How Will the Coronavirus Pandemic Impact Great Power Competition?

TRANSCRIPT

Discussion

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Blaise Misztal:

Good afternoon everyone. I'm Blaise Misztal, a fellow at The Hudson Institute, and it's my pleasure to welcome you to Hudson Online. Thanks for joining us today. We are The Hudson Institute are tracking the COVID-19 pandemic and its global implications. You can check out all of the analysis from Hudson scholars at hudson.org/coronavirus. Today we're going to be discussing how the spread of the novel coronavirus might affect a change, perhaps accelerate so-called great power competition between the United States and its allies on the one hand, and state authoritarian actors seeking to undermine the US-led international order on the other.

Blaise Misztal:

Already we have seen China cast itself as something of a global savior, touting its expertise in beating the pandemic, offering assistance to countries, still struggling with it, and spreading propaganda and disinformation about its origins. Russia and Iran are also partaking in this information war. This has led to a growing genre of commentary in Washington that this pandemic might reshape the global order, so we're going to critically assess those claims today by looking at three questions: How are US competitors exploiting this pandemic? How effective are those efforts? Are they fundamentally shifting the global balance of power? And then finally, and perhaps most importantly, what can or should the US be doing?

I'm lucky to be joined by three, not just experts, but really deep and creative thinkers and colleagues at The Hudson Institute to help shift through these issues and shed some light on these important questions and provide us with some insights on what the world might look like post-coronavirus. And so I'm joined by Dr. Nadia Schadlow, a senior fellow who was most recently the US Deputy National Security Advisor for Strategy, a role in which she helped craft the current national security strategy, Dr. Mike Doran, also a senior fellow who specializes in the Middle East, who served on the National Security Council of the State Department and in the Pentagon, and whose Twitter feed is perhaps a rare combination of both droll and insightful. I suggest you all follow him at @Doranimated. And also Eric Brown, a senior fellow who studies political and social change from the Middle East, across Eurasia, and into Asia itself, focusing on how it impacts geopolitics.

The four of us are going to converse for the next 45 minutes or so, and then we'll take some audience questions. You can submit those by email to events@hudson.org or you can tweet them to @HudsonInstitute. And even if you don't have any questions, because our panelists answer all of them, I still encourage you to tweet and post about the event today.

So with that, let me get started. In the post-Cold War heyday of internationalism, pandemics and global health crises were cited as an example of the sort of transnational, cross border challenge that required international cooperation, multilateral international organizations to deal with. Today, the conventional wisdom created largely by the Trump national security strategy is that the greatest challenge facing the United States is in fact a great power competition with authoritarian state powers. So as the first question, I want to ask all of you, is the COVID-19 pandemic validating one or another of these world views? Is it going to lead to more global cooperation, or is it leading to greater competition? And seeing as we have with us Nadia, who wrote the book on great power competition strategy, would like to turn to you first.
Nadia Schadlow:

Thanks, Blaise. Look, I think the COVID-19 crisis actually reaffirms, not surprisingly, some of the key themes that were identified in the national security strategy. First, the great power competition angle, which you just mentioned. China is a serious competitor trying to compete along political, military, economic means, all accelerated by technology. The CCP's lack of transparency, lack of reciprocity in our trade arrangements, all of that, especially the lack of transparency, has played a key role in the current COVID crisis. Early on, many experts, including even members of the WHO Executive Committee, were very upset with China, arguing that had China been more transparent early on, the crisis could have been addressed much sooner.

Second, the NSS identified the importance of states and of borders, and as states as actors that can achieve outcomes much more effectively in many ways than international organizations. And that doesn’t mean that you don’t need international organizations to foster cooperation, to exchange expertise, to help coordinate, but it warranted a closer look at the actual outcomes that are achieved, what outcomes can be reasonably achieved? It warranted a closer look at international organizations as somehow apolitical actors.

States make up international organizations. States have power, states have money, states make the military contributions, states make the monetary contributions to these organizations, so states do matter, and I think the Trump NSS identified that. It created a lot of debate, a lot of discussion, people were upset, but I think COVID has actually borne that out. It's been states that have been primarily responsible for the safety of their citizens, using the resources and the expertise of international organizations. So they're not mutually exclusive, but the Trump NSS essentially called out a sense that we needed to look better at the outcomes, and how do we achieve those outcomes in the current environment? So I would argue that that were born out. But I'm interested in my colleagues, you.

Blaise Misztal:

And so Eric, maybe let me turn to you on that, and maybe specifically if you could parse out China's reaction for us a little bit, is it trying to be a good global citizen, in sending medical assistance to Italy and other hard-hit European countries? Is it explicitly trying to exploit the crisis for its benefit? We've seen actual controversy between and within parts of the CCP about whether they should be engaging and blaming the United States, for example, as being the origin originator of the virus. So how should we understand their actions?

Eric Brown:

Yeah. Thanks, Blaise. The short answer is, all of the above. Everything that you just said. Clearly the CCP is trying to exploit this situation for its own gain after bungling it in a profound way early on. But to go back to your original question, pandemics by definition require cooperation among sovereign nations, and that should remain, I think, a primary goal of US policy. But the essential ingredient of that is that we have responsible governments that share those ends with us with whom to cooperate. And I think that this crisis is showing that one of the main casualties that we’ve seen so far is that the American investment model of making an effort to build governing capabilities into countries that have antithetic political systems to our own is not going to work.
I mean, take the point that we built or certainly invested very heavily into the buildup of the Chinese CDC after the SARS epidemic, for fear that a pandemic of this kind would becoming in the future. China did build up a first rate, sophisticated public health system that properly identified that they had an epidemic brewing in Wuhan by mid-December this past year, and yet because of the system in which that public health system was operating, it produced a suppression of that analysis. It produced distorted understanding of that analysis, which allowed that epidemic to be transformed into a pandemic in a very short period of time.

And this is, again, like I said, showing that simply trying to build first rate capabilities into authoritarian systems is not going to produce the same outcomes that we expect, and that is to underscore what Nadia had said earlier, sovereign states are the best way of building and maintaining not just cooperation and order in the world, but to actually producing the outcomes that we seek. Meantime, PRC is, and we can get into this, PRC has been doing a lot to clean up and to try to persuade the world that it can help alleviate this problem. It helped to create, but I think our duty now is to call them on this.

**Blaise Misztal:**

Mike, you want to jump in on this? Or maybe I can ask you more specifically about the Middle East, because US-China is not the only competition in the world. There's also the regional competition, multiple overlapping conflicts, in fact, in the Middle East. And in some cases it looks like maybe coronavirus is actually attenuating some of those conflicts. We've had terrorist organizations at least claim that they're putting down their arms, Hamas and Palestinian Islamic Jihad in Gaza, Hezbollah in Lebanon, saying that they're putting down arms to help deal with the pandemic. We've had possible political unity in Israel created by this pandemic. So in the Middle East, is this actually perhaps going to lead to at least some hope for addressing instability?

**Michael Doran:**

You can never have any hope about the Middle East getting better. So we'll start from that line, but let me say a few words about the China first and then about the Middle East. I think I agree wholeheartedly with what both Nadia and Eric said, and I just want to underscore that I think Donald Trump got a few major things right, and I think he deserves to be given credit for them, and I think the press is working very hard not to give him credit for this. He identified correctly China as our major competitor from the beginning, and he talked from the beginning about the importance of moving supply chains back to the United States. And that was greeted with guffaws and ridicule. And I think we're seeing now, in this crisis in particular, that we have not just industrial supply chains, but our basic drugs, the drugs that we need to fight this epidemic, their supply chains go back to China.

The Chinese not just withheld information, but they also quickly, when they were fighting, when they were not admitting that they were fighting the virus, they went and they bought up ventilators around the world. Excess ventilators. So the shortage of ventilators that we're experiencing now is in part because the Chinese went and bought up all the excess supply beforehand. Now, they're not going to, as they go to help the Italians or to help any other country, they're certainly not going to emphasize that aspect of the story, but we need to be very aware of it.
And as both I think Nadia and Eric said, it's not an either-or question. We're not going from a globalized world to one of just a Hobbesian world of every nation-state against every other. But there's got to be a recalibration. I would make a distinction between globalization and globalism. Globalization is a condition of today's world. Supply chains are global. The United States military is working 24/7 all across the globe. We can put out a podcast like this, or stream some video right now that will stream all over the world simultaneously. There's no turning the clock back. That's the way it's always going to be. But we do, especially from a national security point of view, we do have to talk about key industries, key supply chains being located in the United States or in friendly democratic countries. We can't be dependent on these kinds of things in countries that basically want to destroy our system or feel themselves to be in a Hobbesian conflict with our system.

We can get into this further about the Middle East. I'll just say quickly, the big story in the Middle East is the crisis that the coronavirus is creating in Iran. And not just in Iran. It's between the Iranian government and its own people, but also in the Iranian system all across the Arab world. You mentioned the Nasrallah Hezbollah presenting itself as the answer to the coronavirus. Well, that's because they're under pressure, that all the militias of Iran are under pressure in Iraq, in Lebanon, elsewhere, because they're understood to have been belts of transmission of the virus from Iran into those countries.

So they're under pressure for that, and they're also under pressure because of Trump's maximum pressure campaign, which has dried up all the money in the Iranian system. And so there's an economic crisis in Lebanon, and Iran doesn't have the money to pay, Hezbollah doesn't have the money to pay for its activities. People on the street are blaming Iran and the connection of Lebanon to Iran as part of the problem. Not just the coronavirus, but also the economic difficulties that they're having. And so there's a propaganda campaign going on to say that, "We are the solution." Just like the Chinese are trying to present themselves as the solution right now, but we shouldn't allow that campaign to have any influence on our thinking. The campaign is designed to deal with the severe crisis of legitimacy that the Iranian system is under.

**Blaise Misztal:**

So another thing that the Chinese and the Iranians and the Russians also have in common, is not just this ineptitude in dealing with the pandemic that exposes the underlying lack of legitimacy, as you just put it, Mike. But they've all also engaged in some measure of propaganda or disinformation, saying that the United States is the one that actually produced, created and introduced this virus into their countries. How should we understand that? Is that sort of an internal messaging to try to address their domestic woes? Is that an external campaign of trying to undermine the United States?

**Michael Doran:**

So in the case of Iran, I think there are two things going on. The Ayatollah Khamenei, the Supreme leader, he went out and also the head of the revolutionary guards went out and said, entertained the possibility that this was a bio-weapons attack by the United States directed at Iran. Khamenei even entertained the idea that the Coronavirus was specifically tailored to the DNA of Iranians. One thing that's happening is that he's trying to deflect responsibility for the
crisis away from the government, for a bunch of reasons which maybe later we could go into if you're interested.

The Iranian government covered up the crisis in the early days, like the Chinese did. They were already having a severe crisis in the first weeks of February, and they didn't admit anything at all until February 19th. And they waited, they were having a legislative election on February 21, they didn't want to suppress the turnout for the legislative election. And so they didn't even really start talking about it until after the election. And to this day they're lying about their numbers. Iran's deaths are probably five times higher than what this claim... Iran is either the number one or the number two, the country that has suffered the most or the second most number of deaths, depending upon what you think the real Chinese number is. The Chinese are probably also cooking the books.

The Iranians are certainly cooking the books, and the population is holding the government responsible. And so, Khamenei wanted to deflect, and that's part of the reason why he's saying it's a bio-weapons attack. But also I think that there's a kind of underlying truth, at least if not to the statement, to the feeling that Khamenei has as he looks at this thing. Because the way the virus has operated in Iran, it's as if it was tailored to target their system. To give just one example, the epicenter of the virus in Iran is the city of Qom, which is the religious center of the country. But also it's the ideological wellspring of the regime. I mean, Qom is the most pro regime city in Iran.

And there's a shrine, a religious shrine there, and there's a seminary there. There's a huge religious tourism to Qom. And over the last few years, over the last decade, even longer, the support for the regime in the country has dwindled and it's gotten very small. So the clerical elite forms, or the clerical establishment forms one of the most reliable pillars of support for the regime. And the clerical establishment in Qom depends on religious tourism for its revenue. And so this virus, by attacking Qom, attacked the prestige of the religious establishment, forced them eventually to close the shrine and to stop Friday prayers, something that they were loath to do, actually attacked, in the sense of killed off a number of senior clerics, and dried up revenue to a very important pillar of the regime.

Blaise Misztal:

So, let me maybe pick up on something that Mike, you said in your previous comments, which is that going forward, the United States is going to have to realize that some of its dependence on supply chains, international trade with China, is going to have to change as a result of this, and hopefully that's something that our allies realize as well. But one of the more interesting developments is that China is not just engaging in propaganda, but it's engaging in what would appear to be a soft power campaign through offering assistance, medical supplies to European countries that are hard hit. Which sort of raises the question is, are our allies going to come out of this with the same view of China that we have, that you all just espoused?

Just some interesting quotes that I think it's worth throwing out there. Serbian president Aleksandar Vučić said at a press conference recently, "By now you all understand that great international solidarity does not exist. European solidarity does not exist. It was a fairy tale on paper. Today I sent a special letter to the only ones who can help and that is China." Also referring to China's assistance, the head of Italy's Institute of International Affairs told the Washington Post that, "This is going to change for good the perception of who is leading the
world, and it's not the United States.” So are these measures actually going to change the geopolitical center of gravity? Are these sorts of sending of masks and the ventilators actually going to prize European allies or other countries into China's orbit? Where do you see the balance of power after this pandemic, Nadia?

Nadia Schadlow:

I think Italians are smart enough to realize that in the end it's innovation and freedom that's going to really jumpstart their economy after this disaster that's unfolding there today. They're going through a very difficult period. I would respectfully disagree with the individual who sort of... But 40 Chinese ventilators are not going to turn Italy around, and that's about how much aid there actually was. I think part of the perception problem is a lack of coverage of what the United States is doing. We just announced and are starting to provide over $274 million of additional assistance, recently right now for the pandemic externally, while we're working to save our Americans as well. So we are externally focused. I think sometimes the message of that and the stories about that tend to get lost, because in a way it's more interesting just to focus on elements and pieces of the story.

In the end, I think the global balance of power still favors the United States. US allies and partners retain about 60 to 65% of GDP. China's still only at about 15%, China and Russia have significant internal weaknesses. It's interesting to look at the Chinese press. One of my friends, a China scholar, but one... First at the Hudson Institute, there's Patrick Cronin who wrote an interesting piece, calling this moment the Chernobyl of China, meaning that this was a period possibly of internal weakness. Second, if you read Mandarin and read the Chinese press, one of my friends, a scholar Jackie Deal, has pointed out that what's going on in the Chinese press in Mandarin is actually quite different from what's happening externally. There are concerns, internal concerns about what's happening to their economy, about the CCP's strength, weaknesses. So I think there's a broader story to be told here that's not always being told.

In the end, I still think we need to shore up what we're doing, this is not a given. So I'm not a declinist, but that doesn't mean that we don't have to continue to do many of the things that I think the Trump administration put into place. Demanding reciprocity, demanding openness and transparency in the way that we deal with China, in the way that our companies are treated in China, improving education in this country, STEM education, ensuring that we retain our competitive advantages in AI and other critical areas of the economy, reducing the regulations that are choking off a lot of our responses currently.

So we have challenges in this country, but in terms of our system prevailing and being, I think the answer to how we all recover from this, I think that we're still, the forces favor us. I'm sort of resisting what I'm calling the catastrophe school of thinking about this, trying to be optimistic. But I think the catastrophe school of thinking makes it a lot harder to identify the strengths that we have, and that we need to focus on going forward.

Blaise Misztal:

So as an example of that catastrophe school of thinking, maybe to contrast it to Patrick Cronin's example of this being a Chernobyl for the Chinese, Kurt Campbell who served in the Obama State Department recently wrote a piece for foreign affairs, in which he warned that this could be a Suez moment for the United States. One in which it becomes obvious that US power is
declining, and it sort of hands over global leadership to a rising power, namely China. Mike, I think you might have written a book about the Suez crisis, so how do you see the current situation? Is it analogous in any way to that moment?

Michael Doran:

No, I don't think so. I think that's a really bad analogy. What he's trying to say there is that the British and the French, when Nasser nationalized the Suez canal, Nasser the leader of Egypt, the British and the French tried to organize together with the Israelis, a military campaign against Egypt that would allow them to take back control of the Suez canal, and to knock Nasser out of power. But the United States, together with the Soviet Union actually, stepped in and stopped them. And the United States ended up destroying its two best Western allies in the Middle East, the British and the French. That wasn't the goal, but that's what the Americans ended up doing. So he's saying that the weakness of the British and the French in 1956 is analogous to the weakness of the United States now.

Look, we have to admit we're in a conflict with China and China is a major player. It's a major player which has some incredibly powerful assets. And one of the things that it was able to do after its initial missteps of hiding information and denying that it had a problem, it was able to move very quickly to identify the problem, help others to identify it and so forth. And it seems they've gotten a pretty good hold on, I don't know if we can believe their numbers, but they've gotten a pretty good effort to actually contain the virus. But they did that using Orwellian surveillance systems. The tools that the Chinese have used to defeat this virus should make every citizen of every Western democracy just look with horror.

Now, it's an odd thing about, it's a fact about viruses and this one in particular, that the two best things that you can do to find it are social distancing, and keeping people from work. So if you have a system that's set up to monitor every individual and to say who every the individual is having contact with, well that's a fantastic way to fight a global pandemic. But it's not one that we can possibly use. So we need to be aware of what China's strengths are, and we need to be aware that democracies in this sort of situation at this particular moment in this situation, have some weaknesses, and we need to develop the antibodies, both in political and strategic terms, not just in medical terms, in order to protect ourselves.

But look, I just read a story yesterday about how Mercedes is working together with academics and with clinicians in Britain, to develop a kind of breathing apparatus that will prevent large numbers of people from having to go on to ventilators. This has happened, this kind of cooperation between researchers and the private sector with the support of the government, is happening at an incredible speed. That's a power of the West that I think when this is all done, we're going to recognize as being the thing that is most important to us, our economic freedom, our political freedom, our freedom of speech. This is going to save us in the end. It's going to lead to some difficulties between now and then, and it's going to be something that we need to preserve against systems like the Chinese system.

Blaise Misztal:

So Eric, let me turn to you picking up on two things that Nadia and Mike just said. The first is, there seems to be a contrast between the sort of pure power calculation of is China gaining power, is it gaining allies, is it gaining political influence on the global stage? Versus the values question, how is this impacting the general beliefs about the effectiveness of democracy versus
authoritarianism? Particularly I think the question that Mike raised about sort of technical authoritarianism and the surveillance state, that might be created by responses to the pandemic, is an interesting one. As Mike suggested, there's been use of CCTV footage, and tracking of cell phones to try to find infected people.

China has introduced... It's taken its social credit system and changed that to now everyone has on their cell phone an indication of whether they're allowed to go out or not. The Russians have picked up a similar system. Is there a threat to values of liberty, openness, and freedom, as Mike was saying, from some of the technological solutions that might be adopted to deal with the pandemic?

**Eric Brown:**

Sure. There isn't a massive threat and the best organized force in the world that's trying to actually stage that threat and spread it around the world is the Chinese communist party. It's important to keep in mind that they have been investing very heavily in the buildup of their techno authoritarianism at home in recent years. Not for the sake of public health, but for regime control and survival. In fact, it's not just the so-called “forces of terrorism” in Xinjiang, which has become the world's most advanced garrison state, but it has been an effort by the CCP to contain the contagion from Hong Kong, the pro-democracy citizens movement in Hong Kong that has led to the highest internal security expenditures in nearby Guangdong and elsewhere.

CCP is facing a massive rolling crisis of governance at home and that has only come to be deepened by the pandemic and it's also going to accelerate their efforts to build up these new capabilities of surveilling the population for the purposes of controlling them.

And there's an unchallenged view, I think in Western countries, that somehow Chinese culture is more accepting of this gratuitous intervention in people's lives. I actually think we have to argue against that. The reality is, is that I think quite a few people, when you really do look at what people are saying in China and Weibo and a lot of the areas that are not able to be controlled specifically by CCP, you do see an enormous amount of animosity and anger with the CCP's failings.

And that is leading, I think, to a desire to escape the capricious and erratic and corrupt rule of local CCP authorities. And I think for a lot of people, especially some of the young and some of the urban and modernizing cities of China, they look to the advance of the social merit system among other things as a way of lessening the CCPs capricious rule over their lives on a day to day basis.

Unfortunately, the long-term effects of that will be allowing the CCP much greater intrusive control into people's lives. Meantime, they are clearly very intent on exporting that to the world, to the world's tyrannies and to aspiring tyrants all over the place. We need to challenge that. I do think that AI, and a whole variety of other technologies of the future can be very useful for democracies in confronting all kinds of challenges, including pandemics. The challenge for us is how to deploy these in conjunction with rule of law that prevents the technologies from being abused and allowing for a certain clack or faction of men to have greater powers over other men. That is the nature I think of the geopolitical quarrel that we're in with PRC right now. And it is just frankly by the democracies just been joined. So this is going to be with us for some time.
Blaise Misztal:
Nadia, do you want to jump in on this sort of value-based competition angle?

Nadia Schadlow:
I agree. I mean, essentially with what my colleagues had said, Michael and Eric. And I think we hit on it a little bit earlier in the conversation. I think that the crisis affords us an opportunity in some ways to reinforce what we've been trying to do. Right? To Michael's point earlier about relooking looking supply chains, looking at the effects of hyper globalization and some of the effects which hurt our economy and hurt a free and open societies because of essentially the unfair practices deployed by countries like China.

So I think this crisis will reinforce some of those trends. The path that we've been on for the past few years. Again, we can't let up. We need to do what we've been doing in terms of improving our education system, reducing regulations to jumpstart our economy. All of the things that we've been talking about that won't change and perhaps it will give people more of an emphasis to realize how important it is that we do this more quickly.

But in the end, I think it is the free societies, open societies, open economies that are the most innovative. They're the ones likely to find solutions to the crisis more quickly. You know, as Mike pointed out with Mercedes and public private partnerships. Also, I'm not an expert on where the viruses in terms of antidotes to the virus, where they're emerging. I wouldn't be surprised if there are a lot of Western labs involved in this as well. And again, it's cooperation among all of these international organizations. I'm an optimist for believing that our system is still the best one to work our way through the challenges we face.

Blaise Misztal:
So on that perhaps we can pivot to our final set of questions about what the United States should be doing. But before we do that, let me remind everyone watching that if you have questions for the panelists, you can email them to events@Hudson.org or tweet them at Hudson Institute and we'll get to those in just a couple of minutes. But given the challenges that the pandemic does present for the United States and efforts that China and others are making to try to exploit this crisis, I want to dive in a little more into what the United States should be doing.

Nadia, you had mentioned at least there should be an informational effort to try to get out the news that we are providing assistance. The various supplemental budget bills that have passed have all included greater monies for foreign assistance. But sort of the biggest informational effort that we've been making thus far is Secretary of State Mike Pompeo's efforts to make sure that this is referred to as the Wuhan virus. Eric, is that an appropriate area of effort? Is that useful to the US to be pushing that?

Eric Brown:
It was in the context of this past couple of weeks when PRC was running this global propaganda campaign of essentially assigning blame for the virus and for its origins on everybody from Japan to Italy to the United States and to the US army. And PRC's failure to accept that the zoonotic jump, which led to this epidemic and then pandemic occurred in Wuhan is a pillar upon which it has been trying to persuade it's people at home and the world abroad that it and its
system is not responsible for this. So it was absolutely right in the context of a G7 to push back on this.

I mean, there was a great Chinese named Confucius who said that the hardest thing to do in an anarchic world is to establish order and peace. But the fundamental way in which you do that is to call things by their right names. The CCP has been at war with that tradition since China fell to it in 1949 and it doesn't produce truth-seeking behavior in its politicians or anything. Instead, what it produces is a party that's zealous about guarding its monopoly of power over China. And that leads to a distortion of facts that people, enlightened people, need in order to govern themselves. And this goes to the core of the problem. So it was right to push back on CCP's propaganda campaign.

Blaise Misztal:

Nadia or Mike? Other thoughts?

Nadia Schadlow:

Well, I wanted to make one more point, Blaise, about the big issue of the systems, right? Of our two systems. But there are variations as well within those systems, right? So we might see China as a pretty highly functioning authoritarian system that has a lot of control over it society and the technologies that it deploys, but not every authoritarian system is that way, right? So we might think about variations and the same with a democracy like the United States, has different strengths and weaknesses compared to other democracies around the world and then actually looking at who's likely to prevail or what's the best way, how this will all sort of unfold.

It's important to consider those variations as well. So that's all I wanted to add that... It's hard. I don't think the world is this binary world of democracy or authoritarianism, as my colleagues, Eric and Michael both who focus on these regions of the world in great depth within those regions, there are differences in the way countries are governed and that matters.

Blaise Misztal:

To that point, one of the things that you stress, Mike, is that this pandemic is exposing the weaknesses in some of our competitors, certainly in Iran and China as well. Is this a moment for the US to press an advantage? I mean, there's been this ongoing debate in Iran policy about what our objectives should be. Should it just be negotiating a nuclear deal? Should it be sort of containing your regional influence? Should it be regime change or pushing the regime to collapse in some way? Is this a moment to be doing that?

Michael Doran:

It's certainly not a moment to let up the pressure, which is the one of the responses of the Iranians to the crisis was an information campaign in the West that had two major components to it. One was to say that the sanctions that the US has imposed on Iran lack compassion and that they are harming the average person in Iran. And secondly, to say that the US is harming its own effort to contain the virus by not giving the Iranian state what it needs to fight the virus, which is namely sanctions relief.
And all of the people who opposed Trump's maximum pressure campaign are out there, in the United States I'm talking about and in Europe, are out there pushing those lines and I think we need to push back against them very aggressively. If we send money to the regime, that money will just shore up the regime and make it stronger.

It is not true that American sanctions are preventing the Iranians from acquiring medicines and equipment that they need to fight the virus. That the regime itself just threw out doctors without borders, which was volunteering to go help them fight. What they want is money to perpetuate their system and to save their terrorist allies in the Arab world. If they want to just fight the virus, they can get all kinds of help internationally.

What we would want to do though, they also have money. Khamenei has many billions. We don't know exactly how many, in reserve. He wants to hold onto that money to use it for the priorities of the regime, such as the nuclear program, such as they're shoring up their militia network around the Arab world and taking care of the regime at home. He doesn't want to use it on fighting the pandemic. We should force them to make a choice and to use those funds for the good of their own people rather than to spread their terrorism and mischief making around the world. I don't think that there's any evidence at all that freeing up money for this regime is going to improve its reaction to the coronavirus in any way.

Blaise Misztal:

Eric, on China and the CCP, is this a moment of weakness to push on? How do we address that?

Eric Brown:

Well, the first order of business in any democracy is to stabilize the domestic situation and that needs to be the priority. And I think it is. Of course, we have elections in our country and if our political leaders are seen as failing at that, there'll be thrown out of office.

The CCP, however, is facing this crisis by itself. It owns every catastrophe that China has experienced since it and it alone came to power. And it is going to face a much larger problem, especially when it deals with people who increasingly come to be frustrated with how it is. It has been dealing with the problem. And that means that CCP... I'm inclined to view CCP's behavior in the world less as an effort to supplant the United States, but rather an effort to divert people's attentions from the failings of the regime at home.

And I do think it's absolutely necessary, as Mike said, to keep up the pressure on that and to push back on it. Meantime, this is going to generate a lot of other problems that US foreign policy needs to contend with. I mean, the collapse of commodities' prices is leading to a defect. This was for told eight years ago, but the collapse of commodities' prices in the world and the general recession that we're seeing is leading to an implosion of the Belt and Road initiative. And a lot of the countries that had become indebted to the PRC in recent years, becoming suppliers of the Belt and Road and key components in it are now suffering from massive levels of debt.

I think that the United States needs to think about a lot of these countries, a lot of them with very large populations, and there are critical to the future of the world, from Bangladesh to Nigeria, about how it is we can retool and upgrade the world bank and the IMF and other organizations
to be able to help bring them out of this crisis and to provide them with alternatives to what PRC has created. That's going to require some real deep revision and rethinking of how we conduct ourselves and the instruments that we use in these parts of the world that are going to be suffering from Chinese strength.

Blaise Misztal:

Thanks. So I have some questions from the audience that I'll try to get in here. Again, if you haven't submitted your question yet, feel free to email events@hudson.org or tweet @HudsonInstitute. And we've got a couple overlapping questions, some on the issue that you raised Mike, about global supply chains and whether we think that there's going to be a rejiggering of international trade and something like a national industrial policy created in the US, or at least a reliance on US and allied produced goods that are considered to be of a critical nature. Do we think there's going to be some sort of real alignment on that?

Michael Doran:

Okay. I think that that's going to happen almost naturally, but we need to have a much more intelligent debate about it, I think. Like I said before, I think that there's globalization, the condition of the world, and there's globalism, which is the ideology that says that this is a wonderful thing and that it's going to be the answer to all of our problems, and that any suggestion that globalism has a downside, that we need to mitigate through government strategy and policy is all fake, it's not in keeping with the times, it's a fantasy. Or worse, I mean there's often the suggestion that it's racist because it's based on nationalism, which is, in the eyes of the people who are pushing this globalist ideology, is a inherently racist idea.

I think that Donald Trump has won that argument. It's not obvious that he's won that argument because the press is determined not to give them that victory, particularly in this election era. But if you look at the polling on how people now feel about how he's handling the crisis and on ideas about key supply chains being in the United States or close allies, I think it's clear that in the public mind he's won that.

So now we just don't have to start thinking about, well what's realistic in a globalized world to actually maintain in the United States? How do we do it while maintaining our free society and our economic freedom? And let's have an intelligent and a creative debate about how to make it happen in the best possible way rather than whether it's a good idea or not. It's clearly a good idea.

Nadia Schadlow:

And I think if could add, Blaise, in terms of a set of practical steps that this situation will likely accelerate for the good, it's a move toward more flexible manufacturing. So the Chinese, one of their main areas, one of the 10 areas of their Made in China 2025 plan has always been robotics and essentially agile or flexible manufacturing. They bought one of the most famous German plants, KUKA, I think it's called, that was the leader in what's called Industry 4.0 or Manufacturing 4.0. So they've understood the importance of this over time. There was recently a discussion that Will Roper had talking about the importance of digitized manufacturing and how in the 1950s, even many, many years ago, we were able to produce different variations of five planes in a matter of months. I mean, can you imagine that today? So this is an example of
how the US government can lead in pushing to at least reducing disincentives to this type of manufacturing.

But also the private sector needs to look at things in a different way as well and start to evaluate if particular investments in a plant make sense, if it doesn't allow flexible manufacturing, right? So I think that there are ways where, even as this bigger debate plays out, there are things that we can do differently right now or in the near term and that this crisis will help accelerate to the good.

Blaise Misztal:

All right. We have a couple of questions largely related to Chinese disinformation, so let me try to roll them into one. I guess first, how much is China lying, especially regarding its own situation, it's claiming there's no new cases, can this be true? And then relatedly, what can the US be doing to shed light on China suppression of the truth, including coordinating with the UK and other allies? And is this perception of China lying going to influence European capital's approach to China in the long term?

Michael Doran:

Just, one of the things that we don't have anymore, we had during the Cold War was we had the US Information Agency. I mean we had a system designed to fight ideological war. And we dismantled that largely, not entirely. There's still elements of the old USIA that are floating around in our government, but they're all disconnected from each other. And we need to kind of reassemble those, or at least create some connective tissue between them in order to fight and an ideological war. Our intelligence services, if you look at the intelligence services of the Russians, the Iranians and the Chinese, their operations are geared toward putting out misinformation or propaganda immediately.

I've looked very closely at the Iranians and I'm amazed at the flexibility and creativity and efficiency of their propaganda machine. And it's not a country, it's not a regime about which you often say they're flexible, creative and efficient in many other things. They're good at terrorism and they're good at terrorist propaganda. And they move very fast in this regard, and they're all synced up so that when they decide on a message that they put out from the podium in Tehran, well then they have their Arabic language news stations in Iraq and in Lebanon putting out the same message, I'm talking about within days, if not hours. And they also have their diplomats going out and taking diplomatic initiatives that reinforce the information that they're putting out. We will never, but by the nature of our system, which has to be responsive to democratic oversight, we will never match them in that regard. But what we have going for us is the truth.

But one of the bottlenecks I think in our system is that our intelligence system takes in information and analyzes it. And it never takes it in with the idea of what to push out. We know, I'm sure, that if we had a senior official, Mike Pompeo, say here and he could talk freely about what he knows about what the Chinese have been up to, he could tell us an enormous amount. Well, he can't tell us an enormous amount because he has a security clearance and he can't violate his security clearance. We need a segment of our intelligence establishment that is reading intelligence with an eye to declassifying it and then putting it out in order to de-legitimize the kind of messages that are authoritarian. You know, we're in this era which is very different than the Cold War, where these are authoritarian adversaries, are, are working within a free
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...economy. I mean, it's authoritarian capitalism. That's a different beast and we need to kind of recalibrate a little bit in order to fight that beast.

**Blaise Misztal:**

Mike, that sounded like a plug for Julian Assange.

**Nadia Schadlow:**

I agree with Mike on our government can and needs to do better in this area, but there's the component of the non-government sector as well, and ideas about reciprocity. So I think Congressman Mike Gallagher has been pretty outspoken about this and I agree with him looking at Twitter as a platform that the Chinese Communist Party uses, yet it's banned in China. So basic elements of reciprocity need to be rethought here. In addition, we still lack kind of an overall operational concept, maybe that's sort of too bureaucratic, but essentially an overall operational concept for how democracies fight in these propaganda wars. What are the components? How do you do it? There's an enormous amount of information about disinformation, there's an enormous amount of tracking of the problem, but we've yet to bring together the components of what we need to do, not just our government, but what's the role of the private sector in this? What are the roles of citizens in this? In this long-term continuous competition of the narrative.

**Blaise Misztal:**

So with that, since we're wrapping up, let me maybe go around and give each of you a chance to give your concluding thoughts and I'll also add two final questions that we have in case you want to address them as well. One is about Russia and how much and to what extent they're engaging in disinformation as well, in addition to what we've talked about with China and Iran. But also what the future of global coordination is going to be like in future pandemics, particularly in regard to the World Health Organization and its effectiveness. So either of those questions or general concluding thoughts. Let me start with you Eric.

**Eric Brown:**

Well, I mean to go back to your question about information coming out of China, I mean we can't determine exactly how much it's distorted or being lied about without having information of our own. So having some kind of declassification of our own intelligence would be extremely helpful, very important for our diplomacy and for enhancing public understanding here in the United States. Unfortunately, I think China itself is becoming under the CCP a much, much harder intelligence target to gain any kind of information on. I mean they're using all kinds of technological and AI capabilities to prevent accessing the society in ways in which we were able to access it just a decade ago. And that's likely going to come to be enhanced in the years ahead. So we have to stay abreast of that.

Besides that, the concern that we have, to go back to your original question is, I mean how can we actually build international organizations that can do the things that we need to do on a global scale? And when you look at the CCP's corruption of the World Health Organization, it's calling into credibility its own capacity to do its fundamental job, which is to respond to these pandemics. So we need to be very vigilant about protecting these very important international organizations from the corruptions of authoritarian regimes. That needs to be a strategic priority...
of our own. Otherwise, these organizations themselves will come to be undermined and will not perform-

Blaise Misztal:

All right. Let me stop you there just to have time to get everyone's final thoughts. Mike, any concluding remarks?

Michael Doran:

Just we need... When I said before about intelligence, we need to redefine what intelligence is. Because there's a lot of information out there, I'm responding to what Eric said about how hard it is to collect, there's a lot of stuff that's actually very easy to collect, we just don't think of it as intelligence. I mean there's a great book written by an Australian journalists called Silent Invasion and it's about how the Chinese went into Australia and started taking over key sectors, influencing politicians, buying off politicians, buying off academics. Let's call this elite capture. They go in and they start developing relationships that are very lucrative for key individuals, key elements in societies in order to wear down the the people who are opponents of the Chinese and to draw these countries closer or make them more dependent on China. We know the playbook now from Silent Invasion and other and other such books, we need to begin collecting on the Chinese as they engage in these activities everywhere, including here at home. We need a Silent Invasion written about how the Chinese have engaged in elite capture in the United States.

Blaise Misztal:

All right. Thanks Mike. And with that, let me give the final word to Nadia.

Nadia Schadlow:

Okay. Well I know we're out of time so I'll be quick and go back to the general discussion that we had an hour ago in the beginning. Essentially it's the principles of free and open societies like ours that I think will in the end prevail and help us work through and get beyond this crisis. And that doesn't mean that we need to... We can't be lax, we have to stay focused, we have to persevere and improve on our strengths and reduce our many weaknesses. But it's those principles that I think in the end we'll see us through. Thank you.

Thanks for that succinct summary, Nadia. And thanks to all of you watching us in our homes. Please stay tuned to Hudson's coronavirus website, which is at “hudson.org/coronavirus” as we continue to follow and track and analyze developments related to the pandemic. Thanks for joining us.