

United States - Biden's China Advisers Seem Ready to Defend American Corporate Interests

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Joe Biden's appointments on China policy suggest he's uninterested in breaking with America's long legacy of putting the protection of corporate profits at the heart of its foreign policy vision.

Contents

- [The Pivot to Asia](#)
- [All the President's Friends](#)

According to Washington's most practiced specialists, the South China Sea is now the frontline of the twenty-first century's clash between democracy and authoritarianism. With America's diplomatic relations to China plummeting, many commentators are already discussing a new Cold War.

It's hard to tell who in China has the ear of the White House, but the domestic experts Biden has chosen are revealing as to the administration's agenda, suggesting a continuity with the Obama administration's "pivot to Asia" and attempted containment of China.

Several of Biden's China advisors also have a direct financial interest in expanding US foreign investment opportunities in China, signaling continuity with an older American tradition: designing foreign policy around a mandate to expand American investment opportunities and facilitate the mobility of capital.

The Pivot to Asia

Knowledge of foreign affairs isn't the prerogative of the president of the United States. When it comes to American foreign policy, plenty is ultimately done through guesswork, but any administration understands it needs area experts, or foreign advisors, within the White House, State Department, Pentagon, and even the Treasury Department.

In the modern era, this work is essentially fully outsourced to Washington's network of think tanks, which write policy and mint the officials who implement it. The more cynical observers of American foreign policy refer to this public-private complex as "[the Blob](#)."

With deep roots in this network, the preeminent China advisor in the Biden White House appears to be his Asia czar, National Security Council Coordinator for the Indo-Pacific Kurt M. Campbell. In the Obama administration, Campbell served as Assistant Secretary of State for East Asian and Pacific Affairs under Hillary Clinton from 2009 to 2013, and played a significant role in the creation of

Obama's "pivot to Asia" policy.

With a PhD in international relations from Oxford, Campbell served in naval intelligence before founding several foreign policy think tanks and investment consulting firms. In 2007, he cofounded the Center for a New American Security (CNAS) think tank. After his first stint in the White House, he founded the investment consulting firm the Asia Group, which focuses on helping companies invest in the Asia-Pacific and Southeast Asian markets. (Typical of the Blob, Evan Medeiros, Obama's principal advisor on the Asia-Pacific, remains a senior advisor at the Asia Group.)

Campbell was also a fellow or member of heavyweight foreign policy think tanks including the Council on Foreign Relations and the Center for Strategic and International Studies, and served in various advisory roles at the Pentagon, State Department, and Treasury. He entered the public eye when he joined the Clinton State Department in 2009. He has spent the past decade arguing for the "pivot to Asia" that began under the Obama administration, and for which he [takes credit as a principal architect](#).

The pivot to Asia refers to the idea that America should reorient its global focus from the Middle East (and to a lesser extent Europe) to the Asia-Pacific region, in particular China. It involves both corporate and military investment, and it is widely viewed as representing a necessary response to China's rapid growth, although it has been criticized both for [failing to adequately contain](#) China and for [needlessly antagonizing](#) China. It was first clearly articulated as US policy in a now-famous [2011 Foreign Policy article](#) written by then secretary of state Hillary Clinton, and was rapidly followed by highly visible shifts in US naval deployments.

Campbell is considered a moderate on China, an indication of just how hawkish America's most anti-China voices have become. He appears deeply invested in the argument that heavy investment, including military, in the Asia-Pacific is necessary to maintain America's global economic primacy and hegemonic leadership, as would be expected of one of the pivot's main authors.

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However, unlike the hardest China hawks Campbell takes a more pragmatic stance, and [frequently argues](#) that the United States lacks the power to control China's future and should avoid antagonizing it with further military encirclement. He wisely recognizes that many of America's past engagements with China have failed due to overestimating its influence over China, and argues that America should acknowledge that China has a legitimate claim to some degree of regional authority and does not aspire to extraterritorial imperial conquest, and that full-scale military encirclement is an exercise in futility.

Campbell is adamant that a second Cold War should be avoided, and is much more adroit in his circumspection and acknowledgment of China's interests than even many in the Biden administration. However, he remains adamant that China must acquiesce to America on certain economic fundamentals. The premise underlying his conception of the pivot is the creation of a

grand restorative economic competition between America and its allied “democracies” and Chinese-style “authoritarianism.”

He also maintains the importance of a more lithe and agile military presence in the South China Sea that reduces American dependence on [increasingly outdated](#) heavy aircraft carriers, and believes that a strengthening of the India-Japan-Australia-US “Quad” military alliance would be effective in containing Chinese “adventurism.”

Campbell appears to believe that adept Kissingerian diplomacy and US-Soviet-style security dialogues will ensure subsequent tensions do not boil over. This reflects a growing consensus among the more liberal of Washington’s foreign policy thinkers, but it is heavily debatable whether such containment-by-half-measures, paired with economic decoupling and ruthless competition, would actually avoid escalating into a Cold War — or if the United States is [capable](#) of seeking competition without also seeking dominance.

It is also worth noting that, while Campbell has often written about the importance of cooperation with China on climate change, his public statements offer little but a vague hope that coercing China back into the “rules-based international order” will lead it to rejoin America at the climate table. In his [December 2020 article with Rush Doshi in Foreign Affairs](#) on using competition with China to avert American decline, climate change is neither directly mentioned nor alluded to.

Campbell appears to be the most dovish of Biden’s China experts. Biden has also nominated Obama alumnus Ely Ratner to serve as principal China advisor to Secretary of Defense Lloyd Austin. Ratner became vice president at Campbell’s CNAS after the end of the Obama administration in 2017 and is notoriously hawkish on China.

Ratner has written many articles arguing for [military encirclement](#) of China as part of the tool kit for dominating it economically and preventing its expansion, and [argued before](#) the House Armed Services Committee in February 2018 that Congress should support the Pentagon in building a “more lethal force” to compete strategically with China. Unlike Campbell, Ratner is clear that America must halt China’s rise rather than live with its ascendance.

Most of Biden’s other appointees to senior China-related advisory positions are also Obama alumni who [joined Campbell and Ratner at the CNAS](#) after leaving their public positions, such as the National Security Council’s senior director for China, Laura Rosenberger. Biden even considered CNAS cofounder Michèle Flournoy for secretary of defense. Flournoy wrote in [Foreign Affairs in 2020](#) that as a deterrent to Chinese aggression the United States should attain the ability to sink every single Chinese ship in the South China Sea, merchant or military alike, within seventy-two hours — a revealingly provocative statement that may well expose the jingoistic chauvinism underlying the cautious circumspection of experts like Campbell.

All the President’s Friends

Domestic advisors don’t tell the full picture of an administration’s orientation toward a particular country or region. To understand the full range of perspectives that get an audience at the Biden White House, we need to also consider the role of foreign experts.

The United States has often chosen its foreign experts primarily for their willingness to toe the ideological line of market capitalism, and in the world of Washington’s think tanks this fealty often dovetails with personal financial interest. There is a long history of the American government being successfully lobbied and taken in by unreliable or even clearly fraudulent foreign allies and

expatriate experts because they offer a vision of their country as fully amenable to American investment and hegemony.

Perhaps the most prominent recent example of the United States' poor choice in foreign allies was the scammer and financial criminal Ahmed Chalabi. Chalabi, the son of a prominent Shi'ite family in prerevolutionary Iraq, fleeced every federal agency from the CIA to the State Department with his fraudulent consulting while peddling baseless intelligence on Saddam Hussein's weapons of mass destruction.

Chalabi's fraudulence should have been apparent from the start. In 1977, he stole hundreds of millions of dollars from the government of Jordan and escaped the country in a car trunk. The reason American officials were happy to promote and listen to an obvious con man like Chalabi was because his identity as a prominent Iraqi expatriate authenticated their arguments for the goal they had already chosen: investing American capital in Iraq while exploiting its mineral wealth.

Chalabi is not an isolated example. In the 1930s and '40s, the Franklin D. Roosevelt (FDR) White House's infatuation with the avaricious Soong family in China helped lead FDR to catastrophically overestimate the capabilities of Chiang Kai-shek and the Kuomintang. Today, American policymakers frequently draw on testimony from interest groups that happen to have an extremely heavy vested interest in the deposal of unfriendly governments — like Maryam Rajavi and the Mujahideen-e-Khalq (MEK) with Iran, Floridian exiles with Cuba, or Falun Gong with China — regardless of whether their claims offer a realistic portrayal of the country in question.

Chalabi, the MEK, and the Soongs all had the capital to successfully lobby Washington, and offered the government an attractive vision of their country as wide open to American influence and investment. We can easily imagine the Biden White House's Chinese foreign advisors fitting a similar profile.

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It is difficult, and most likely impossible, to contemporaneously determine the particular Chinese individuals who have the ear and the trust of the Biden White House, especially in the absence of outsize personalities like Chalabi. Hong Kong and Taiwanese billionaires like [real estate mogul Ronnie Chan](#) exercise influence over Washington's foreign policy think tanks, but the precise nature of their relationship to the administration or its advisors is largely opaque.

But the minutiae of Biden's foreign policy appointments does contain some clues about the administration's potential continuation of American foreign policy traditions, including its encouragement of foreign profit-seeking and embrace of unscrupulous foreign allies.

As told by advocates of the pivot to Asia, the [story of its origin](#) goes that after decades of post-Nixon rapprochement, China grew comfortable and began to take advantage of American openness and

generosity to steal American ideas and cheat American businesses, all while growing progressively more illiberal and aggressive rather than embracing the social liberalization that was supposed to accompany the liberalization of markets. Campbell's notion that the United States cannot "control" China, however pragmatic and encouraging, is ultimately founded on this narrative.

Many of China's actions clearly violate the norms of a liberal capitalist order. However, an article coauthored by Campbell and Ratner in [Foreign Affairs in 2018](#) may offer further insight into the causal chain leading to the pivot to Asia. They appear to suggest that China's ultimate act of aggression against the United States, proving that economic cooperation was impossible, was its failure to be sufficiently friendly to US investors.

Consequently, before taking at face value the claim that tensions between the United States and China are a macro-level issue reflecting the inherent conflict between China's state-managed market economy and US capitalism, it is valuable to examine the micro-level. This is where the most problematic layer of Biden's foreign policy picks lies: Campbell, Ratner, and the others in their orbit all appear to have a direct, personal financial interest in expanding American foreign investment opportunities in the Chinese market. This is after all the *prima facie* function of Campbell's consultancy the Asia Group.

Selecting relatively hawkish foreign policy advisors with direct financial interests in the openness of Southeast Asia to American investment raises the likelihood that the government will or has chosen to align itself with Chinese lobbyists and expatriates who are motivated by personal gain. The probability of the emergence of one or several Chalabi-like figures increases in light of the fact that, while they have substantial diplomatic experience, few of Biden's senior staff appear to be Chinese or Chinese-American, or to have spent much time in China.

While information on the White House's direct contacts in or about China is not yet forthcoming, Biden's appointments and policy choices so far are concerning. They suggest continuity rather than a break with America's legacy of designing foreign policy around the limitless expansion of capital — and perhaps willingness to escalate if that expansion is impeded.

While Iraq and Afghanistan played critical roles in the Middle East, their geopolitical significance pales in comparison to China. Pushing China, and ourselves, into an escalating military and economic competition is suicidal. We cannot afford a New American Century, let alone a second Cold War.

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P.S.

- Jacobin. 09.21.2021:
<https://www.jacobinmag.com/2021/09/joe-biden-administration-china-foreign-policy-corporate-profits>
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