

## A DIPLOMACY AND DEVELOPMENT TOOLKIT IS ESSENTIAL TO U.S. CHINA STRATEGY

By Joseph L. Votel and Liz Schrayer, Opinion Contributors Published in THE HILL on 06/16/23

Seventy-five years ago, the Marshall Plan, conceived by Secretary of State George Marshall, was the crowning achievement of World War II. It helped consolidate our military victories and set us, and our allies, up for decades of economic growth and stability that formally influenced our interests.

Today this unique construct is under threat of being replaced by China.

The Chinese Communist Party (CCP) is using every element of its power to compete and win in a world they believe is up for grabs more than at any time since the fall of the Berlin Wall. Beijing's investments in the Belt and Road Initiative already far surpass the entire Marshall Plan.

Over the last 10 years of available data, China's development investments increased by more than 430 percent across Africa, the Indo-Pacific, Latin America and beyond. Per our teams analysis of data from William and Mary College's AidData Project, their public diplomacy investments skyrocketed more than 820 percent. Beijing is focused on the hearts, minds and wallets of the 1.4 billion people living in Africa, a potential \$3.4 trillion market where we're still playing catch-up. In Latin America, trade with China has grown 26-fold from 2000 to 2020.

China sees opportunity in an unstable world and is capturing relationships, influence, markets and access to critical supply chains. As they seek to rewrite the rules of the road, their alignment with autocratic regimes from Russia to Iran to North Korea is no coincidence.

Rep. Mike Gallagher (R-Wisc.), chairman of the China Select Committee, has warned for years of an emboldened China. In 2018, the U.S. Global Leadership Coalition hosted him during an event in Appleton, Wisc., in his home district as a newly elected freshman, where he stated then his fear that America was "failing to even show up for the game." Talking with his constituents, he argued that when it comes to America's diplomacy and development toolkit, "we don't have the luxury of disengaging from the world. Every time we've tried that, it's ended in disaster."

China's rise is not happening in a vacuum. Russia's invasion of Ukraine is destabilizing not just Europe, but the entire world. Energy and commodity market disruptions accelerated the global food crisis and led to a dramatic spike in hunger impacting more than a quarter billion people. Doubling in just four years, more than 339 million people need humanitarian assistance. By 2050, the World Bank estimates that climate change could displace 216 million people within their own countries. With autocracies rising, growing global instability is driving conflict and extremism — as we are seeing in Sudan — creating new threats to American interests.

The question is what we are going to do about it.

Congress is in the midst of one of its most contentious budget debates ever, with the House Appropriations Committee just adopting dangerous cuts to America's footprint in the world, despite the enormity of global threats. Yet there is a bipartisan space where lawmakers can agree: America's diplomacy and global development toolkit is essential to our China strategy and to our core security and economic agenda.

To protect America's interests, we see four areas where policymakers can make a difference, and each has garnered strong bipartisan support over decades.

First, fully integrate our diplomatic and development toolkit as a core pillar of America's China strategy alongside critical military, cyber, technology and intelligence capabilities. From the State Department and USAID to the Development Finance Corporation (DFC) and our nation's other development agencies, these are mission-critical tools. Last year, the DFC leveraged \$6.7 billion to mobilize an additional \$22.4 billion in private capital for energy, infrastructure, health and economic impact projects across the developing world. These investments are the tip of the spear in the competition with China and strengthening markets and supply chains for American exports.

Second, policymakers must continue to protect funding for America's diplomacy and aid programs. With unprecedented humanitarian crises driven by a vicious cycle of hunger, conflict, migration and climate change, budget cuts would jeopardize U.S. security and economic stability at a time of great peril.

Third, Congress and the administration should work together on a bipartisan basis to strengthen, modernize and expand the capacity of U.S. foreign assistance programs. This includes driving new public-private partnerships to bring the full leverage, scale and power of America's private sector and NGO community to bear.

Lastly, America must continue to rally our allies and partners to step up to tackle the global threats we collectively face from China, Russia and beyond. Burden sharing takes diplomacy — and the staying power of the Ukraine coalition proves what's possible with American leadership. The alternative is continued over-militarization of our national security policy.

If we don't show up around the world, we cede the playing field to autocracies. America has the tools to engage, but we're not using them at the scale required to compete in this century. Now chair of the newly created House China Committee, Gallagher warns, "Our policy over the next 10 years will set the stage for the next hundred." He's right.

It is a good reminder that when we bring together the full weight of our national security toolkit — especially diplomatic, economic and development approaches — we stand the best chance of preserving our influence and protecting American interests.

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