

China's Technological Predation Threatens U.S. Security | Opinion

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With broad, bipartisan support from <u>Congress</u>, the Biden administration is expected to commence an all-of-government effort to confront the profound and rapidly multiplying challenges presented by China's rise. Exactly what the program will entail remains unclear, but neutralizing Beijing's web of predatory technology policies should be a priority.

For many years, China has been funneling hundreds of billions of dollars annually into technology research, development and production. It has been underwriting technology theft on a grand scale. And it has been extorting technological knowhow and other assets from U.S. businesses, as the price of entry into the Chinese market. These practices have made a mockery of the rules-based international trading system and have subverted the proper functioning of markets.

But what compels a firm and committed policy response from Biden is that Beijing's pursuit of technological supremacy presents an intolerable threat to U.S. security.

The U.S. government restricts the export of fissile materials as a matter of national security. Lockheed Martin is prohibited from selling F-35 fighter jets to China. Advanced technology is essential to national defense, and in the wrong hands, could be used against Americans—to spy, extort, sabotage and conduct warfare. Technology is already employed in the service of repression in China and there is a clear case for restricting its flow.

Economic protectionism is never a solution. But no less sacred than the rights of individuals to exchange freely the fruits of their labor is the obligation of government to protect its citizens from threats foreign and domestic. The obligation to conceive and execute appropriate measures to restrict the flow of technology has been summoned by Beijing's technological predation.

Tightening export controls, expanding the list of entities with which U.S. companies are prohibited from transacting, instituting investment restrictions and sealing off other conduits for theft of intellectual property are among the ways the Trump administration tried to keep cutting edge U.S. technology—and the advantages it bestows—out of the wrong hands. More recently, Congress began to appropriate funding for semiconductor research and development, as well as for export finance agencies to influence the sourcing of technology in communications infrastructure abroad.

The case for prudence is obvious, but the measures that have been taken are not optimal or especially effective. Overly broad restrictions can become exceedingly costly without even purchasing any security. Restrictions on exports of U.S. technology that is available from other countries buys no security and at great expense to U.S. suppliers. Haphazard subsidies are distortionary and a recipe for waste and abuse.

Surely, security measures can be made more surgical, less distortionary and more effective. They can be debated, transparently, among experts. They can be subject to cost-benefit analyses. And they can be designed and implemented to minimize collateral damage and encourage the support and cooperation of allies. This is the task before the Biden administration.

In fairness, it's hard to fault Beijing for its technology power play. After all, what government wouldn't pursue technological preeminence if it were considered realistic and essential to national security? Being king of the technological hill confers all sorts of strategic advantages—commercial, cybersecurity, intelligence and military—including, perhaps most importantly, a head start in the race to develop the next generation of technology.

For the same reasons, Washington shouldn't be faulted for trying to thwart Beijing's progress. Staying ahead of China in the technology race—or getting ahead as the case may be with respect to 5G—is simply a U.S. national security imperative and must be treated as such. Primacy in the next generation of technology could lock in advantages with very serious security implications for years and decades to come.

Preeminence in space technology, for example, may be necessary to protect and ensure the operability of satellite systems, which enable global communications, weapons guidance and electronic warfare capabilities. The capacity to deter aggression may be lost without that edge.

Today's technology race shares similarities with yesterday's arms race. Imagine how different the world would be if Nazi scientists had beaten us developing the atomic bomb.

This is about Americans' expectations of security. It's about U.S. policymakers doing what is necessary to preserve and augment advantages that contribute to the strength and security of the United States. It's about the responsibility of the U.S. government to protect its citizens and not foolishly squander the advantages the United States has accumulated over the years through diligence, determination and dumb luck.

Yet, some favor inaction. They suggest the threat is exaggerated or that most U.S. restrictions will be ineffective and will only hasten China's pursuit of self-sufficiency. Better to turn the other cheek. Besides, they rationalize, China will be too preoccupied with its own demographic and economic problems to present any real threat to the United States. Maybe.

Differences of opinion are crucial to crafting the right policies, but it would be a dereliction of duty of the greatest magnitude if the U.S. government—presiding over the richest, most powerful country in history—failed to muster the wherewithal to at least try to secure essential U.S. technological advantages and protect the U.S. position because it didn't take the threat seriously or appreciate the implications of ceding leadership. Like a successful business that spends to reinforce its incumbent advantages, the United States must reinvest to protect its strategic advantages. Think of it as an insurance policy.

Managing the U.S.-China relationship will be a monumental task for Biden and his successors. It will require adjusting expectations and behavior to the realities of a changing power balance. It will require humility, compromise and deft diplomacy. But it will also require the strength to stand down China's technological predation and the security threat it represents.

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The views expressed in this article are the writer's own.