



## FOREIGN AFFAIRS

# Great-Power Competition Is Bad for Democracy

Rivalry With China and Russia Reinforces the  
Real Causes of American Decline

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Democrats and Republicans alike have greeted the prospect of a long-term rivalry with China as a challenge that will bring out the best of the United States. For years, Washington has touted China as the U.S. military's only worthy adversary and the kind of threat that could mobilize the national will and cure what's ailing American democracy.

Russia's catastrophic invasion of Ukraine has only hardened this conventional wisdom. Even though its origins have nothing to do

with China, the war has encouraged Washington to see these two great powers as being of a kind. Just as competition with China is supposed to be the path to American renewal, so, too, is the ongoing struggle against Russia considered a “good war” that can salvage the Cold War–era faith in waging winnable battles against autocrats. Ukraine reminds the world of the inherent virtues of democracy and of the possibility of the bipartisanship that supposedly governed world affairs after the Cold War. As the scholar Francis Fukuyama wrote in March, “The spirit of 1989 went to sleep, and now it’s being reawakened.”

But reconfiguring Western foreign policy for great-power conflict will not help restore democracy in the United States or anywhere else. There is little evidence that great-power competition strengthens civic bonds, equal rights, or economic security and much to suggest it could turn democracy further against itself. In fact, if the United States wants a well-functioning polity with a civil society at peace, the last thing it should seek is great-power rivalry. Many of the most pressing threats to democracy cannot be solved through a competitive framework: climate change, white nationalism and xenophobia, pandemics, and economic inequality. Instead of betting that conflict with China and Russia will invigorate the West, the United States and its partners should promote institutions of regional and global governance to mitigate the damage to democracy that great-power competition will invariably inflict.

## **ROMANTICIZING THE COLD WAR**

The preoccupation with great-power competition is problematic not only because it is not a strategy but also because it substitutes a slogan—or more specifically a zero-sum competitive impulse—for a strategic purpose. It elides even the possibility for a more democratic grand strategy, one that can empower all citizens, reflect majoritarian consensus, and project democratic aspirations at home and abroad. The United States needs a foreign policy that works for all Americans, not just one for corporations or even the middle class.

The Washington establishment's view that great-power conflict is a net good for the United States derives from a tortured reading of Cold War history. In this view, Soviet rivalry provoked the passage of civil rights legislation, the space race led to innovations in technology and computerization, and the Cold War economy created affluence and enabled homeownership for many Americans. This historical interpretation of the Cold War lies behind recent legislation, including the 2021 Strategic Competition Act and the 2022 America COMPETES Act, both of which seek to marshal federal resources to spur economic development and job creation, all in an effort to compete with China.

But the Cold War's influence is much more complicated—and grimmer—than policymakers' standard telling of it. It is true that the Cold War created tremendous economic growth and prosperity, but it did so with deleterious effects on free speech, racial and economic equality, and democratic pluralism. Rivalry with the Soviet Union stoked the Red Scare in the 1950s, during

which people merely accused of insufficient loyalty to the U.S. government lost their jobs and were blacklisted in Washington and in Hollywood. It inhibited the most ambitious parts of the civil rights agenda, sacrificing job creation and infrastructure investment for Black American communities in order to pay for the Vietnam War. It delayed needed reforms on gender by pressing women into domestic familial support roles and suppressing the feminist movement until it found a voice alongside other struggles for justice during the Vietnam War era. And by attacking programs for full employment, national health care, and labor unionism as “socialist” or “communist,” it embrittled the New Deal economic order established under U.S. President Franklin Roosevelt.

Great-power rivalry with the Soviets exacerbated class inequalities that paved the way for the ascendance of austerity politics in the 1980s. Then, neoliberal prescriptions for managing the economy included a weak welfare state, corporate deregulation, and the privatization of public goods and services—all of which yielded growing disparities in wages, incomes, and job prospects between working-class and wealthy Americans. A political economy dependent upon military spending created jobs in the engineering and tech sectors, but that primarily benefited the highly educated and the upper middle class. The rise of the postindustrial economy in the 1970s and 1980s meant that Americans outside the fields of technology, academia, and engineering (fields subsidized by Cold War defense spending), and without advanced degrees, had to look for jobs in the service industry, which provides perpetually

insecure, low-wage work without much opportunity for social mobility. The Cold War was not a struggle that benefited the working class.

The Cold War also set a precedent regarding federal spending by which guns necessarily came at the expense of butter. Whereas Pentagon spending averaged 7.6 of GDP, education spending took up only three percent between 1946 and 1960. At their height in 1982, Social Security benefits comprised close to 5 percent of GDP. In the forty years prior, benefits averaged less than 3 percent of GDP. (Only healthcare expenditures rivaled national defense as a percentage of GDP during the Cold War). The balance of U.S. defense and social priorities have been mismatched since World War II.

Making matters worse, Cold War liberals conditioned domestic investments on great-power rivalry. This meant decoupling the rationale for public goods from a positive vision for society on its own terms and instead tying it to what would most hurt the Soviets. This made it possible to oppose domestic spending with the contorted logic that it was harmful to competition with the Soviets. Even Democrats started adopting this view of the welfare state by the 1970s, effectively abandoning the labor base of the Democratic party in favor of a white-collar, technologically literate constituency that it saw as more capable of outperforming the United States' geopolitical foe. This bargain, which has left the Democratic party of the 2020s searching for its political soul, worked out far better for right-wing, nationalist politicians who consistently argued that money spent on poverty reduction—at

home and abroad—would be better spent on intercontinental ballistic missiles that could carry nuclear warheads, missile defense programs, and a more muscular foreign policy overall. This tendency helped rationalize the shadow of nuclear terror the world is still forced to live under today, but it did little to, say, shore up American democracy or prepare the United States for a global pandemic—to say nothing of lifting up America’s poor.

Fighting a monolithic communist enemy abroad also boomeranged in the form of racism and xenophobia against immigrants at home. The 1950 Internal Security Act, which required Communist Party members to register with the federal government, allowed U.S. authorities to deport naturalized immigrants suspected of “disloyalty.” After the repeal of the Chinese Exclusion Act in 1943, Chinese immigrants during the Cold War were compelled to “confess” their illegal immigration status—even if they had broken no laws when they came to the United States—to earn their citizenship rights. Such policies reflected the anticommunist hysteria of McCarthyism that lasted well into the 1960s. Even when Democrats finally took up the cause of civil rights, as the historian Mary Dudziak has explained, it was in a stunted, narrow way that had been delayed decades by the earlier destruction of a previously unified Progressive movement that was the first organized champion for political and economic equality in America. That coalition was undone by anticommunist liberals—including Democrats and Republicans—whose visions for change were shortened by defining their politics against an enemy rather than for their own theory of democracy.

The failure to see the Cold War for what it was has left the United States unprepared to manage the risks that great-power competition poses to democratic society today. The Biden administration thinks this rivalry will benefit the American middle class and the world, yet it is already poisoning U.S. politics, aiding Chinese President Xi Jinping, and accumulating avoidable strategic risks along the way.

### **RIVALRY AND RACISM**

Just as racism and ethnically motivated violence was part of the Cold War experience, so too has it become the most visible and immediate price of today's showdown with China and Russia. In the past few months alone, xenophobic attacks against Russians and Chinese immigrants have escalated in the United States. Incidents of hate crimes toward Asian Americans have increased 339 percent since 2021, including a mass shooting in Atlanta in March 2021 that killed six Asian American women. Following the Ukraine invasion, Russian businesses in the United States have been boycotted, and Disney paused its new film releases in Russia. Democratic Representative Eric Swalwell even went so far as to recommend "kicking every Russian student out of the United States." This is a disturbing echo of Cold War exclusionism.

U.S. President Joe Biden has rightly denounced acts of overt racism and xenophobia against Russian and Chinese immigrants. But an antiracist, antixenophobic policy is not one that merely denounces racial slurs or bigoted civilizational reasoning; it must also make it harder, not easier, to traffic in racialized sentiment. And on this count, the Biden administration is failing. Every

gesture toward “outcompeting China” unintentionally buoys ethnonationalism at home and abroad. U.S. policymakers need to understand that Xi draws strength from rivalry, as do American far-right extremists, conspiracy theorists, and the demagogic Washington politicians who pander to them.

Republican senators such as Tom Cotton, Ted Cruz, and Josh Hawley straddle the interests of Washington polite society and the far right. How? By invoking hateful rhetoric and promoting policies of racial exclusion that appeal to white supremacists and conspiracy theorists while maintaining a veneer of legitimacy by claiming that they target the Chinese Communist Party (CCP) or “China” writ large—a vague menacing “other” that ensnares the larger community of Asian Americans. Months into the 2020 pandemic, Cruz defended the use of racially coded epithets aimed at China, including “kung flu” and “Chinese virus.” Cotton personally trafficked in these yellow-peril dog whistles, and co-sponsored legislation that year to ban Chinese students from securing visas to study science, technology, engineering, or math in the United States. And Hawley earned a *Vanity Fair* headline that read “Josh Hawley Proudly Declares Himself Pro Hate Crimes” after casting the sole vote against the uncontroversial COVID-19 Hate Crimes Act. Hawley also campaigned for reelection on ads that included depictions of Chinese businessmen taking over American farms, creating a racial stigma around who should be allowed to own the most important tangible asset in the U.S. economy.



Stoking this rivalry has also allowed conservatives to avoid political accountability, politicizing Chinese villainy rather than answering at the polls for their conduct in office. Shortly after the January 6, 2021 attack on the U.S. Capitol, for instance, the BBC asked outgoing Secretary of State Mike Pompeo how the event affected America's global image, to which he responded, "I actually think that question is basically Chinese propaganda." The National Republican Senatorial Committee, similarly, instructed conservatives running for office in 2020 to tell voters, "Coronavirus was a Chinese hit-and-run followed by a cover-up that cost thousands of lives" and Democrats are "soft on China" and to "push for sanctions on China for its role in spreading the pandemic." Their explicit aim was to avoid a referendum on Trump-era conservative policies and his mishandling of the U.S. pandemic response.

Expedient hate-mongering is not confined to the political right. Rather than condemn Republicans' race-baiting and diversionary politics, many Democrats flirt with that same premise. Tim Ryan, a Democrat running for Senate in Ohio, has been unapologetic in his willingness to blame the economic plight of blue-collar workers on a China bogeyman—"China is winning and workers are losing" and "It's us versus China," he said in one ad. Democrats have been complicit in creating the economy that has put millions of Americans in a precarious financial position, so small wonder that they, too, would rather blame China for the state of things than reflect on their culpability.

Democrats have also bet that they can win support on infrastructure investment by framing it in terms of strengthening the United States for long-term competition with China. But perversely, Republicans and conservative Democrats have instead countered that competing with China may mean not investing in the United States' long-term future. Senator Joe Manchin, a Democrat from West Virginia, for instance, rationalized voting against Build Back Better legislation last year on the grounds that the United States needed the money for military contingencies against China and Russia. Earlier this year, Manchin joined Cotton in diverting \$4 billion from a climate fund to Pentagon research and development, citing concerns about China.

Whatever the merits of military spending, it is literally coming at the expense of funding for projects that would directly benefit the American people—just like it did during the Cold War. And that means Democrats using foreign competition as the key to domestic rejuvenation are making a bad bet that misapprehends the realities of American politics.

### **MAKING STRONGMEN STRONGER**

In China, rivalrous geopolitics is having similar consequences. China's political economy, and by extension Xi's rule, depends on oligarchs who exploit a weak labor rights regime and extreme worker precariousness, then move their profits offshore into often risky state-directed investments. This process is how China funds the Belt and Road Initiative, which Washington sees as a sign of Beijing's hegemonic ambitions. In other words, China's economic influence abroad is built on inequality and repression at home.

Rivalry perpetuates this dynamic. Economic growth, the great legitimizer of authoritarian politics, cannot forever proceed in a straight upward line. When growth rates fall, which in relative terms they are now, the ruling regime needs an alternative source of legitimacy. For Xi, that alternative is ethnonationalism—the glue that holds together political order in a deeply exploitative economic system.

Like its American cousin, Chinese ethnonationalism is a problem because it begets belligerence. The CCP’s “Wolf Warrior” diplomacy—the aggressive style of diplomacy adopted under Xi’s administration—is less a sign of insecurity than it is a symptom of nationalism being stoked for deliberately political ends. And ethnonationalism rationalizes the expansive modernization projects of the People’s Liberation Army, just as the same jingoistic, racially tinged sentiments in the United States are used to justify massive Pentagon budgets. Reactionaries in Washington and Beijing are mirror-imaging each other, and benefiting politically from the negative synergy of rivalry.

Recent history has also made it evident that great-power rivalry does not help efforts to weaken autocrats, and may end up doing the opposite. Great-power competition did not produce leaders such as Vladimir Putin of Russia, Rodrigo Duterte of the Philippines, Recep Tayyip Erdogan of Turkey, or Viktor Orban of Hungary, but neither can it manage the forces that propelled them to power: ethnonationalism, economic inequality, and democratic backsliding. Rivalry between countries is not a viable framework for democratic improvement within them. Instead, geopolitical

competition compels the United States to make undemocratic moral compromises in the name of democracy. In a rush to convince everyone that “America is back” as leader of the “free world,” the Biden administration has drawn hypocrisy-riddled distinctions between dictatorship and democracy as an ideological basis for great-power rivalry. But it is self-defeating—and logically contradictory—to enlist foreign governments in an anti-China, anti-Russia foreign policy agenda when the same mindset justifies U.S. backing of despotic, demagogic leaders from Turkey to Saudi Arabia to the Philippines and beyond. The United States’ limited political influence could be much better spent.

If left as the sole basis for American grand strategy, great-power rivalry will become circular, validating Russia’s and China’s militarist paths and justifying a superpowered U.S. national security bureaucracy primed for perpetual conflict. It will fail to rectify the sources of democratic weakness, which are rooted in economic precariousness, political corruption, and racism. It will lead to the election of autocratic leaders, who decry the United States’ domestic failures and link them to a supposedly weak foreign policy.

Given the public’s lingering desire to see the United States invest more at home, the time is right to shift course. Americans are looking for U.S. foreign policy to align with democratic expectations and public opinion. A truly great power would do its utmost to tackle the unresolved issues heightened by the pandemic: racial and economic inequality, a public health crisis,

and runaway environmental degradation. Geopolitical rivalry will do none of that.

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