Dialogues on American Foreign Policy and World Affairs: Discussing the Future of U.S. Foreign Policy and National Security with Jake Sullivan

TRANSCRIPT

Discussion.................................................................

- Walter Russell Mead, Ravenel B. Curry III Distinguished Fellow in Strategy and Statesmanship, Hudson Institute
- Jake Sullivan, Advisor to Vice President Joe Biden

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Walter Russell Mead:

All right. Hello, everybody. I'm Walter Mead, the Ravenel B. Curry III Distinguished Fellow at Hudson Institute, and I'm here today with another one of our Mead dialogues that we have periodically. Usually, we have these at Hudson Institute in Washington. But during this period, we're doing it from home. Jake Sullivan, who I'm very happy to welcome here today, has been a foreign policy advisor to former Vice President Joe Biden.

He served in the Obama Administration as National Security Advisor to the Vice President and as Director of Policy Planning in the US Department of State, where he was instrumental in diplomatic efforts that led to a number of the most important achievements of those years. Jake, I should say or I should remind everybody, is not actually currently part of the Biden campaign. And what he's going to talk to us about today is entirely on his own personal authority.

There's nothing official happening here. Jake, thanks for agreeing to do another conversation. I'll just let the audience know that typically on these shows, what we try to do is give our guests a real opportunity to express themselves fully and to try to understand what people are thinking. I think too many times, we have the gotcha journalism culture and we have this back and forth on of talking heads on cable TV.

Here, my goal is that at the end of this conversation, you'll have a much richer understanding of the way that Jake sees where American foreign policy is going. You may agree with him. You may disagree with him. That's your business. My business is to try to help him and help you communicate and understand. So, Jake, you recently published a very interesting piece in foreign policy with Jennifer Harris.

And the two of you there argued that what some people are calling the neoliberal approach, and I noticed you expressed some qualms about the use of that term, is failing, and that the next administration, the next Democratic Administration, would need to rethink some of the key tenets of American foreign policy that marked both Republican and Democratic Administrations after the Cold War. Can you tell us a little bit about that?

Jake Sullivan:

Sure. So, what Jen Harris and I were basically arguing is that the foreign policy community, the national security community, has for too long set aside economics. It has acted as though economics is the province of somebody else and they should be the ones dealing with it. And that it's time at a moment when there is a genuine reckoning happening among domestic policy experts on the structure of our economy, on the relationship between the state and the market, it's time for foreign policymakers to get into the game as well.

And we observed that within that domestic conversation, the center of gravity is shifting on huge questions like the size and scope of public investment, how to tax wealth and not just income, how to think about corporate concentration and monopoly policy? How to think about the social safety net? And by the way, these are not just conversations happening in the Democratic Party.

You look at people like Marco Rubio and Josh Hawley, and other younger Republicans, they are also speaking about a different balance between state and market that has prevailed for the past 40 years. And at the end of the day, it's not good enough for foreign policymakers to say,
"Well, the economists will figure that out." Because in today's world, power is increasingly measured and exercised in economic terms.

And economics, at least as much as everything else, is going to dictate the success or failure of the United States in geopolitics. So, what we say is, "The foreign policy community should be stepping up to talk about what significant shifts have to happen in US economic policy in order to support a more effective grand strategy, because the United States is not going to get grand strategy right if it gets economic policy wrong."

And the foreign policy community needs to have a seat at the table for that conversation.

**Walter Russell Mead:**

Well, certainly, in terms of how it affected foreign policy, I think the main areas that we saw in the last, since 1990, because I think really, that's the era that you're talking about, the promotion of a global free trade agenda through the WTO, the promotion of financial globalization as a key. You talked about making it a priority of the United States so that Goldman Sachs would have access to the Chinese financial market.

Okay. Can you be more specific about where that agenda in your view went wrong?

**Jake Sullivan:**

Well, first, I would point out that it's not just, in my opinion, you look at a lot of the great champions of the free trade, a certain neoliberal economic agenda. People like Paul Krugman have written recently to say, "Actually, you know what? Maybe we were wrong about some things." So, number one, I think too much attention has been paid to creating market access opportunities elsewhere for American multinational companies or financial firms, which have no nexus to jobs or wages here, or sources of national strength here in the United States.

Number two, the free trade agenda has missed the point that international tax policy has to be a central part of how you think about international economics. Because if big companies and wealthy individuals can simply move money around so that it's never captured in a tax revenue base, then this promise that you're going to take the aggregate gains of globalization and compensate the losers becomes a lot harder to pull off if you're losing all of that tax revenue along the way.

And then, number three, we believe that for the United States to compete effectively in an international economic environment with free flows of capital and labor... I'm sorry, free flows of capital and goods, the US has to be investing in itself with a much more robust set of public investments. And that includes industrial policy, which has been a four-letter word among economics for a long time. But from our perspective, it has to become part of the answer going forward.

**Walter Russell Mead:**

It's certainly clear, even looking at the Trump Administration, maybe especially looking at the Trump Administration, that industrial policy is back on the table in a major way. And certainly, people well beyond Trump in the Republican Party are thinking that way. Where would you see the priorities for an American industrial policy? Because obviously, that's a term that can cover an awful lot of things.
Jake Sullivan:

Yeah. My view is the reason I think that an allergy got developed so acutely to the concept of industrial policy within economic circles is because it became synonymous with picking winners and losers. And I acknowledge the government is not good at going to X company and saying, "We're going to invest in you because you're going to be better than Y company." I do think the market is better at that basic function.

Where I think industrial policy has been important throughout American history has been to set big national missions and then put public resources behind them. So, think like the Apollo project as an example of that. And today, for me, the big areas would be climate and clean energy, building a public health infrastructure that not only can help us be more resilient in the next global pandemic, but can help us deal with the ravages of the opioid crisis.

Community health shortcomings that are sapping our social and economic strength would be a second major area. And then, a third area would be to keep the United States on the cutting-edge of the technologies of the future, biotechnology, quantum computing, artificial intelligence, where the balance between private investment and public investment has shifted so radically to private investment that it's hard for us to have the broad innovation base that power the dynamic economy the United States had in the '50s, '60s and '70s.

And what's interesting is you would normally think, "Wait a second, more government investment means less dynamism, not more dynamism, right?" But when it comes to basic science and research, two MIT economists, Jonathan Gruber and Simon Johnson, just wrote a book examining how just having the private sector involved in this basic research very much narrows the scope of innovation, because they're looking for immediate profit payoffs rather than the kinds of spillover innovations that can come from broad public investment of basic research.

So, those would be the major areas I would be thinking about a reinvigorated 21st century version of industrial policy. And by the way, [this is similar to] Alexander Hamilton's industrial policy. So, this is not some foreign concept that I'm advocating for.

Walter Russell Mead:

Well, it's interesting, a lot of countries would say that actually, without Pentagon, there's no Silicon Valley.

Jake Sullivan:

Right.

Walter Russell Mead:

So, I'm not sure if it's quite fair to say that we haven't done it. We just haven't admitted to ourselves that we were doing this.

Jake Sullivan:

Well, actually, what's interesting is you will find some progressive economists who quietly will say, "Hey, don't cut the defense budget because it's the only source of industrial policy the US
really has. And also, it's a source of millions of middle-class jobs." So, as long as we're not shifting to these other areas, maybe we need to keep those investments. Now, of course, those same progressive economists would say, "If you could promise me that we'd shift that to other productive uses, I'd do it."

But the US has basically found the only major area where we are putting that money is in the Pentagon. And frankly, the story there over the last 30 years has been one where the great successes of DARPA and the Internet, and so forth, are no longer being replicated in the 2000s, in 2010s the way they were in the 1970s, '80s and '90s, just because of the way Pentagon procurement changes, and the fact that there isn't as much of a public spirit about the way that we think about broad basic research investments.

And frankly, again, this is a bipartisan issue. I don't think of this as something that the Democrats are doing and Republicans aren't. There is no reason you couldn't put together a coalition across the aisle to talk about really large dollars driving the investments and research that will keep the US economy growing and at the cutting-edge of innovation.

Walter Russell Mead:

Well, certainly, these days, getting really large things through Congress seems remarkably easy.

Jake Sullivan:

It's when you could do 2.2 trillion like that, it expands your horizon of possibilities for the future.

Walter Russell Mead:

Right. Well, we'll need more than one $1 trillion platinum coin if this keeps up. Just on this business of neoliberalism, actually, one element of this neoliberal consensus was that high levels of immigration are good. Just as the free flows of people, as free flows of capital, free flows of goods, does that come in... and some of the Republicans you've mentioned moving away from that consensus have looked at migration levels.

Is that something you see happening on the Democratic side or is that scenario? What do you think?

Jake Sullivan:

I don't think so. I think this is an area where the Democrats and the Republicans, I mentioned the Josh Hawleys of the world, have a sharp divergence.

Walter Russell Mead:

Yeah.

Jake Sullivan:

And in my own personal view, obviously, in this case, is that it aligns much more with the Democrats, which is actually the evidence is pretty clear when it comes to global trade and global finance that substantial adjustments are required. When it comes to immigration, the
evidence is pretty clear that the restriction as to immigration policy is being advocated and in fact carried out by the Trump Administration and its allies, is a net drag on US economic growth, and is not in fact going to somehow power native-born American wages in some way.

So, I think this is an area where there's a robust debate across the parties and where I think the evidence very much favors one side over the other. And that a lot of what's fueling the other side is more cultural than economic in terms of some ephemeral notion of who America is and what America is supposed to look like more than it's grounded in solid research that says, it's actually having a harmful impact on American economic growth. I view, I think, quite the contrary.

**Walter Russell Mead:**

Right. You may well be right. Although I do know that many of the people who economically would be those who would feel the Trump support is coming from people without college education often and so on. And these might be people who have some knowledge or at least some sensitivity. And I think it's economic, I would hesitate to say all those folks out there were racists.

**Jake Sullivan:**

No, I wasn't speaking about those folks and nor am I calling the people advocating for it in the senate, racist. I do think there is a nativist element to it. And what I mean by nativist is a notion of the United States as being something more than just an idea but a kind of people who look a kind of way and speak a kind of way. I think that is something that is present. And in fact, in your own writings when you described the Jacksonian element in America, in Trumpism across the country, there is a blood and soil component to that.

So, I think for me, it's unproductive to get into questions about race and so forth on this issue. But I don't think it's unproductive to say that a lot of what drives the immigration conversation is about who counts as being part of the American community about whether that community should be more closed or more open should change over time in terms of its dimensions. I don't think there's anything.

It's not an effort to cast aspersions on anyone but rather to capture what I think is a real current in American politics today.

**Walter Russell Mead:**

I'm going to ask one more economic question and then move into more conventional foreign policy stuff. And that is that as we look at what COVID is going to be doing in the global south where even if by some miracle it doesn't have the same kinds of infection rates and so on that we've seen, or the economic consequences of the contraction in the north, are just devastating really on a scale I don't think we've seen since World War II.

The neoliberal liberal agenda was in part an effort to promote jobs and development in developing countries and promote investment. And then, that was always the argument that people made about it. If we are going to be moving away from that agenda at the same time that we're seeing a diminishment of their economic foundations, are there implications of that? Should that factor into our thinking about economic policy?
Jake Sullivan:

It should. It should. And I would like to stress that because the fact is that one doesn't have to buy into the global utopianism of the Davos set to believe very much that if your neighbor's house is on fire, you'd better grab a bucket. But we are all interconnected and economic weakness in other parts of the world will have a long-term impact on economic strength in the United States.

And what Jennifer Harris and I are arguing is not to pull up the drawbridge or end global trade, or return to a deeply protectionist approach, but rather to pursue an international economic policy that involves substantial flows of trade. But it is rooted in the question of, how are we ultimately growing jobs and wages here in a positive some way that also is growing jobs and wages in other places as well? And so, my argument would be that the answer here is not neomercantilism.

It's not cutting off imports from the global south, but rather, that we have a rebalancing in our approach to this that takes more account of the fact that our trade policy, honestly for the last 25 years, has been much more about making the rest of the world safe for American corporate investment than it has been about growing jobs and wages in the United States. I don't think we have to think in zero sum terms that doing the ones is necessarily going to come at the cost of people elsewhere.

And I do think we have to factor in the welfare of others, not merely because it's the right thing to do, but because it's the smart thing to do for the long-term health of the American economy.

Walter Russell Mead:

Okay, great. Well now, let's move from global depression to something cheerful or maybe not, Iran policy. It's clear that one of the deep divisions between this administration, the previous one, was over Iran policy and the exit or apparently now, not necessarily a full exit from the JCPOA, was a clear demarcation line. If we were to see the Democrats come back in, in 2021, what might Iran policy look like from your point of view? And I realize you're not speaking [in any official capacity] here.

Jake Sullivan:

Right. I think it starts from the lessons that we've actually learned over the course of the past three years. And I think we've learned that actually, both sides of this debate were wrong about a critical thing. So, advocates and defenders of the JCPOA, myself included, thought when the Trump Administration pulled out and imposed unilateral sanctions, that those sanctions were not likely to be as effective, because the Trump Administration wasn't bringing the rest of the world along with them.

That didn't turn out to be true. Actually, those sanctions have been very effective in the narrow sense of causing deep economic pain in Iran. Now, they have not been effective in actually producing the magical outcome that the Trump Administration is looking for. But they weren't able to muster an enormous amount of economic pressure, more than I and those of us who were defenders of the JCPOA, would have anticipated.

Opponents of the JCPOA were also wrong about a very important thing, which is they said when we did the deal, "Now that you've given all the sanctions relief, Iran is going to grow
economically powerful and resilient, and you won't be able to snap back. This notion of snapping back if Iran violates the agreement is a fallacy. And once you give them all the relief, you shower them with money, they'll be so rich that when they start cheating in a couple of years, there's nothing you'll be able to do to stop them."

Well, they were proven wrong about that, because snapback turned out to be a fairly straightforward thing, the power of the US dollar. And the US financial system was sufficient to take Iran from 2.5 million barrels a day of oil down to 500,000 or wherever we are at this point. So, what does that tell us? It tells us that actually the basic logic of a nuclear deal that says, "You'll get sanctions relief if you continue to comply with strict limitations on your program. But if you violate those limitations, we will snap sanctions back."

So, I actually think it has vindicated the basic principle behind the JCPOA. Now, my view would be that a Democratic Administration should immediately reengage nuclear diplomacy with Iran and look to establish something along the lines of the JCPOA, but immediately begin the process of negotiating a follow-on agreement. And I don't think there's anything inconsistent with negotiating a follow-on agreement and believing the JCPOA was good on its own terms.

SALT I was followed by SALT II. The START treaty was followed by New START. And any arms control agreement is going to have to be a series of steps. And that follow-on agreement, in my view, should deal with the timelines for the restrictions and extend them, and should also try to address other elements that we have learned subsequently could be strengthened. And I think that that is a perfectly plausible available strategy and a far, wiser course than basically demand Iran to come out with its hands up.

And when it doesn't, just keep ratcheting up pressure until you get to the brink of war, which has been the current strategy. It has left us in a position where Iran is closer to a nuclear weapon today than they were when Trump pulled out. And we are closer to war with Iran today than we were when Trump pulled out. So, for me, that would be a sensible hard-headed approach to take place.

Walter Russell Mead:

That's really helpful. I guess for me, I think I agree with you that our policies haven't really... people have figured out how to put on pressure, but it's hard to see how they're orchestrating that. But it does seem too that you didn't mention what I thought was the critical problem for the JCPOA, was really the whole question of Iranian regional activity was not part of the JCPOA. And that from the standpoint of Israel and Saudi Arabia, and some other countries, that was such a major issue that we ended up... I think we were making the Middle East more volatile rather than less.

Jake Sullivan:

I have a pretty serious problem with this line of critique. I acknowledge that the Iran deal did not cover Iran's regional behavior and that Iran's regional behavior continued to be bad after the JCPOA was struck in the summer of 2015. I noticed that. The Iran deal didn't say one thing one way or the other. It neither constrained Iranian behavior nor constrained America's capacity to push back against Iranian bad behavior.
And the notion that somehow the JCPOA was the cause of Iran acting badly in Lebanon, in Syria, in Yemen, in Bahrain, and other places, to me, is belied by the fact that the very people lobbying this critique were talking about Iranian malign activities in all of those countries before there was a JCPOA. You see, to me, the real issue with Iran, the real limitation on Iran in the region, has not been the availability of cash. It's been the availability of opportunity.

And where opportunities have arisen, they've taken them. And that was true in the '80s. It was true in the '90s. It was true in the 2000s. It was during the 2010s. It remains true today. And even under massive sanction, the Iranians have gotten more aggressive in the Gulf, have remained just as aggressive in Syria and Lebanon, have increased their activities in respect to the Houthis in Yemen, and all of that while under massive economic sanction from the United States.

So, the idea that somehow it was the JCPOA that unleashed upon the region, to me, is deeply ahistorical. That's one important part. The second important part is that I actually can't conceive of how the US and Iran arrived at a regional bargain through the P5+1 process, which does not involve, by the way, any of the regional actors.

**Walter Russell Mead:**

Right.

**Jake Sullivan:**

So, would it be the US and Iran sitting across the table, and the US saying, "Iran, here's an appropriate level of influence for you in Iraq or in Syria. We'll come to some understanding"? No, that doesn't make sense. Or alternatively, is it the Pompeo theory of, "We'll do a nuclear deal with you as soon as you completely withdraw all of your support for Hezbollah, all of your support from Syria, all of your support from everywhere else in the region. Then, we'll do a nuclear deal with you," which ain't going to happen.

So, my view is, if you can take one of the big threats off the board, the Iranian nuclear program, take it off the board, and then use the tools available at your disposal, none of which were stripped from us by the JCPOA, to go after Iran in the region. And to the extent you want to make diplomacy, the central feature of stopping Iran's malign activities, get the regional actors at the table with the Iranians and stand behind them with some pressure to try to produce a de-escalation, say between Iran and Saudi Arabia.

And I believe that the next administration should be thinking very seriously about how to run these two tracks in parallel, a nuclear track and a regional track. But the regional track is not going to be the P5+1 sitting with the Iranians and carving up the Middle East. It's going to be-

**Walter Russell Mead:**

I'm sure we couldn't have done some of that in 2014, 2015.

**Jake Sullivan:**

Well, two things about that. Number one, the basic attitude of our friends in Saudi Arabia and the UAE, and other places was at that point, they didn't want to sit with you. They didn't want to engage with you. And by the way, they said to the extent that you're talking about issues with
Iranians, don't talk about the regional issues. That's not your bailiwick. Talk about the nuclear issues.

**Walter Russell Mead:**
Right. But I think that may have been in part because they weren't confident of what we would say.

**Jake Sullivan:**
It's possible. It's possible.

**Walter Russell Mead:**
And I would think diplomacy, again, if we're going to do something, you have to do this.

**Jake Sullivan:**
Right. Right. No, I take that point. And it may be saying in a way, maybe that's a play we could have run then. It's a play I believe we should run now. I think one of the big differences between then and now is, now, everybody has devalued the nuclear issue because of the success in a way of the JCPOA. We did put the nuclear program in a box so everybody can focus on the regional issue. But if you inhabit the mind of strategic thinkers back in 2013, 2014, the nuclear issue loomed a lot larger than it does now. And frankly, we thought it was a big enough piece of business to try to contend with that, that building this two-track scenario, that would have been a much more daunting proposition then. And I think having now created the foundation of the JCPOA and trying to build upon it, the bandwidth, the capacity and the envelope for pressing on the regional issues, I think are greater. But what I don't buy is that if you take Pompeo's 11 demands that he made a couple of years ago in a speech at the Heritage Foundation.

And you ask, "Is this plausible? Can we achieve this with any amount of pressure?" I just have yet to find the person who can look me in the eye with a straight face and say, "Yeah, yeah, yeah. We can squeeze the Iranians until they say, 'You're right. We're done entirely with Hezbollah. We're out of Syria. We're out of Iraq. We're done. You're right. You got us.'" And so, part of this is about deciding, where does the actual trade space lie? And that's a hard conversation.

**Walter Russell Mead:**
I agree. But I think in terms of these 11 demands and so on, I don't know what Mike would say if he were here. But probably, he would disagree with me and look at me with a shotgun. But sometimes, the price that you walk into the bazaar with is not the price you come out with.

**Jake Sullivan:**
Yes, right. No, I agree with that. But the reason I struggle a little bit with that analogy, which I totally respect, set a higher price and then you'll come down, is that these demands are not like $100 that could go $80. They are just maximalist. They are absolutist demands. So, it's a
situation where you're not just moving incrementally somehow. You're moving in a binary way, off of absolutism onto something relative.

And what the administration I think refuses to accept is that, ultimately, a solution to the Middle East is going to have to involve some grappling with the existence of Iranian power and influence in some parts of the region. And the question is, how do we minimize constrain and manage that as opposed to just wish it away? And I think the only way to do that, honestly, is to begin with the conversation with our friends that's hard-headed and private.

That says, "What's an outcome that we can all find sustainable and effective?" And then, use that as the basis for a negotiating strategy. But I worry about the current administration, they set the maximalist demands, go tell all our friends, "Okay, we're all going to just stick to this script." And that's not going to produce an outcome. It's just not going to produce an outcome. So then, if you say, "Well, we can't move forward on the nuclear program unless we get the maximalist demands on the regional program." You've essentially said there is no nuclear deal we have. And I'm not there, I'm not there.

**Walter Russell Mead:**

Let me ask you one other Iran question, then we'll move on. Doesn't Iran deal with a new... if I were Iran, I don't think I would accept a new deal that wasn't ratified by the Senate. I would want a treaty, not just an administration, an executive agreement. Do you think that's right? And if so, what does that do in terms of what agreement is possible?

**Jake Sullivan:**

Having spent many, many hours with the Iranians in negotiations basically between 2012 and 2015, I anticipated that if I went to them in 2017 and said, "You know what? This time around, we're going to get a treaty through and then you can be confident that it's going to stick," the first words out of their mouth would be INF. They would say, "What do you mean? What does the treaty have to do with anything? There's no more guarantee that it's going to stick in the ABM treaty or the INF treaty, or other treaties that the administrations have withdrawn from." There are reasons to want to reinforce the role of Congress in foreign policy across the board in war powers and treaty making that I feel passionately about. And the more that we could convert executive agreements into treaties, the better I think for our democracy, the better for actually doing a deal with Iran I find less persuasive.

**Walter Russell Mead:**

Okay, that's very interesting. All right let's go to China. We seem to be getting a division of American foreign policy world into two camps on China, each of which may have many subdivisions. But one is, China is a serious emerging competitor. And it's important enough that it needs to be a primary focus of American foreign policy. And another school, I'm thinking of my old boss, Richard Haass, who had an op-ed on this with Fareed Zakaria and said, "Don't overestimate China. It's not as important as you might think."

Where do you come down on that?

**Jake Sullivan:**
I do think the rise of China is the single most consequential geopolitical event of my lifetime. I guess not in my lifetime, maybe the fall of Soviet Union will be, but of my professional lifetime, and how China chooses to conduct itself in the world, and how the United States and its allies and partners choose to respond to that, is of enormous significance to the future of US foreign policy. So, I don't buy the argument that says, "It's just not that big a deal. Don't worry too much about it."

At the same time, I do not buy into the argument that says, "We have to think of this entirely in a new Cold War frame where we're going to be in an existential struggle. And one of us will emerge victorious and the other of us will emerge in defeat." I think there are too many disanalogies from the Cold War period to make it sensible for the US to embrace that approach. And that what we should be looking instead to do is to take Dean Acheson's phrase, "Situations of strength."

And try to create enough situations of strength that we’re effectively able to deal with the Chinese in a way that protects our interests and values, but does not either wish them away or try to result in an outcome where the Chinese state has collapsed and they've declared defeat, and it's game over, all lobby in the Cold War.

**Walter Russell Mead:**

So, you're not looking for Reagan's plan when he was asked what his plan was, "We win and they lose"? That's not the-

**Jake Sullivan:**

Look, I think that's a super satisfying way to think about just about anything in life, and I'm as competitive as the next guy, and I grew up as a child of Red Dawn and Top Gun. And in some ways, I don't like not being for that. But I think we got to be serious about what we're actually trying to accomplish and we win, they lose to me is not a particularly effective mantra to hang on the US-China relationship.

**Walter Russell Mead:**

It's clear that the US policy toward China began to shift in the Obama years, has continued to shift under Trump, and presumably, would continue to evolve under a Biden Administration. How do you think a Biden-China policy would be different both from an Obama policy and a Trump policy?

**Jake Sullivan:**

Well, it's easier to identify the relatively significant distinctions between the Biden-China policy and the Trump-China policy. And maybe in going through those, I could elaborate on the difference also from where we were back between 2009 and 2016. So, I would say, first, that the Trump Administration views the US-China relationship in a strictly bilateral context. In the economic domain, in the security domain, they have built out this Indo-Pacific concept that brings in alliances to a certain extent.

Although, the President himself does not seem particularly bought into that. The team is bought into it, but the President himself doesn't really situate the US-China relationship in the context of
strong alliances and partnerships. And Vice President Biden has made clear that his number one priority will be to reinvest in this enormous strategic asset of the United States, and that is our network of alliances globally, not just in the Asia Pacific but the transatlantic alliances and others as well.

So, that's number one. Number two, the Vice President has a strong view that in any competition with China, we are going to be most effective if we're running faster. And the way you run faster is to invest in yourself. So, his domestic policy would look a lot different from a Donald Trump's domestic policy. It wouldn't be the $2 trillion tax cut. It would be massive investments in infrastructure, innovation, education, human capital, the things that for the long-term will make the United States more able to effectively compete.

The third difference I think lies in the question of values and democracy. Donald Trump has made a claim whatever Secretary Pompeo or others say that from his perspective, issues of values, human rights, democracy have no real place in great power relations, that great power relations are about the two strong leaders coming together to work out deals in their country, is naked interests, but don't really involve a values-based element.

And Vice President [Biden] has been very vocal about Hong Kong, about Xinjiang, about defending not just American democracy, but defending democracy against the advance of authoritarianism overseas. I think one issue that has changed quite a bit over the past several years that will feel different in complexion from 2009 to 2016 is the technology issue. And that goes both for the kinds of investments US has to make to remain ahead in foundational technologies.

But also, the appropriate level of restrictionism and balance with respect to the US-China technology relationship. And frankly, the Chinese technology relationship with other countries around the world as well. So, that's an area that I think you might see some differences. But honestly, one thing you and I have talked about over the course of the years is the Obama Administration's rebalance strategy or the pivot to Asia in 2011.

And I still believe, and I think Vice President [Biden] does as well, that the fundamental logic behind that, that the US needs to elevate its engagement across every dimension in the Asia Pacific, that that has to have a military component, an economic component and a diplomatic component. And that it is centrally about not just China but about strengthening the US as a resident power on every dimension in the entire Asia Pacific, which would put us in a better position to deal with China.

All of that remains quite sound. It needs to be updated to the current context, the current moment. But the basic logic I think was a sound logic in 2011 and will be a sound logic in 2021.

**Walter Russell Mead:**

I know there were battles internally in the Obama Administration over just how far how much to put behind the pivot. And my sense was that at the White House, there was a less push. There were some places where the bureaucracy in the different departments wanted more, and the White House was more cautious. I think Secretary Clinton was pretty out front as well on some of these issues.

Do you think a Biden Administration, given everything that's happened since then, that those battle lines might be in a different place now, internally in a Biden Administration?
Jake Sullivan:

My experience wasn't as much about battle lines as it was about in the first term you had Secretary Clinton, Secretary Panetta, Kurt Campbell. You had a set of figures who just thought this was the highest priority. So, they were putting a big amount of emphasis behind it. They were putting their shoulder to the wheel on it. And in the second term, the priorities for a variety of reasons, including some good reasons, you had the return of ISIS. You had the Iran nuclear deal.

You had the Paris Climate Agreement. You had the normalization with Cuba. You had this incredibly full range of issues that the level of just energy behind the rebalance was not in the same place in the second term as the first term. I think it was more about that than it was about soft versus hard. And you could find voices inside at senior levels inside the Obama White House from day one to the final day, who are strong advocates for a robust approach.

And then, the final thing I will say, at least as far as two of the big aspects of the rebalance were concerned, they continued with great alacrity in the second term. One was the shift of 60% of all naval assets in the world to the theater, which the Trump Administration has continued. I think finally, that process has been completed. And the second was the Trans-Pacific Partnership, which whether you like it or not, and Jen Harris and I have a view on it as we expressed in our piece from an economic perspective.

But there was enormous energy about driving that. It's a central part of an economic strategy to rally allies and partners and send a clear message to China that we were going to be the ones writing the rules, not them. That floundered not because of Barrack Obama or any energy inside the White House, but for political reasons involving the 2016 campaign and issues on the Hill and so forth. So, I think the picture is a bit more complicated than you've laid out.

I do think Democrats and Republicans, both over the last three or four years, the center of gravity in the conversation on China has unmistakably shifted. And the balance between competition and cooperation has changed in terms of levels of emphasis, whether you're talking to Democrats or Republicans. And I don't think that fundamental center of gravity is going to shift. I think it's more on, what are the tools available? What are the investments required?

And what are the strategies to deploy to carry out an effective form of competition rather than potentially self-defeating?

Walter Russell Mead:

Do you see Taiwan relations playing a role in this at all?

Jake Sullivan:

Look, I think Taiwan is an issue that is not getting the level of attention that I believe it deserves today from American observers of the regional situation. There's a lot going on. There's the Phase One trade deal. There's the fighting over COVID-19. There's preoccupation at home. But in the midst of all of this, China is executing a fairly public and aggressive crackdown in Hong Kong at a moment when the protests have been stymied by the virus.

And I think the possibility of some asymmetric move vis a vis Taiwan, either this year or next year, or the year following, is very real. And so, it's something that requires a deep level of
attention. Because honestly, in a perverse way, and Kurt Campbell and I write about this in our foreign affairs piece, Taiwan has been a surprising bipartisan success story where the US and China have managed to have not cratered the relationship, but the US has also managed to support a vibrant democratic Taiwan.

And so, that success story is going to come under some pressure in the years ahead. And I think it's something that we should all be paying more close attention to than we have.

Walter Russell Mead:

Great. What would be the role of Europe or European allies in an Asia-centric foreign policy? And I think this better be the last question, because I think you and our audience may be suffering enough.

Jake Sullivan:

Yeah. So, I apologize to your audience for my exuberance that translates into somewhat a long-winded answer. So, I will try to be brief on this one and just say that, increasingly, I think a common transatlantic diagnosis of the China challenge. And then, set of prescriptions about how to deal with it has got to be at the top of the list of priorities of the next administration. That goes for technology.

It goes for security. It goes for democratic pressure, sharp power pressure. It goes for broader economic policy and trade, and finance policy. And what I worry about is that there is a view of those of us who are not particularly enamored of the Trump Administration's approach that says, "Look, if we just all go to Brussels and Berlin, and London, and Paris, we will all get on the same page fast. And then, we'll have more leverage to deal with China."

And that in fact, that conversation is going to be a lot harder than we expect, because there are some divergence of perspective on both the diagnosis side and the prescription side, and it will take ambitious, effective, sustained diplomacy to try to get us on the same page. But I regard that as a very high strategic imperative, a common US-European approach to the question of China is in some ways make or break.

Walter Russell Mead:

Great. Make or break. Well, thank you, Jake. That was really great, and I certainly enjoyed it. And I'm looking forward to continuing these conversations in the future.

Jake Sullivan:

Thanks, Walter. I really appreciate it. Stay safe and healthy. And looking forward to seeing you in person soon.