

Chapter 2

The Impact of U.S. Global Strategic Restructuring on China

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I. Introduction

On January 20, 2021, Joseph Biden was sworn in as the 46th President of the United States. Biden advocates a return to international leadership and maintaining a rules-based international order. Biden also supports democracy and human rights, promoting democracy and human rights as part of U.S. foreign policy and hosting the first Democracy Summit. In addition, he emphasized the importance of partners and allies, and actively improved relations with those. On military affairs, Biden launched the Global Posture Review. As a result, the White House announced the withdrawal of troops from Afghanistan and its intention to end the military mission in Iraq by the end of 2021. At the same time, Washington has increased its focus on the Indo-Pacific region and expanded its military presence in the region. Biden called for strengthening supply chain security and promoting U.S. competitiveness on the economic front. Biden has also proposed the Build Back Better World (B3W Partnership) initiative to help improve the infrastructure of developing countries.

In this regard, Biden's policy toward China has received much attention. Biden identified China as one source of threat to the United States and the only country that can combine economic, diplomatic, military, and technological power to challenge the open and stable international system that the United States has established. Therefore, Washington has adopted a approach, expanding relations

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with its allied partners to maintain a rules-based international order and a free and open Indo-Pacific region, as well as expressing concern over China's actions in the fields of nuclear weapons, conventional forces, human rights, Xinjiang, Tibet, Hong Kong, Taiwan, the East China Sea, the South China Sea, economic and trade, and the Internet. On the other hand, Washington still hopes to cooperate with China on issues such as Afghanistan, North Korea, Iran, and climate change, maintaining a channel of communication with China to avoid strategic misunderstandings and ensure potential and opportunities for cooperation.

Biden's global strategic restructuring not only strengthens the competitive relationship with China, but also shapes the development of the global and Indo-Pacific regions and allows U.S. partners in Europe to intensify their presence in the Indo-Pacific region. As a result, the U.S.-China rivalry in the global and Indo-Pacific regions has become more pronounced. This article first introduces Biden's global strategic adjustments, then analyzes the Biden administration's China policy, then interprets the impact of the U.S. global strategic adjustments on China and the Indo-Pacific region, and finally concludes.

II. Biden Administration's Global Strategic Restructuring

The preliminary orientations of Biden's global strategic adjustments can be seen from his inauguration speech. In his inauguration speech, Biden not only called for democracy and unity, but also stated that the overall strength of the United States remains strong and has withstood many tests, showing strong resilience and solid strength. Internationally, Washington seeks to restore its relationship with its allies and partners and engage with the world as an example of leading the international community and becoming a strong and trusted partner.¹ Because of this, Washington has made adjustments in its global strategy.

¹ Joseph Biden, "Inaugural Address by President Joseph R. Biden, Jr.," *The White House*, January 20, 2021, <https://www.whitehouse.gov/briefing-room/speeches-remarks/2021/01/20/inaugural-address-by-president-joseph-r-biden-jr/>.

1. Diplomacy: Returning to the International System, Democratic Alliances, and Mending Allies and Partnerships

At the diplomatic level, Biden first announced that the United States would return to the Paris Climate Agreement and rejoin the World Health Organization (WHO) and the United Nations Human Rights Council (UNHRC). By doing so, he demonstrated that the United States was prepared to return to the international system and continue to play its leadership role in upholding a rules-based international order.² Second, Washington also promoted the importance of democracy and human rights and held its first democracy summit in December utilizing a video message, thereby strengthening relations among democratic countries and highlighting the benefits of a democratic system.³ At the same time, Washington also highlighted the differences between democracy and authoritarian/totalitarian systems, warning against the malign influences of its strategic competitors.

Third, Biden also actively mended the relationship between the United States and its allies and partners. For example, since taking office, Biden has engaged in intensive teleconferences and video conferences with leaders of allies and partners, such as the Quadrilateral Security Dialogue Leaders' Video and Physical Summit (U.S., Japan, India, and Australia), the Bucharest Nine (consisting of Poland, Romania, the Czech Republic, Hungary, Bulgaria, Estonia, Latvia, Slovakia, and Lithuania). The U.S. has also improved relations with countries through visits and hosting visitors, including Japan, Korea, Australia, India, the United Kingdom, France, Germany, Canada, the Group of Seven (G7), the North Atlantic Treaty Organization (NATO), the European Union (EU), Afghanistan, and Israel. In September, the U.S., Japan, India, and Australia held their first physical leaders' summit, emphasizing that a free and open Indo-Pacific region constitutes

² Joseph Biden, "Remarks by President Biden on America's Place in the World," *The White House*, February 4, 2021, <https://www.whitehouse.gov/briefing-room/speeches-remarks/2021/02/04/remarks-by-president-biden-on-americas-place-in-the-world/>.

³ Joseph Biden, "President Biden to Convene Leaders' Summit for Democracy," *The White House*, August 11, 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/08/11/president-biden-to-convene-leaders-summit-for-democracy/>.

a shared vision of the four parties and strengthening cooperation in areas such as the COVID-19 pandemic, climate change, critical and emerging technologies, critical infrastructure, cyber, space, education, people-to-people exchanges, and counterterrorism as well as rule-based maritime order, the denuclearization of the Korean Peninsula, and the restoration of democracy in Myanmar.⁴

2. Military: “Global Posture Review,” Middle East Withdrawal, Focus on Indo-Pacific Region and Taiwan

Biden first conducted the Global Posture Review in terms of military affairs, then announced the withdrawal of troops from Afghanistan in April and the cessation of military missions in Iraq in July. The withdrawal from Afghanistan was finalized on August 30, while military missions in Iraq were scheduled to end at the end of December.⁵ At the same time, Washington has clearly placed a high priority on the Indo-Pacific region, vowing to maintain a free and open Indo-Pacific region. The Biden administration has increased its military presence to the Indo-Pacific region, maintained freedom of navigation missions in the South China Sea, and crossed the Taiwan Strait more openly and frequently. In addition, Washington has continued its cooperation with allies and partners in the Indo-Pacific region, such as Japan, Korea, India, Australia, Taiwan, the Philippines, Singapore, and Vietnam. The Biden administration also lobbied the Europe countries to join the military missions to protect a free and open Indo-Pacific region, such as the United Kingdom, France, and Germany. In September, Biden announced the establishment of the Australia-UK-U.S. Security Partnership (AUKUS) with Australia and the United Kingdom and facilitated Australia’s access to nuclear-powered submarines

⁴ “Joint Statement from Quad Leaders,” *The White House*, September 24, 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/09/24/joint-statement-from-quad-leaders/>.

⁵ Joseph Biden, “Remarks by President Biden on the Way Forward in Afghanistan,” *The White House*, April 14, 2021, <https://www.whitehouse.gov/briefing-room/speeches-remarks/2021/04/14/remarks-by-president-biden-on-the-way-forward-in-afghanistan/>; Joseph Biden, “Remarks by President Biden and Prime Minister Mustafa Al-Kadhimi of The Republic of Iraq Before Bilateral Meeting,” *The White House*, July 26, 2021, <https://www.whitehouse.gov/briefing-room/speeches-remarks/2021/07/26/remarks-by-president-biden-and-prime-minister-mustafa-al-kadhimi-of-the-republic-of-iraq-before-bilateral-meeting/>; “Statement by Secretary of Defense Lloyd Austin III On the End of the American War in Afghanistan,” *U.S. Department of Defense*, August 30, 2021, <https://www.defense.gov/News/Releases/Release/Article/2759181/statement>.

and to jointly safeguard the security of the Indo-Pacific region.⁶

3. Economic: Strengthening Supply Chain Security and “Build Back Better World”

In terms of economics, Biden’s primary strategy involves enhancing U.S. competitiveness. In addition to promoting the rebuilding of infrastructure at home, Biden also proposes measures to strengthen U.S. supply chain security, including four major categories of products as the first wave of targets for strengthening supply chain security: first, semiconductor manufacturing and advanced packaging; second, high-energy batteries for use in electric vehicles and other products; third, rare earth and other vital minerals and strategic materials; and fourth, pharmaceutical products and equipment.⁷

Internationally, Biden has sought to improve relations with his allies and partners by putting aside economic disputes among them. Further, at the G7 summit, Biden proposed the “Build Back Better World” initiative, calling on like-minded countries to participate and help improve the infrastructure of developing countries. In addition, at the first physical leaders’ summit between the U.S., Japan, India, and Australia, the leaders also announced the “Quadrilateral Infrastructure Partnership.”

With the Biden administration in place, Washington has made adjustments to its diplomatic, military, and economic strategies in order to restore U.S. leadership, intending to strengthen the existing international system and U.S. status while increasing its focus on the Indo-Pacific region and maintaining a rules-based international order and a free and open Indo-Pacific region.

⁶ “Joint Leaders Statement on AUKUS,” *The White House*, September 15, 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/09/15/joint-leaders-statement-on-aukus/>.

⁷ Joseph Biden, “Executive Order on America’s Supply Chains,” *The White House*, February 24, 2021, <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/02/24/executive-order-on-americas-supply-chains/>.

III. Biden Administration Policy Toward China

As one of the critical documents of Washington's China policy, the White House released the Interim National Security Strategic Guidance (INSSG) in March 2021. The report indicates that China represents one of the threats to the United States in the global security landscape. Chinese threats include: first, an authoritarian regime; second, China's increasingly aggressive, authoritarian behavior and use of intimidation, including unfair and unlawful trade practices, cyber theft, and the threat of force; and third, being the only country that can combine economic, diplomatic, military, and technological to challenge the stable and open international system established by the United States. In this new security environments, Washington's overall security strategy consists of three major components: first, to enhance its own strengths, including its people, economy, and democracy; second, to shape a favorable balance of power to deter and prevent threats from enemies to the United States and its allies; and third, to lead and ensure an open and stable international system created by a coalition of democratic nations. Concerning China, Washington expressed concern about Taiwan, Hong Kong, Xinjiang, and Tibet, reiterating the importance of democracy and human rights. Further, Washington stressed the need to reprioritize the Pentagon's defense budget to invest in advanced technologies and capabilities to address the threat of China's ascendancy. Washington recognizes the need to strengthen the security of the supply chain for critical defense technologies and medicines. In addition, Washington has determined that strengthening the U.S. allies and partners system is key to addressing the Chinese challenge, including diplomatic, military, and economic spheres while avoiding maligning Chinese influences.⁸

On the diplomatic front, to some extent, the absence of former President Donald Trump has enabled China to monopolize rule-making power easily. However, as noted above, by rejoining the Paris Climate Accord, Washington has demonstrated that the United States is defending its position as an international leader by not

⁸ Joseph Biden, "Interim National Security Strategic Guidance," *The White House*, March 3, 2021, <https://www.whitehouse.gov/wp-content/uploads/2021/03/NSC-1v2.pdf>.

allowing China to assume sole rule-making power and ensuring that the existing international order is not easily changed. By strengthening ties with democratic countries and hosting democracy summits, Washington has also highlighted its differences with China's authoritarian system and the advantages of a democratic system. Biden has also worked with U.S. allies and partners to raise economic, military, and diplomatic concerns about China in a variety of international contexts, including nuclear and conventional military, space, Xinjiang, Hong Kong, Taiwan, Tibet, the South China Sea, the East China Sea, the Internet, economic and trade, and the investigation of the origins of COVID-19.

In terms of military affairs, in response to China's military threats, under Biden's guidance, the new Secretary of Defense, Lloyd Austin, established the China Task Force to address the Pentagon's response to threats posed by the rise of China's military and to develop relevant countermeasures. The China Task Force's recommendations can be categorized as follows: 1. policy coordination mechanisms within the U.S. government; 2. adjustments to the Pentagon's internal operational mechanisms; 3. strengthening cooperation with allies and partners; 4. enhancing deterrence capabilities; 5. accelerating the development of new operational concepts and emerging capabilities; and 6. future troop deployments and modernized military and civilian human resources. Austin adopted the recommendations and incorporated them into the forthcoming National Defense Strategy.⁹ In addition, the new Deputy Secretary of Defense Kathleen Hicks, Assistant Secretary of Defense for the Indo-Pacific Ely Ratner, and Commander of Indo-Pacific Command John Aquilino are also highly concerned about Chinese threats and challenges.

Economically, Biden called on China to implement the first phase of their trade agreement. On the other hand, Washington shelved its trade dispute with the European Union and called for a joint response to China's inequitable trade practices. Washington also continues to impose economic sanctions on China for

⁹ "Secretary of Defense Directive on China Task Force Recommendations," *U.S. Department of Defense*, June 9, 2021, <https://www.defense.gov/Newsroom/Releases/Release/Article/2651534/secretary-of-defense-directive-on-china-task-force-recommendations/>.

national security reasons. In addition, Washington imposed economic sanctions on China for protecting the human rights of the Uighurs in Xinjiang. Washington has also tightened export controls to prevent the flow of emerging or critical technologies to China. In particular, Biden's "Build Back Better World" initiative is designed to counterbalance China's "One Belt, One Road" initiative.

Despite Washington's expanded competitive approach to China, the Interim National Security Strategic Guidance indicates that the United States will not dismiss the possibility of cooperation with China.¹⁰ Washington looks to Beijing for cooperation on climate change, Afghanistan, North Korea, and Iran. Therefore, the two sides have maintained communication and dialogue sessions, such as Biden's telephone conversation with Xi Jinping in February, the U.S.-China meeting in Alaska in March, Blinken's telephone conversation with Yang Jiechi in June, Deputy Secretary of State Wendy Sherman's visit to China in July, and a second call between Biden and Xi Jinping in September. However, these exchanges and dialogues have not been held regularly but rather to maintain consultation and cooperation and to reduce the possibility of misunderstandings.

Put differently, the Biden administration's position on China is similar to that of the previous Trump administration in that it views China as a strategic competitor, as evidenced by the Interim National Security Strategic Guidance. Former U.S. President George W. Bush Jr. had positioned China as a strategic competitor during his presidential campaign, but gradually changed his stance on China to a "candid, constructive and cooperative" relationship as a result of the EP-3 military aircraft collision and the September 11 incident. The change in the U.S.-China relationship can be seen in the adjustment of the U.S. position toward China. The Biden administration has differentiated its attitude toward China into the competition, cooperation, and confrontation, operating in parallel. Washington retains a competitive attitude and actions with China in the diplomatic, military, and economic aspects, emphasizing its position. The Biden administration does not seek confrontation with China but has clarified that it will compete intensively with

¹⁰ Joseph Biden, "Interim National Security Strategic Guidance," *The White House*, March 3, 2021, <https://www.whitehouse.gov/wp-content/uploads/2021/03/NSC-1v2.pdf>.

China and cooperate when necessary. The U.S. and China continue to engage in dialogue to maintain opportunities for communication and cooperation. However, Washington's adjustment of the dialogue format and lowering of its emphasis may reflect the two sides to engage in intense competition.

IV. The impact on China and the Indo-Pacific region

The Biden administration's global strategic adjustments would impact China and the Indo-Pacific region. In terms of the impact on China, one is to strengthen the military competition between the United States and China. Biden's announcement of the withdrawal of troops from Afghanistan and the cessation of military missions in Iraq are significant decisions that symbolize the end of the two wars the U.S. has been waging since 2001, primarily against terrorism. When Washington decided to end the war on terror, its global strategy was bound to be adjusted. Biden also remarked that the withdrawal of U.S. troops from Afghanistan would help compete with China and Russia. However, after the withdrawal of U.S. and allied forces, the Taliban rapidly gained power in Afghanistan, whose subsequent impact is still worth monitoring.

Secondly, the expansion of the military-diplomatic rivalry between U.S. allies and partners in the Indo-Pacific region and China. As the Biden administration views China as a strategic competitor, Washington advocates combining the strengths of its allies and partners to address China's diplomatic, economic, military, and technological challenges through a multilateral approach. On the diplomatic and military fronts, Washington calls for maintaining a rules-based international order and a free and open Indo-Pacific region and calls for like-minded nations to join together to defend peace, stability, and prosperity in the Indo-Pacific region. The U.S. has successfully gained the endorsement of relevant countries in the region to strengthen cooperation with Washington, including the escalation of the Quadrilateral Security Dialogue to the Quad Leaders Summit, the reinstatement of the Visiting Forces Agreement (VFA) with the U.S. by

Philippine President Rodrigo Duterte. The U.S. has also signed a Memorandum of Understanding with Taiwan on establishing the Taiwan-U.S. Maritime Patrol Working Group. The U.S. also sold 40 M109A6 self-propelled guns to Taiwan and established the Australia-UK-U.S. (AUKUS) Security Partnership. The U.S. has also joined forces with key allies and partners in the Indo-Pacific region, including Japan, South Korea, Australia, India, the Philippines, Vietnam, and Taiwan, to respond to various Chinese threats and military actions in the East China Sea, South China Sea, Taiwan Strait, and the Western Pacific, including conducting related military exercises such as Talisman Sabre and Large Scale Exercise (LSE).

Third, the military-diplomatic rivalry between the U.S. European allies and China has been intensified. Washington has promoted the idea of a free and open Indo-Pacific region to countries in the region and has also actively urged countries outside the Indo-Pacific region to focus on the development of the Indo-Pacific region, especially in Europe, and has received positive responses. As a result, the Group of Seven major industrial nations, NATO, and others have become concerned about the freedom and stability of the Indo-Pacific region and the threats and challenges posed by the rise of China. Further, the UK has sent the aircraft carrier HMS Queen Elizabeth for the first time, Germany has sent the warship Bayern to the Indo-Pacific region, and the UK has even joined the Australia-UK-U.S. Security Partnership and sent the warship HMS Richmond across the Taiwan Strait, demonstrating its support for the U.S. As the U.S. intensifies its efforts to deter China, the military rivalry in the Indo-Pacific region becomes more pronounced.

Fourth, the U.S. and its allies and partners will strengthen their economic competition with China. One of Washington's efforts to strengthen supply chain security is to compete with China in emerging economic and technological areas, including electric vehicles, rare earths, semiconductors, and pharmaceuticals. In this regard, Washington also advocates combining the strengths of its allies and partners, including Japan, Korea, and Taiwan, to enhance its competitiveness with China. In addition, at the summit of the leaders of the Group of Seven major industrial nations, NATO and the European Union, Biden called on the countries

concerned to expand their attention to the Indo-Pacific region, warned of the threats and challenges posed by the rise of China, and proposed the B3W to strengthen the competitive situation between the countries concerned and China.

Biden's global strategic adjustments also have implications for the Indo-Pacific region. First, the United States has increased its attention to the Indo-Pacific region. Washington's endorsement of the concept of a free and open Indo-Pacific makes the U.S. increasingly concerned about the development and changes in the region. Secondly, European countries are paying more attention to the Indo-Pacific region. In recognition of Washington and the free and open Indo-Pacific region, European countries are increasingly concerned about the present and future of the Indo-Pacific region, including Taiwan. Third, U.S.-China competition in the Indo-Pacific region is becoming more intense. As the U.S. and its allies and partners invest more resources in the Indo-Pacific region, the competition between the U.S. and China in the Indo-Pacific region is becoming more pronounced. Fourth, Taiwan's status and role are becoming increasingly important. As Washington places greater emphasis on a free and open Indo-Pacific region, it is also placing greater importance on Taiwan's role and position and deepening cooperation and relations between the United States and Taiwan.

In short, Biden's global strategic adjustments have implications for China in political, military, and economic terms, strengthening the competitive relationship between the United States and China and driving competitive dynamics between U.S. allies and partners and China. This expands the competition between the countries in the Indo-Pacific region and China and allows European countries to join the competition between the Indo-Pacific region and China. In other words, under the U.S. strategic reorientation, China will face pressure from the U.S. against China and have to face pressure from U.S. allies and partners against China. Moreover, the pressure from U.S. allies and partners is not limited to the Indo-Pacific region; even European countries are putting pressure on China. For the Indo-Pacific region, the region's importance has increased as the U.S. and European countries have increased their focus on the region. As a result, the competition between the U.S. and China in the Indo-Pacific region has become the

norm, and Taiwan's position has been elevated.

V. Conclusion

Since Biden took office, the U.S. has adjusted its global strategy, covering diplomatic, military, and economic aspects, including rejoining the international system, advocating democratic alliances, repairing relations with allies and partners, conducting the Global Posture Review, withdrawing troops from the Middle East, focusing on the Indo-Pacific region and Taiwan, strengthening supply chain security, and proposing the B3W initiative, to maintain a rules-based international order and to support a free and open Indo-Pacific region. The Washington sees China as the only country that can compete with the U.S. in all aspects and strengthens its competitive stance with China, but is still reluctant to confront China. The impact of Washington's global strategic adjustments on China is to strengthen the U.S. military-competitive relationship with China, expand military-diplomatic competition between U.S. allies and partners in the Indo-Pacific and Europe and China, and strengthen economic competition between the U.S. and its allies and partners and China. The impact of Washington's global strategic adjustments on the Indo-Pacific region is that both the U.S. and Europe are expanding their attention to the Indo-Pacific region, making the entire Indo-Pacific region and Taiwan more essential and making U.S.-China competition in the Indo-Pacific region a feature of the region.