



Forum for American Leadership

Principles for China Competition in Light of the Ukraine War

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Since Russia's invasion of Ukraine began in February, Xi Jinping has stood by Vladimir Putin internationally, affirmed the "no-limits" partnership he signed with the Russian leader on the eve of the Ukraine war, coordinated China's propaganda and disinformation narratives with Russia's, blamed the war on Washington and NATO, and condemned Western sanctions against Moscow. According to reports last month, Beijing is [considering](#) a Russian request for material military support in Ukraine.

There can now be no mistaking the Chinese Communist Party's (CCP's) intentions toward Ukraine, Europe, or the broader democratic world. Some five years since Washington began recognizing China as its primary national-security challenge, Xi's approach to Putin's war underscores the need to get this competition right. This requires abandoning illusory goals of cooperation with Beijing, countering a Beijing-Moscow axis that can only be expected to endure, strengthening Taiwan's defense and deterrence, and increasing U.S. defense spending to meet rising threats.

FAL's Recommendations for Congress and the Executive Branch:

1. Take Xi Jinping seriously when he threatens war on Taiwan.

Only after Putin invaded in February did many observers around the world finally understand the importance of taking seriously Putin's rhetoric challenging Ukraine's very existence and independence as a country, such as the [essay](#) he published in mid-2021 about Ukraine's illegitimacy.

Putin was acting in the fairly consistent tradition of autocratic strongman rulers, who often telegraph their intentions before waging wars of aggression. We ignore this at our peril.

Xi Jinping has repeatedly threatened war to unify Taiwan with China. He has chosen repeatedly and consistently over the years to attach his personal prestige to this goal. He has insisted that he would not let the Taiwan "issue" be punted again from generation to generation. And he has focused his military on the conquest.

When Xi does all these things, the United States and our allies must pay attention and take action. It would be inexcusably risky not to.

2. Avoid chasing illusory cooperation with Beijing.

Immediately following Putin's invasion, Beijing sought to present itself as a would-be peacemaker. Chinese officials backed Putin all along, but they also offered to mediate between Russia and Ukraine and claimed to stand for principles of sovereignty, territorial integrity, and peace. This was a familiar move for Beijing, which has also spent decades underwriting North Korea's nuclearization while posing as a negotiator trying to rein in Pyongyang, and which leads the world in [coal-power construction](#) while trumpeting green-energy goals.

So far, the Biden administration and most U.S. allies in Europe have rejected the notion of Beijing as peacemaker. CIA Director Bill Burns, Treasury Secretary Janet Yellen, and other administration officials have [called out](#) Beijing for backing Putin.

Sticking to this sober view over the long term will be important, even as Beijing can be expected to try its necessary-partner gambit again. The White House should remember that when President Biden and Xi Jinping spoke by phone in March, Beijing stressed that Biden had asked for the call and released its official readout before the conversation had even ended. That is how little interest Xi has in making progress with Washington.

There is no rationale for trading concessions to Beijing in exchange for promises of action on climate or North Korea. Time and again, the CCP has exploited such American outreach for asymmetric gain. These overtures likely also reinforce Xi's perception that the U.S. is strategically confused, unserious about competition with Beijing, and irresolute, encouraging Xi's proclivity for confrontation.

3. Defeat Russia's goals in Ukraine to weaken the PRC's strongest ally.

Given the Sino-Russian entente, American support of Ukraine's fight to deny Putin his war aims strengthens Washington's position relative to Beijing.

A weakened Russia, along with a reengaged and reinvested Europe, will be less likely to distract U.S. and allied attention from the China challenge in coming years, or to divert U.S. forces from deterring or defeating Chinese aggression in the Indo-Pacific region. Ukrainian success in blunting Russia's offensive can meanwhile serve as a model, inspiring potential future victims of Chinese aggression to invest in defense capabilities and conditioning U.S. allies to contribute to this cause.

This means continuing to provide the financial and military aid needed to sustain Ukraine's defense, as we have [argued](#).

Xi's personal investment in his alliance with Moscow may even render his strategic objectives vulnerable to a Russian defeat. If Putin were discredited, Xi would at a minimum face heightened skepticism from other CCP elites about his strategy.

4. Apply lessons from Ukraine's defense to Taiwan.

The United States should encourage Taiwan to follow Ukraine's self-defense example. Ukrainian resilience under fire blunted Russia's invasion, bought time, and created a political imperative for outside powers to marshal support.

Ukraine's defense has benefited from substantial U.S. and allied assistance, especially since 2014, which can also serve as a model for Taiwan. Most such cooperation has been absent in the Taiwan context, one consequence of longstanding U.S. decisions to limit military, diplomatic, and other contact with Taiwan.

Going forward, the U.S. military should expand work with Taiwanese counterparts on improving the island's situational awareness, training territorial defense forces, and providing essential capabilities such as air-defense systems, anti-ship missiles, anti-armor weapons, mines, and stockpiles of spare parts and other critical reserves. Such activities should increasingly include key allies, such as Japan and Australia.

5. Rightsize the U.S. defense posture for the era of Great Power competition.

Even enhanced Taiwanese defenses may fail to deter Chinese aggression, of course. For this reason, the U.S. military faces the need to upgrade preparations for a conflict.

Operationally, this means working (including with allies) to identify Chinese military weaknesses and other strategic vulnerabilities. Such operations should be accompanied by investments to withstand and counter potential Chinese escalation. All of this will require resources beyond the Biden administration's FY23 defense budget, which is only up 1.5 percent from last year after inflation. Meanwhile, China's military has been growing at an average of over 8% per year for the past two decades.

The administration could address this mismatch by recognizing our current Korean War moment. Just as that conflict confirmed the expansionist agenda of post-World War II communist regimes, so Putin's aggression should clarify the ambition of today's autocrats, from Moscow to Beijing.¹

After North Korea's June 1950 invasion of South Korea awakened Americans to the original Cold War, the Truman administration almost [tripled](#) defense spending as a percentage of GDP, from 5 percent in 1950 to more than 14 percent in 1953. U.S. defense spending later declined, rose during the Vietnam War, and then quickly fell off afterward, until the Carter Administration opened the coffers again in recognition of the Soviet threat. The Reagan Administration [accelerated](#) this buildup, taking the defense budget from 5.2 percent of GDP to a high of 6.8 percent in the 1980s.

¹ This month alone, Beijing has signed agreements expanding its military access to the Solomon Islands and Cambodia.

Today, we spend around 3.5 percent of GDP on defense. FAL's Asia Working Group believes that the United States should build sustained, bipartisan support for an increase in defense spending to 6 percent of GDP. This would only be a portion of the way toward the Reagan level (let alone the Truman level).

6. Boost non-military deterrence by strengthening allied plans for sanctioning China economically, financially, and technologically.

Because the signals from Beijing indicate hostile, offensive intent, prudence dictates not only bolstering Taiwan's defenses but also using all economic-financial-technological means to deter Beijing and prepare for possible future aggression.

A first step would be to address questions about the U.S. Commerce Department's capacity to enforce Russia-related sanctions that China may violate. Strengthening Commerce's Bureau of Industry and Security for its current missions would also enhance the credibility of any prospective sanctions against Beijing. The same logic applies to the capacity of the Treasury Department and its Office of Foreign Assets Control, which has traditionally had a shortage of Mandarin linguists and other China-focused personnel. Enhanced coordination with the Defense Department and others responsible for crisis planning and war planning is also essential.

Beyond Washington, the Administration should use the current crisis to jumpstart planning with allies. This work would not only advance preparations for imposing secondary sanctions on Beijing, as necessary, but also mature U.S. and allied thinking on using economic tools to deter a Taiwan invasion. Such preparations are likely to highlight, among other lessons, the importance of reducing American and allied financial exposure to Chinese banks and other entities that might be targets of future U.S. sanctions.

Ensuring that critical supply chains do not run through China is another necessary step. As long as such supply chains depend on China, Beijing will believe it has leverage to deter us and our allies in future crises.

This paper is a product of the Forum for American Leadership's Asia Working Group.

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