

China's Rise Can Unite NATO

The rise of China gives the alliance renewed purpose after years of deadlock. It falls on Europe to invest in the opportunity that the Biden administration offers.

By Henrik Larsen

NATO experienced an unprecedented internal crisis after the election of President Donald Trump, who hesitated to commit the US clearly to NATO's collective defense (Article 5). Trump's obsession with the failure of most NATO allies to meet the two percent defense-spending threshold focused NATO discussions disproportionately on burden sharing. The Trump administration's 'transactional' treatment of its allies resulted in a fundamental lack of coordination on strategic issues. Against this backdrop, French President Emmanuel Macron in 2019 polemically diagnosed the alliance to be experiencing "brain death."¹

Meanwhile, the rise of China gives NATO a new strategic purpose. China's values are so fundamentally different from Western principles of freedom and human rights that they add new meaning to transatlantic security cooperation. China's technological lead and economic inroads challenge the openness and resilience of Western societies. China presents the US with an additional challenge, namely as a growing military threat in the Asia-Pacific, a concern that most European capitals except for Paris and London do not share. Whereas Europe sees value in the US as a powerful ally to maintain an international order in defense of common (liberal) values, the US needs Europe to demonstrate a material commitment that proves NATO is more than a discussion club.

In principle, China's rise offers the opportunity for a new transatlantic bargain, provided that Europe invests more in the continent's own security and the

US recommits to the 'liberal order'. Joe Biden's victory in the US presidential election gives NATO a chance to reinvent itself. However, as China's rise draws US military resources toward Asia in the coming years, NATO's ability to act as a united force will depend on whether the Europeans develop the capacities to counter China as a challenge to societal resilience, as well as on their ability to bear a greater burden in the defense of their own continent.

Transatlantic Drift and Cohesion

NATO has endured many crises throughout its history, but the wavering US commitment under Trump was unprecedented. Trump was elected President in 2016 in a highly

Key Points

- China's rise as an illiberal great power with a technological edge gives increased prominence to NATO's role as a protector of free societies.
- A new transatlantic bargain is needed, in which Europe invests more in the continent's own security in return for the US engaging in a transatlantic dialogue about how best to counter China as a threat to resilience and liberal order.
- The incoming Biden administration offers an opportunity for a joint transatlantic approach to China, provided that Europe safeguards its critical infrastructure for continued intelligence sharing and joint military planning and also shoulders a bigger burden in containing Russia, as the US shifts its focus to Asia.

polarized US society, which was at least partly a ramification of globalization. Under the foreign-policy slogan of 'America First,' Trump was skeptical of alliance systems and open trade regimes, which he considered a diversion from the need to invest in domestic industry, infrastructure and the armed forces. As Commander-in-Chief, Trump never fully committed to Article 5 and even went so far as to speculate about a US withdrawal from NATO. Trump's trade wars, his encouragement of EU disintegration, and his unilateral demands eroded Europe's confidence in the US as a predictable and reliable partner. Hence, NATO spent the past few years muddling through in transactional ways with little common vision about its regional or global role.

Yet, NATO was never close to dissolution. Rather, the burden-sharing dispute is symptomatic of a structure in which the predominant power wants its allies to pay more but also remains unwilling to abdicate its leadership role, which gives it outsized influence over allied decision making on most strategic issues. More than any other recent political phenomenon, President Trump shows the difficulty that a single leader faces in breaking out of the structure of transatlantic cohesion. The list of policy initiatives under the Trump administration is far from an indication of NATO abandonment. Trump reinforced NATO's eastern deterrence in response to Russia's aggression in Ukraine; he supplied Ukraine with lethal weapons, reversing the Obama administration's policy; and he continued NATO's enlargement with the accession of Montenegro in 2017 and North Macedonia in 2020. A shift of priorities toward the Asian theater did not cause the US to abandon the European security arrangement.

Europe's interest in NATO lies in security at a low price. The 'easy-riding' Europeans learned how to invest enough in security that Washington saw no grounds for abandoning the alliance. The countries in close proximity

to Russia that maintain acute security concerns (Poland and the Baltic States) and the strong transatlanticists (UK, Denmark, and Norway) were generally committed to defense spending. Yet, all NATO allies (even France) prefer US involvement in Europe to alternative security arrangements. Europe has no alternative to the alliance with the US in its wish to uphold the 'liberal order'. This was true even under the Trump administration, when European strategic autonomy became a topic of growing discussion in some European capitals but gained little traction overall.

NATO is unlikely to dissolve, but it is also unlikely to revive in the absence of a clear external purpose. Russia's aggression in Ukraine caused NATO to adapt its force posture and increase resilience, but without giving the alliance a new unifying purpose. However, China's growing influence in Europe and ascendance on the world stage have the potential to offer precisely this. China's state-led economy and alternative view of global order present the transatlantic alliance with a systemic challenge that requires more than incremental adaptation.

China and the Free World

China's growing economic footprint in countries around the world is a challenge to NATO because it threatens to consolidate a separate China-led order. One risk is that countries will become excessively dependent on Chinese technologies and investments. This concern centers not just on less-developed countries, but even on relatively developed European countries like Serbia, which cooperates with China in such areas as 5G and facial recognition technology. In view of the Chinese Communist Party's unrestricted power to interfere in Chinese corporate activities for purposes of espionage and disruption, such relationships pose potential security risks. Moreover, autocracies around the world that already find common ground with China in resistance to international criticism of their human rights abuses now also gain access to Chinese technologies that enhance their ability to perpetrate them. NATO should be particularly worried about how China's relationship with Russia develops, though the situation is still too uncertain to predict the emergence of an anti-Western alliance.

The United States was quick to sense the danger of technological power in the hands of an authoritarian peer competitor that poses a military threat to its interests overseas. Europe, by contrast, only fully woke up to the implications of a China dependency amid the corona crisis. The growing number of countries deciding against Huawei as a 5G-network provider offers reason for cautious optimism that Europe will be able and willing to safeguard its critical infrastructure

Further Reading

Simona Soare (ed.), *Turning the Tide: How to Rescue Transatlantic Relations* (European Union Institute for Security Studies, 2020). An overview of the factors and issues that will shape transatlantic relations in the next decade.

John Andreas Olsen (ed.), "Future NATO: Adapting to New Realities," *RUSI Whitehall Papers*, 2020. Ten chapters examining NATO's policies ranging from technological challenges to partnerships.

Michael Kimmage, *The Abandonment of the West: The History of an Idea in American Foreign Policy* (Basic Books, 2020). A discussion about the tension between the liberal order and illiberal nationalism and the need to revive the idea of Western civilization.



Former U.S. Vice President Joe Biden giving a speech in Beijing in December 2013.
Lintao Zhang / Pool / Reuters

adequately against the risk of external intrusion. This is crucial for a functioning NATO in which allies can continue to trust each other for the exchange of intelligence and for joint military planning. Even for countries like Poland and Hungary that have experienced illiberal setbacks, and with the possible exception of Turkey, the transatlantic community is gaining higher prominence in countering the Chinese challenge to open societies. The importance of NATO's commitment to the resilience of societies (Article 3) cannot be stressed enough. For NATO, China will remain a primarily non-military threat and a challenge to the allies' resilience and ability to maintain their independence.

The Art of the NATO deal

China's rise is reviving NATO's *raison d'être*, a process that has only just begun. The alliance's adaptation will share similarities with familiar burden-sharing disputes, but with the notable difference that there is now a systemic challenge to confront as a united bloc. However, it is important to qualify the conditions under which the US and Europe could come to agreement on a comprehensive transatlantic response. Europe's interest is not in finding itself caught up with the US in a great-power confrontation against China, but in preserving an international order that safeguards common (liberal) values. By contrast, the US is more likely to put its weight behind such an order if it sees that Europe is not a 'weak link,' but a valuable partner willing and able to build its resilience against China and take on greater responsibility in containing Russia so that Washington can focus on the Asia-Pacific. The aim should be to strike a new bargain, in which Europe invests more in the continent's own security in return for the US engaging in a transatlantic dialogue about how best to counter the Chinese resilience threat.

The transition into a Biden administration in the United States comes at an opportune time, offering the possibility of a joint transatlantic approach to China. It is important to acknowledge that Trump did bring about change in NATO policy toward China, culminating in the High-Level Meeting in 2019 that recognized the need for resilient and secure 5G networks.² His administration persuaded a number of countries, including the UK, Poland and Slovenia, to reject high-risk (Chinese) 5G vendors. However, the Trump administration's pressure on European countries to adapt has consisted of little more than a list of demands that were not conducive to transatlantic consensus.

Biden's understanding of transatlantic security is broader than numerical commitments to spend two per cent of GDP on defense, and his understanding of China is more in line with the European understanding of order and values. Apart from a non-transactional and more trust-based and durable foreign-policy style, a Biden administration will almost certainly be more conducive to a transatlantic dialogue about the increasingly pertinent question of how to shift global supply chains and strengthen resilience. This includes NATO-EU cooperation to meet the challenges that both Russia and China pose.³ His administration will also look favorably upon allied investments in actual capabilities, including civilian readiness against foreign meddling.

Yet, the Europeans should not view Biden in isolation from the forces that brought Trump to power. Biden won the election in a highly polarized society on the promise of a 'foreign policy for the middle class,' namely one that focuses on domestic investments as a precondition for external competition.⁴ Biden would likely be better at explaining how US and European interests converge, but his focus on the domestic base will require that he demonstrate that allies will not (again) be allowed to free ride under his leadership. He will continue to be dissatisfied with allies' under-spending. He will understand that most European countries do not perceive China as a military threat, but nevertheless expect them to prove NATO's relevance to US grand strategy.

The Ball in Europe's Court

China's rise has the potential to revitalize NATO, provided that Europe's awakening generates sufficient political will to muster the material power to stand up to its rivals. China's rise can stimulate increased European security investment directly and indirectly.

Directly, China's threat to resilience (through espionage and disruption) and liberal values (privacy, individu-

al freedoms) will predispose the European states to focus NATO discussions on the security of critical infrastructure and cyber deterrence. Although most European countries may ultimately navigate around Chinese 5G, this issue should become a catalyst for technological independence in other critical areas, notably artificial intelligence (surveillance and facial recognition). The prospect of Chinese tech dominance in an age in which trade policy and security are closely interlinked is pushing European countries to adapt, in the first place by strengthening the coordination of national measures such as investment screenings and export controls for dual-use technology that should not be allowed to fall into Chinese hands.

Although the US and the EU are often rivals when it comes to trade, the future holds the potential for transatlantic cooperation in the tech competition against a growing illiberal great power. Stimulating tech innovation is part of Europe's effort to strengthen its resilience in areas such as quantum computing, artificial intelligence and 5G/6G that will underpin national military capabilities. Despite different rules for data privacy and regulations, the US and the EU clearly share fundamental values that are different from China's authoritarian approach to autonomous systems and data storage.⁵ The battle currently focuses on the global standardization bodies, where the Western democracies in general and NATO allies in particular must ensure that technologies remain interoperable and are not instrumentalized to deepen existing dependencies with countries in need of inexpensive connectivity.

Indirectly, China's rise forces the European states to recognize that US resources will increasingly be drawn toward Asia and that Europe must therefore bear a greater share of the burden to ensure security. While NATO is unlikely to project force into the Asia-Pacific to counter China's growing regional power, Europe will be compelled to devote resources to the containment of Russia, which continues to enjoy a regional conventional advantage in the

Baltics and Poland. Europe needs to invest in additional deployable military assets to reduce Moscow's temptations to test NATO's resolve and ability to react without delay. In a first step, the Europeans could allocate the rather modest proposed budgets for the implementation of the 'Military Schengen' under the EU's Permanent Structured Cooperation (PESCO), which is designed to optimize Europe's infrastructure for the swift movements of military personnel and equipment eastward in case of a crisis. Finally, Europe should push to deepen NATO's partnership with like-minded states in the Asia-Pacific (Japan, South Korea, Australia and New Zealand) that face China's rise more urgently and are relevant in the effort to confront China as a common challenge to global order and values.

China's rise as a high-tech great power with a fundamentally different view of societal and world order is a challenge that serves as a reminder of the very purpose of NATO. Making the US and Europe come together will require the former to (re)commit to the defense of common order and values, and the latter to beef up its resilience and regional defense contributions. Herein lies the core of transatlantic decision making for decades to come.

Selected sources

1. "Emmanuel Macron warns Europe: NATO is becoming brain-dead," *The Economist*, 07.11.2019.
2. NATO, "London Declaration," 04.12.2019.
3. Joseph R. Biden / Michael Carpenter, "How to Stand Up to the Kremlin," *Foreign Affairs* (Jan./Feb. 2018).
4. Joseph R. Biden, "Why America Must Lead Again. Rescuing U.S. Foreign Policy After Trump," *Foreign Affairs* (March/April 2020).
5. Julianne Smith et al., "Charting a Transatlantic Course to Address China," *Center for a New American Security* (October 2020), pp. 15–17.

Henrik Larsen is a Senior Researcher in the Swiss and Euro-Atlantic Security Team at the Center for Security Studies (CSS).

Policy Perspectives is published by the Center for Security Studies (CSS) at ETH Zürich. The CSS is a center of competence for Swiss and international security policy.

Editors: Brian Carlson and Oliver Thränert
Additional language editing: Annabelle Vuille
Layout: Miriam Dahinden-Ganzoni

Feedback welcome: PolicyPerspectives@sipo.gess.ethz.ch
More issues and online subscription:
css.ethz.ch/en/publications/css-policy-perspectives

Most recent editions:

Europe's Fiery Future: Rethinking Wildfire Policy (8/12)
US Evangelicals: From Prophecy to Policy (8/11)
Arms Control: For and By Europe (8/10)
Das Krisenmanagement kann aus der Krise lernen (8/9)
Keeping the Skies Open over Europe (8/8)
Corona-Aufarbeitung: Sind wir strategiefähig? (8/7)

© 2020 Center for Security Studies (CSS), ETH Zurich
ISSN: 2296-0244; DOI: 10.3929/ethz-b-000452154