixed on that long-term goal: Supplant U.S. ideological, economic, and political dominance – first regionally and then globally.

Russia:

Putin shares Xi's goal of a world where U.S. ideological, economic, and political dominance are diminished. However, his strategic goals are less grand than those of Xi, as Russia's economy is weak in comparison. Russia's GDP is about one-tenth that of China, and even less so compared to the United States. Putin clearly wants a greater influence regionally, with his greatest challenge identified as a potentially regime-ending conflict in Ukraine. Putin's Russia will continue to seek undoing the effects of what Putin has called "the greatest geopolitical catastrophe of the century." While Putin may only dream of a re-established "Soviet Bloc," he will continue to seek a buffer between Russia and the West, weaken NATO and other Western alliances, and do what he can to take advantage of their world-leading energy stores. All the while, Putin continues to seek a Ukrainian solution that allows him to keep a portion of his conquest (and his position too); and he will continue to strengthen his alliance with Xi. After all, it was a Chinese General, Sun Tzu, who said: "The enemy of my enemy is my friend."

While maintaining some modicum of its Cold War military force from the Soviet Union, especially its nuclear force, Russia is a declining power – this competes with Putin's purpose of Russia regaining its place in the world. With an economy roughly the size of Italy and a shrinking population, this is a losing battle in the medium to long term. This is also likely to lead Russia to continue to behave as a more adventurous and aggressive international player in the near term as Putin seeks to reverse their decline. Ukraine may very well serve as a key marker in the decline of Russia as a great power, that as Paul Kennedy concludes, occurs because of decades of declining economic activity preceding lengthy military activity.

Several political scientists have concluded that the balance of power between Russia and China has reversed during the war in Ukraine, and that Russia has now become the junior partner in the relationship.

October's White Paper Report:

This report attempted to layout the "big picture" to underpin the next White Paper, that will deep-dive into the three Great Powers in terms of strategic objectives, strengths, weaknesses, and forecast into the near and medium term, with key indicators to keep an eye on.

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