

United States–China: What Endgame?

The Race to Strategic Incoercibility

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Abstract

The United States–China contest is usually framed as a race for primacy. This paper argues that the more consequential threshold comes earlier: *strategic incoercibility*, the point at which an adversary can still impose severe costs but no longer retains a politically credible package capable of reversing choices a state regards as vital.

The paper reaches three principal conclusions. First, the United States is already strategically incoercible against China on vital national choices, whereas China has not yet clearly crossed that threshold. Second, on present trajectories, a maximum U.S.-allied package probably retains a route to Chinese reversal in 2027, reaches a genuinely uncertain threshold around 2030, and by 2035 would probably remain capable of extraordinary punishment without a credible route to reversal. The central trajectory is therefore toward *mutual strategic incoercibility*, not Chinese primacy. Third, Trumpism materially strengthens American incoercibility and slows China’s approach to the threshold, but has not yet demonstrated that it can prevent it. The decisive race is between Washington’s ability to renew and aggregate usable vetoes and Beijing’s ability to remove them, build counter-vetoes and disrupt their aggregation.

Mutual incoercibility is not itself an Endgame. It would shift the contest from coercion toward *systemic organization*: whether either power can convert autonomy, centrality and capabilities into durable influence over the consequential choices of others. The paper therefore distinguishes American reconstitution, Chinese systemic breakthrough and a functionally distributed order as three possible Endgames, with war as a transition pathway rather than a fourth outcome.

Keywords: U.S.–China rivalry, strategic incoercibility, great-power transitions, systemic power, world order, planetary age, technological competition, maritime chokepoints, economic coercion, nuclear escalation.

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1 How Great-Power Transitions Actually Occur

1.1 A Power Transition Does Not Hinge on a Single Event

Changes in the hierarchy of great powers are among the most consequential events in international politics, but they do not follow a single script. Spain’s decline, the Dutch eclipse, Britain’s displacement by the United States, and the rise and defeat of Imperial Germany and Japan combined changes in material power, war, institutional adaptation and order-building in different sequences. Violence has accompanied many such transitions, sometimes catastrophically. Yet a shift in relative power is not the same event as a war, and neither necessarily coincides with the replacement of the surrounding international order. A long-duration study of roughly two dozen completed power transitions across about three millennia reaches precisely this conclusion: changes in relative power, episodes of violence and changes of order are analytically distinct outcomes rather than a single historical process.[1, 27, 138]

1.2 The U.S.–China Confrontation

That distinction matters because the United States and China are now engaged in the most important contest over the distribution and organization of international power since the end of the Cold War. China has acquired industrial, technological and military capabilities on a scale no previous challenger possessed while remaining deeply embedded in networks, markets and institutions whose architecture still gives the United States and its allies unusual leverage. Washington, for its part, retains formidable advantages in alliances, finance, advanced technologies, military reach and network centrality, but must increasingly convert those inherited positions into usable power against an adversary actively trying to make them less coercive. The question is therefore not simply whether China is “rising” or America “declining.” It is which strategic options each side will still possess as the structure connecting them changes.

1.3 A Great-Power Transition in the Planetary Age

The transition is also occurring under conditions with no close historical equivalent. Earlier contests became global; this one unfolds after human activity acquired the capacity to alter the Earth system itself. In 2023, the first complete assessment of the nine planetary boundaries found six already transgressed.[2] At the beginning of 2026, nine states possessed an estimated 12,187 nuclear weapons, while all nine nuclear-armed states were strengthening or modernizing their arsenals.[8] Artificial intelligence and synthetic biology are adding capabilities whose economic, military and security externalities can cross borders faster than the institutions designed to govern them.[4, 5] The novelty is not that a power transition is global. It is that the order emerging from it will have to operate in a genuinely planetary condition, in which failures of restraint or cooperation can propagate through systems no great power controls alone.

1.4 Must China Surpass the United States?

This raises the stakes, but it does not answer the strategic question. The date most often attached to China’s ascent, 2049, the centenary of the People’s Republic and the official horizon for national rejuvenation, is a poor operational clock. Political horizons are not capability thresholds. China need not surpass the United States in aggregate power, replace the dollar, match the U.S. Navy globally or construct a complete alternative international order before the strategic relationship changes in ways that are difficult to reverse.

The more consequential thresholds may be quieter and earlier. A military intervention can become prohibitively risky before one side possesses overall military superiority. A tech-

nological dependency can cease to function as a veto once a substitute becomes strategically adequate, even if it remains technically inferior. Sanctions can continue to impose substantial costs after they have lost the ability to change a decision regarded as vital. Industrial centrality can make exclusion too costly for a coalition to sustain. A nuclear force can become sufficiently survivable that attempts at disarming coercion lose credibility. None of these developments requires a ceremonial transfer of primacy. They can accumulate across domains.

1.5 Strategic Incoercibility

This paper calls the resulting condition *strategic incoercibility*: the point at which an adversary can still impose costs but can no longer plausibly compel reversal of a state's vital choices through the principal military, technological, financial or coalition instruments available to it. Incoercibility is not invulnerability, and it is not primacy. Nor does it require symmetric coercive power. A state can become incoercible without acquiring instruments equivalent to those of its adversary if substitution, counter-chokepoints, military denial and coalition friction make the adversary's superior instruments too costly, too slow or too difficult to combine.

The operational distinction is therefore between *punishment* and *reversal*. A nominal coercive package matters only to the extent that its leverage survives three filters: **usability**, including political and allied willingness to activate it; **persistence**, meaning whether it can be sustained longer than the target can adapt; and the target's best **counter-coercive response**. Strategic incoercibility is crossed when the resulting package can still damage the target severely but no longer offers a credible path to changing the vital decision at issue. China could reach that threshold while remaining unable to organize a successor international system. Conversely, the United States could lose particular vetoes without losing the capacity to renew its power through technology, alliances and network reconfiguration. The interval between those outcomes is the central strategic space examined here.

1.6 The Strategic Clock

This is why the relevant clock may run much faster than 2049 without implying a hidden Chinese deadline. China's current planning cycle extends through 2030 and places major military, technological and industrial objectives well before mid-century, while 2035 remains an important modernization horizon.[72, 96] These official dates do not predict when any particular threshold will be crossed, and they certainly do not establish a date for war. They do, however, reinforce a more basic point: strategic incoercibility can emerge through cumulative conversion of capabilities and removal of vulnerabilities long before full systemic primacy is conceivable.

The same logic changes how American success should be judged. Delay is not prevention, and prevention in one technological generation is not permanent denial. If Washington can use time to open new technological frontiers, deepen coalition capacity and reproduce forms of network leverage faster than Beijing can remove them, American power can remain structurally decisive even as China's relative weight grows. If, instead, the United States spends inherited chokepoints faster than it creates new advantages, the costs imposed on China may coexist with a steady depreciation of American coercive options. The contest is therefore dynamic on both sides: Chinese substitution races American renewal, while coalition aggregation races the erosion of political willingness and economic dependence.

1.7 The Endgame Question

The paper asks a precise question: *what would an Endgame in the U.S.–China contest actually look like?* It does not treat war as the definition of such an Endgame, nor Chinese primacy

as its necessary outcome. The decisive race is not simply between American renewal and Chinese substitution. It is between Washington's capacity to *renew and aggregate usable vetoes* and Beijing's capacity to remove those vetoes, construct counter-vetoes and make the remaining American instruments politically difficult to combine. The relevant quantity is therefore not nominal leverage but the coercive package that remains usable after the opponent's best counter-move. The paper asks when the principal revisionist moves available to either side cease to offer a credible route to a structurally better position; how close China is to strategic incoercibility; and what additional capacities would be required for freedom from coercion to become the ability to organize an international order. Separating those thresholds makes it possible to distinguish a power transition from its possible pathways, including systemic war, and from the order that may eventually emerge.

2 The Goban: What Is the Endgame?

2.1 The Game of Go

A standard *weiqi* board has nineteen horizontal and nineteen vertical lines: 361 intersections. Black and White alternate placing stones on vacant intersections. Once played, a stone does not move. Adjacent stones of the same colour form a group. Empty adjacent intersections are its liberties; when a group loses its last liberty, it is captured. A group that can preserve two separate internal liberties—two “eyes”—cannot be captured by ordinary surrounding play. The game ends without checkmate. Under the principal scoring systems, the final score reflects the space controlled on the board, with technical differences in how stones and territory are counted.

Nothing distinguishes one black stone from another. The same is true of the white stones. There is no queen, carrier or reserve currency printed on a piece. Strategic value appears after placement. A stone can be weak in isolation, secure because of its neighbours, useful because it connects two groups, or valuable because it projects influence over an area that neither player yet controls. Counting stones says little about the position.

2.1.1 From stones to position

This feature makes Go useful for a problem that conventional measures of national power handle badly. GDP, warheads, ships, patents, fabs and research output count assets. They say much less about what those assets allow a state to do when they are connected through alliances, supply chains, financial networks, geography and military systems. The same inventory can support very different sets of actions.

Go has a vocabulary for the distinction. *Territory* is space that has been secured. *Influence* is the effect a configuration exerts beyond what it already owns. A *moyo* is a framework of potential territory: stones outline a large area without making it safe from invasion or reduction. *Connections* allow groups to support one another; a *cut* can turn one defensible structure into separate weak groups. *Liberties* determine whether a group can continue to exist. *Life and death* asks whether a group can ultimately be captured at all.

The correspondence with geopolitics is not literal, but it is precise enough to be useful. A military platform, a semiconductor tool, a payment system or an alliance is an asset. Its strategic value depends on what it connects to, which actions it makes possible, which dependencies expose it to interruption, and whether an adversary can remove those options. An alliance network can combine assets located in different countries. A chokepoint can cut access to a technology or market. Alternative suppliers, payment rails, pipelines or sea routes add liberties. A position becomes harder to coerce when enough independent options remain that closing one no longer decides the outcome.

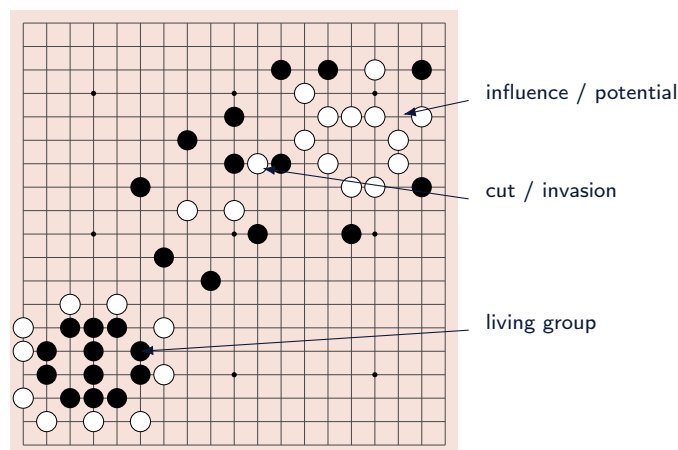


Figure 1: A Go position. Identical stones acquire different strategic value from connection, liberties, influence and the possibility of future play. The position is illustrative rather than a reconstruction of a historical game.

The figure should not be read as China in black and the United States in white. That would turn an analytical device into a cultural caricature. Its purpose is to show why inventories are insufficient. A group with many stones can be vulnerable if it can be cut or deprived of liberties. A looser formation can exert influence over a large part of the board without yet controlling it. A small group that has secured life may be impossible to eliminate even while the opponent remains stronger elsewhere.

That last distinction is close to the concept developed in this paper. *Strategic incoercibility* does not mean superiority. It describes a position in which the opponent can still impose losses but can no longer expect to eliminate the choices that matter most. In Go, a living group need not dominate the board. It has simply ceased to be capturable. The geopolitical analogue is necessarily imperfect, but it clarifies why China could become much harder to coerce before it acquires systemic primacy.

2.1.2 Influence is not control

The distinction between influence and territory also disciplines claims about Chinese expansion. A port agreement, a trade relationship, a technical standard or participation in a Chinese payment network does not by itself constitute Chinese control. It may instead enlarge a field of potential influence—closer to a *moyo* than to settled territory. Other actors can enter it, reduce it or use parts of it without accepting Chinese leadership. The same caution applies to American networks. Formal allies and institutions create possibilities for coordinated action; they do not guarantee that governments will accept the costs of acting together in a particular crisis.

The Chinese concept 勢 (*shì*, the strategic potential generated by a configuration) has a history far wider than Go. It should not be reduced to a board-game term. Its relevance here is narrower: power can reside in the disposition of capabilities and in the future actions that disposition makes easier or harder, not only in the capabilities themselves. David Lai used Go and *shi* to explain this aspect of Chinese strategic thought; Scott Boorman’s 1969 *The Protracted Game* went further, using *weiqi* as an interpretive model for Maoist revolutionary strategy.[31, 33] Boorman’s historical claim need not be extended to contemporary Chinese policy for the formal insight to remain useful. The game is a model of configuration, not evidence that Chinese leaders secretly conduct foreign policy according to Go principles.

Kawabata’s *The Master of Go*, based on the 1938 match between Honinbo Shusai and Minoru Kitani that Kawabata had covered as a journalist, gives the game a different resonance:

an old order can remain present while the structure of competition around it changes.[32] That is closer to the endgame examined here than the image of one power simply replacing another.

2.1.3 What an endgame means

Go has no checkmate. A normal game ends with viable black and white groups still on the board. Neither side has annihilated the other. What has changed is the configuration: territory has been settled, some invasions are no longer profitable, groups have become alive or dead, and the remaining moves no longer alter the result enough to justify continued play.

A transition in world order can have the same property without sharing the game's zero-sum scoring. Britain did not disappear when American power became predominant. The United States would not disappear if it lost the ability to organize important parts of the international system; China would not disappear if American reconstitution denied Beijing the regional or systemic position it seeks. The question is which consequential choices remain open when the main structures have hardened.

This gives the term *endgame* a more exact meaning for the analysis that follows. It is not the date at which one country "wins." An Endgame is a position in which the principal revisionist moves no longer offer a credible route to a structurally better board. The balance can continue to move after that point; what matters is whether adaptation reopens consequential routes to revision or instead reproduces the configuration. A semiconductor chokepoint that has been substituted away, a nuclear force that can no longer plausibly be disarmed, an alliance network that can or cannot mobilize on the required timetable, or an industrial dependency that has become prohibitively costly to sever can each remove a class of future moves. Strategic closure can therefore occur piecemeal, before the final distribution of wealth, military power or institutional prestige is visible.

The rest of the paper does not ask which country possesses more pieces. It asks how American and Chinese capabilities are connected, which options those connections preserve or foreclose, where each side remains vulnerable to being cut off, and which positions are becoming impossible for the other to reverse.

2.2 What would Chinese victory actually mean?

A Chinese victory need not resemble the American position after 1991. Beijing could secure its territorial claims, reduce its exposure to sanctions and technological denial, make outside military intervention prohibitively dangerous, and acquire greater influence over international rules without reproducing the American alliance system or displacing the dollar. The threshold that matters first is whether a hostile coalition can still force China to abandon an objective that its leaders regard as vital.

2.2.1 Three thresholds

Three conditions need to be kept separate. *Resilience* allows the system to absorb external pressure without systemic failure. *Strategic incoercibility* exists when pressure can still inflict damage but can no longer be expected to change Beijing's decision at an acceptable cost and risk. *Systemic organization* requires more: other governments begin to organize consequential choices around Chinese institutions, protection, markets, standards or anticipated retaliation. China can cross the second threshold while remaining far from the third.

The asymmetry is already visible. China occupies central positions in batteries, solar manufacturing, critical-mineral processing and much of electronics manufacturing, while remaining exposed to dollar finance and to several advanced technological inputs. Its conventional forces are making intervention near the Chinese coast more dangerous; its nuclear expansion is making escalation harder to control. None of this gives Beijing an equivalent to the dollar system,

the American alliance network or the global market for U.S. safe assets. It does, however, narrow the range of pressures that can be used against China with confidence.

Chinese policy increasingly treats these vulnerabilities as connected. The 总体国家安全观 (*zǒngtǐ guójiā ānquán guān*, holistic approach to national security) extends across political, military, economic, financial, technological, resource, nuclear, biological, space, artificial-intelligence and data security.[55] 双循环 (*shuāng xúnhuán*, dual circulation) seeks a more reliable domestic economic circuit while preserving access to foreign markets and knowledge. The 新型举国体制 (*xīnxíng jǔguó tǐzhì*, new whole-of-nation system) concentrates resources on technological bottlenecks. 新质生产力 (*xīnzhì shēngchǎn lì*, new quality productive forces) links those efforts to industrial productivity. The Third Plenum and the Fifteenth Five-Year Plan place integrated circuits, industrial machine tools, high-end instruments, basic software, advanced materials and biomanufacturing among the areas in which dependence is to be reduced.[56, 57]

These programs do not amount to a frictionless master plan. Chinese industrial policy has produced duplication, overcapacity and misallocated capital alongside genuine technological gains. IMF work published in 2025–2026 estimates a large fiscal-equivalent cost for industrial-policy support and measurable productivity losses from factor misallocation.[9, 30] Security policy can also restrict the competition and foreign knowledge flows needed at the frontier. Plans matter only where institutions convert them into capabilities that remain usable under pressure.

The clearest statement of the intended direction came from Xi Jinping in 2020. China should strengthen control over critical industrial chains while increasing foreign dependence on Chinese production chains, thereby creating stronger countermeasure and deterrent capacity. A later Central Party School analysis described the same combination: extend advantages where China already leads, break foreign control over decisive technologies, increase dependence on Chinese supply, and build backup sources for inputs that remain vulnerable.[40, 41] Autarky would sacrifice much of the leverage. The objective is a more favourable pattern of interdependence.

This policy sits inside a compressed view of historical time. Xi’s 百年未有之大变局 (*bǎinián wèi yǒu zhī dà biànjú*, great changes unseen in a century) describes a period in which technological change and the distribution of international power are moving together. Official discussion of the Fifteenth Five-Year Plan continues to pair those changes with national rejuvenation and with a 战略机遇期 (*zhànlüè jīyù qī*, period of strategic opportunity) marked by unusually severe risks.[70–72]

2.2.2 The official calendar and the strategic clock

The official calendar is real, but it should not be mistaken for an operational timetable. The PRC centenary gives 2049 its political importance. The military sequence is denser: the PLA centenary objectives in 2027, basic modernization by 2035, and world-class armed forces around mid-century. The 2026–2030 plan still instructs the armed forces to achieve the centenary objective on schedule while expanding strategic deterrence, intelligent and unmanned capabilities, logistics, mobilization and the conversion of frontier technology into combat power.[72] The sequence has also changed before. Objectives set for 2035 under Xi brought forward some targets that earlier Party planning had associated with mid-century.[96]

Those milestones describe intended states of development. They do not tell us when American leverage becomes unusable. A strategic threshold is crossed when enough vulnerabilities have been removed that a realistic combination of military, technological, financial and coalition pressure can no longer be expected to reverse a Chinese decision on a core interest. Different components can cross that threshold at different times. A more survivable nuclear force can alter escalation before China reaches numerical parity. Domestic semiconductor

equipment can remove a specific veto while remaining behind the global frontier. Electrification can reduce exposure to imported oil without eliminating maritime dependence. Coalition pressure can weaken even while the United States retains the larger alliance network.

For that reason, 2049 is better understood as a destination in China’s political narrative than as a clock for the endgame. The consequential change may occur years earlier and without a single event that announces it. The accumulation itself is the event.

A minimum Chinese victory therefore arrives before primacy. Beijing does not need to replace the dollar or lead every frontier technology. It needs enough redundancy, industrial centrality, military denial and escalation capacity that a realistic coalition can no longer combine its advantages into pressure likely to alter China’s choices on core interests. That is strategic incoercibility, not yet systemic leadership. The further threshold is organization: whether China can induce other states to accept, follow or rely on rules and public goods that it helps to define, including when doing so imposes costs. Incoercibility can therefore be achieved without consent, leadership or an accepted Chinese order.



Figure 2: The Chinese architecture of strategic incoercibility. The diagram summarizes an institutional logic, not a claim of frictionless central planning.

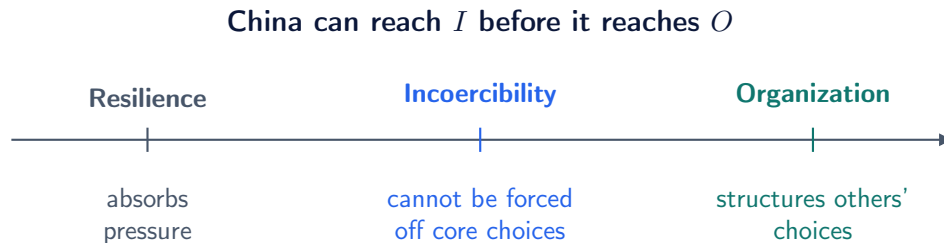


Figure 3: Three thresholds in the Chinese endgame.

2.3 What would American victory mean?

American success does not require restoration of the unipolar moment. Two objectives should be separated: preventing China from acquiring a regional or systemic position that closes off American choices, and preserving the wider American capacity to organize the international system. Washington could succeed at the first while losing ground on the second. A durable military balance in Asia could coexist with weaker American influence over industry, standards, finance, or the choices of nonaligned states.

2.3.1 Renewing advantage

The most useful American strategic tradition therefore concerns the renewal of advantage rather than the defense of every existing advantage. Andrew Marshall’s Office of Net Assessment treated long competition as an interaction between systems with different cost structures, innovation cycles, economic burdens and adaptive capacities.[34] The successive Offset

Strategies translated that logic into military technology: an advantage did not need to last indefinitely if the United States could move the frontier before its adversary absorbed it.

Contemporary approaches disagree over the end state. Elbridge Colby’s denial strategy asks how the United States can prevent Chinese regional hegemony without requiring unrestricted primacy everywhere.[20] Rush Doshi and Kurt Campbell emphasize “allied scale”: the United States alone no longer matches China in several forms of industrial scale, but a coalition of major allies can aggregate greater economic, technological and military capacity.[24] The Biden administration’s industrial policy and “small yard, high fence” approach sought to rebuild capacity, diversify supply chains and preserve selected technological advantages rather than transform China’s political system.

These schools differ substantially, but they share a temporal problem: can Washington renew strategically useful asymmetries faster than Beijing removes them? A semiconductor control that loses force after five years can still have succeeded if those five years allowed the United States and its allies to establish the next bottleneck. American victory is therefore not a frozen distribution of power. It is the continuing reproduction of usable network power—the capacity to renew advantages, aggregate allies and partners, and convert their combined capabilities into consequential action while relative power continues to move. The American endgame depends on generating tomorrow’s leverage before today’s expires.

2.4 Beyond Thucydides

Thucydides’ account of the Peloponnesian War contains a sentence that has survived for nearly two and a half millennia: “the growth of the power of Athens, and the alarm which this inspired in Lacedaemon, made war inevitable.”[12] The claim is stronger than the observation that powerful states compete. Athens had become richer, more capable at sea and more influential inside the Greek world. Sparta had to judge not only the Athens it faced, but the Athens it might face later. Decisions taken during the crises preceding the war were made under that expectation.

2.4.1 The trap and its limits

Graham Allison used this problem to frame the contemporary U.S.–China rivalry. His “Thucydides Trap” examines sixteen cases in which a rising power challenged a ruling one over the previous five centuries; twelve ended in war and four did not.[13] The cases were intended as warnings, not a statistical law. Allison’s central point was that a large change in relative power alters the incentives surrounding disputes that might otherwise remain manageable. The established power fears the future balance; the rising power becomes less willing to accept rules written when it was weaker; alliances and third-party crises acquire significance beyond their immediate stakes. War can result without either government having begun with a plan for war.

There are well-known problems with the historical comparison. Allison’s sixteen cases range from Habsburg France to Imperial Germany, Meiji Japan and the Cold War. “Rising” and “ruling” power do not describe the same relationship in each case, and the selection of cases makes the twelve-out-of-sixteen figure unsuitable as an estimate of the probability of war. A longer historical view reinforces a narrower point rather than supplying a rival forecast: Kendall Stiles’ study of roughly two dozen completed power transitions across about three millennia finds that shifts in relative power, episodes of violence, and replacement of the surrounding order do not reliably coincide.[138] They are distinct outcomes that require distinct mechanisms. More important for the present analysis, the Thucydides framework says relatively little about the mechanisms through which a ruling power loses its ability to shape the international system. A comparison of GDP, naval tonnage, industrial output or

military expenditure can establish a change in relative capabilities. It cannot establish whether a particular instrument of statecraft will still work when a government tries to use it.

That distinction is unusually important in the U.S.–China case. China’s rise took place through four decades of participation in an international economy built under American predominance. Its factories depend on foreign technologies and markets even as foreign industries depend on Chinese production. Chinese banks operate in a monetary system centred on the dollar. Chinese trade crosses sea lanes patrolled in large part by the United States and its allies. American technology controls, financial sanctions and intelligence capabilities derive much of their reach from networks that extend far beyond U.S. territory. China is challenging American power from inside many of the systems through which that power is exercised.

2.4.2 Power inside networks

Farrell and Newman have shown how this architecture creates coercive advantages for states that occupy central nodes in global networks. Their concept of “weaponized interdependence” identifies two mechanisms in particular: the ability to obtain information from flows passing through a central node and the ability to deny others access to it.[25, 26] The dollar system, advanced semiconductor supply chains and parts of the digital infrastructure have supplied Washington with leverage of this kind. The same networks also transmit the response to coercion. Firms alter suppliers, governments finance substitutes, inventories are accumulated, payment channels are diversified and allies negotiate limits on measures that impose costs on their own economies. A chokepoint has strategic value only while dependence on it persists and while the coalition controlling it is prepared to use it.

This makes the timing of the transition harder to locate than Allison’s formulation suggests. The United States could retain a larger economy at market exchange rates, unmatched global military reach and the dominant reserve currency while losing an option that had previously constrained Beijing. An export control ceases to be a veto once China can obtain an adequate substitute. A sanctions threat loses force if the coalition required to enforce it cannot be assembled at acceptable cost. A military commitment changes character when intervention remains physically possible but the expected losses and escalation risks make it politically implausible. None of these thresholds requires China to have surpassed the United States in aggregate power.

Nor does crossing them establish Chinese primacy. BeiDou can remove dependence on GPS for critical functions without making other states accept Chinese political leadership. CIPS and greater renminbi settlement can reduce exposure to some financial sanctions without displacing the dollar. A military capable of denying U.S. forces freedom of action in the Western Pacific does not thereby acquire America’s alliance network or its capacity to provide security elsewhere. The erosion of American vetoes and the construction of a Chinese-led order are separate processes. They need not occur at the same speed.

2.4.3 When an option begins to disappear

Copeland’s dynamic differentials theory sharpens the temporal problem. Leaders respond to expected changes in relative power because waiting can leave them in a worse position.[37] In the present rivalry, the object losing value may be narrower than national power. Washington may believe that a semiconductor chokepoint will close, that a sanctions coalition will become harder to assemble, or that the military balance around the First Island Chain will deteriorate. Beijing can observe the same trend and conclude that American incentives to use a fading advantage are strongest before the window closes. The expectation attached to a specific option can therefore affect behavior before the aggregate balance has decisively shifted.

The U.S.–China transition can consequently enter a dangerous interval in which American

material power remains immense, several instruments that once translated that power into constraint have weakened, and China has not acquired the institutions or consent required to organize a successor order. The sections that follow examine how close the two countries are to that condition, which American vetoes can still be renewed, and which may only be capable of buying time.

Table 1: Classical power transition and networked systemic transition

	Classical transition	Networked systemic transition
Unit of competition	National capabilities	Capabilities plus position in shared networks
Structure	Rival or separable blocs	Deeply shared financial, technological and industrial infrastructures
Balancing mechanism	Arms and external alliances	Denial, substitution, coalition aggregation, network exit
Use of dependence	Secondary	Central source of coercion and counter-coercion
Critical crossover	Relative-power shift	Loss of usable options and reversibility
Possible outcome	Succession or war	Reconstitution, breakthrough, fragmentation, or war



Hegemony weakens when the conversion chain fails,
even if capabilities remain large.

Figure 4: From national capabilities to systemic power.

3 Two Strategies for the Endgame

The competition is often described as a contest over power. The more useful distinction is between what each side is trying to make impossible. Washington wants to prevent China from converting its scale into a regional or systemic position that can no longer be reversed at acceptable cost. Beijing wants to prevent the United States from retaining vetoes over choices the Chinese leadership considers vital. These objectives overlap, but they are not mirror images. One strategy depends heavily on renewing advantages and assembling a coalition; the other can advance by removing vulnerabilities and making that coalition harder to assemble.

3.1 Washington: keeping the contest open

3.1.1 The competitive-strategies inheritance

American strategy contains several traditions, but they share a temporal problem: an advantage matters only while it can still shape the rival's choices. The competitive-strategies approach associated with Andrew Marshall treated superiority less as a permanent possession than as a sequence. Exploit an asymmetry; force adaptation; move before the rival has finished adapting.

Technology controls fit that logic when they delay Chinese access to frontier capability long enough for American and allied firms to open another gap. Military denial fits it when it prevents a rapid fait accompli while posture, munitions and allied capacity improve. Industrial policy fits it when it repairs an American dependency that would otherwise consume the leverage created elsewhere. In each case, delay is an input, not an outcome. Its value depends on what replaces the advantage being spent.

3.1.2 Denial and the local balance

The 2026 National Defense Strategy gives this logic a deliberately bounded military objective. It rejects the requirement to dominate China and instead centres U.S. posture in the Western Pacific on deterrence by denial along the First Island Chain.[35] Colby’s formulation is similar: the United States need not possess uncontested military superiority throughout Asia if it can prevent Beijing from converting local force into regional hegemony.[20]

That distinction matters because the relevant balance is not the global inventory. Around Taiwan, geography, missile range, basing, warning time and reinforcement determine how much of each side’s nominal strength can be brought to bear before the political fact on the ground changes. The American task is therefore narrower than preserving primacy everywhere and harder than remaining stronger on paper: it must keep Beijing from producing an irreversible result before the wider U.S. system can react.

3.1.3 From managed competition to transactional leverage

The Biden administration added a political theory of competition. Its officials sought a durable competitive equilibrium: renew American capabilities, restrict a bounded set of Chinese technologies, deepen allied coordination and keep rivalry below war.[67] The economic corollary was the “small yard, high fence”: controls narrow enough to remain enforceable and acceptable to partners, but stringent where the underlying capability had military or intelligence value.

The second Trump administration has put greater weight on direct leverage. Tariffs, market access, financial jurisdiction, defence guarantees and bilateral bargaining can extract concessions and additional allied effort. They can also consume something that cannot be read from a tariff schedule: the willingness of other governments to combine their capabilities with Washington’s when a larger contest requires it. The question is empirical, not temperamental. It appears in basing access, intelligence sharing, joint industrial investment, export-control enforcement, logistics and crisis planning.

This is the central American tension. A network can multiply U.S. power, but maintaining it constrains unilateral freedom. Transactional leverage can produce immediate gains, but repeated pressure on partners can reduce the network multiplier. The relevant test is not whether one style is tougher. It is which one leaves more usable power available when China has to be deterred, denied or coerced.

3.1.4 Renewal rather than preservation

The hardest American objective is not to preserve today’s chokepoints. Successful controls induce substitution; successful military concepts induce countermeasures; successful sanctions create constituencies for alternative channels. A strategy built on fixed advantages eventually consumes its own inheritance.

American success therefore requires renewal. Semiconductor restrictions have strategic value if the time they buy produces a new frontier, a more resilient allied production base or a military balance that remains difficult for Beijing to overturn. Alliance modernization has value if nominal allied capacity becomes deployable capacity. Dollar centrality has value if the financial system remains sufficiently useful and legitimate that partners still accept the costs

of enforcing it. The common requirement is to reproduce usable advantage faster than China removes the old vetoes.

Renewal alone, however, is no longer sufficient. American coercive power increasingly depends on three operations occurring together: **renew the veto**, so that technological and network advantages move faster than Chinese substitution; **remove the counter-veto**, so that Chinese leverage over minerals, industrial inputs or other critical dependencies cannot disable the American instrument; and **aggregate the coalition**, so that allied capabilities become coordinated action before the target adapts. A strategy can succeed at the first task and still lose coercive effectiveness through the other two. This three-part problem is the American side of the race to incoercibility.

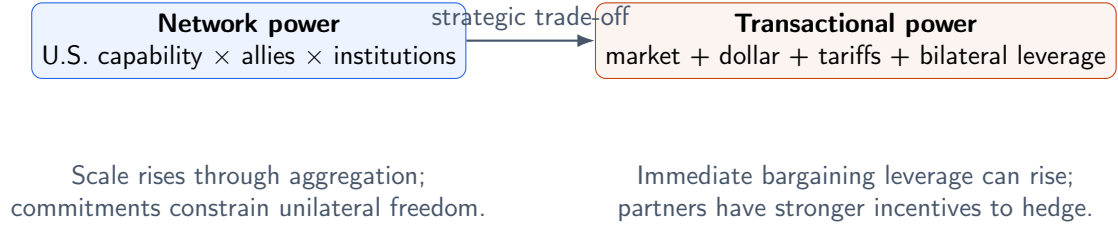


Figure 5: Two theories of American power. The test is which converts more allied and national capability into usable strategic power over time.

3.2 Beijing: removing American vetoes

3.2.1 The chokepoint problem

Chinese strategy starts from a different question: where can an external actor interrupt a function quickly enough, and for long enough, to force a change in Chinese policy? The term 卡脖子 (*kǎ bózi*, literally, “grabbing the neck”; a critical external chokepoint) captures the problem. The associated objective, 自主可控 (*zìzhǔ kěkòng*, autonomous and controllable), is not autarky. It is the removal of dependencies that can become foreign vetoes.

The distinction is important. China can remain deeply integrated into world trade and still become much harder to coerce. Imports are strategically tolerable when interruption can be absorbed, rerouted or substituted before political pressure bites. The map of Chinese dependence is therefore not itself a map of vulnerability. Vulnerability depends on replacement time, inventories, alternative suppliers, coalition enforcement and the duration Beijing can absorb disruption.

3.2.2 Substitution is only the first half

Xi’s 2020 supply-chain formulation makes the strategy unusually explicit: reduce exposure to foreign chokepoints while strengthening positions that make others dependent on China.[40, 41] The Fifteenth Five-Year Plan gives the first half an institutional machinery. It calls for decisive breakthroughs across entire chains in integrated circuits, industrial machine tools, high-end instruments, basic software, advanced materials and other weak links, while coupling research to application, standards, industrial development and product iteration.[19]

The strategic objective is not frontier parity in every field. An inferior domestic substitute can be valuable if it keeps a critical system operating under denial. Conversely, scientific success has little strategic value if it cannot be engineered, manufactured and deployed at the required scale. The contest is therefore between American frontier renewal and Chinese conversion time: how quickly a dependency can be identified, substituted and scaled before Washington creates the next bottleneck.

The second half is counter-leverage. Chinese strength in processing, manufacturing ecosystems, critical inputs and market scale raises the cost to foreign governments of using their own chokepoints. This does not make Chinese coercion automatically effective. It changes the bargaining environment by making pressure more reciprocal and coalition formation more expensive.

3.2.3 A strategy measured in vetoes removed

The same logic extends beyond technology. Energy diversification lengthens the time before maritime pressure becomes politically decisive. Greater RMB settlement and CIPS reduce exposure to some payment restrictions without reproducing the dollar system. Nuclear modernization raises the risk attached to deep conventional intervention. Industrial centrality can make sanctions costly for the states imposing them. None of these measures abolishes dependence. Each can weaken a different American option.

This is why 2049 is a poor operational clock. Beijing does not need to wait for a ceremonial date or for comprehensive national superiority if enough individual vetoes cease to work earlier. Nor does every veto have to disappear. Strategic incoercibility can emerge from the accumulation of partial protections across several domains, especially if the remaining instruments cannot be used together at acceptable cost.

3.3 Aggregation versus wedge

3.3.1 The asymmetry

The United States has something China does not: a dense set of formal allies and long-standing security, financial and technological relationships. In aggregate, that network can outweigh Chinese advantages across crucial domains. But aggregation is an action, not an accounting identity. Governments must agree on the instrument, accept unequal costs, settle legal and operational questions and act before the relevant window closes.

Beijing's task is consequently less demanding than building an equivalent alliance system. It can gain strategically if American partners remain allied yet decline to participate in a particular sanction, export control, basing decision or military operation. Chinese analysis of 楔子战略 (*xiēzi zhànlüè*, wedge strategy) is useful here because the desired result need not be realignment. Delay, neutrality or sectoral divergence can be enough.[18, 43]

3.3.2 Coalition latency

The semiconductor controls of 2022–2023 provide a relatively benign illustration. Washington announced its October 2022 restrictions before the Netherlands and Japan had adopted corresponding measures. Political agreement followed; Japanese controls entered into force in July 2023 and Dutch controls in September. Chinese firms used part of the interval to accumulate equipment and inputs.[90] Months are manageable in a technology campaign measured in years. They are not manageable in a military crisis measured in days.

Coalition latency is the interval between allied capacity existing and that capacity becoming coordinated action. Its sources vary. Export controls require common definitions and enforcement. Financial sanctions distribute losses unevenly across jurisdictions. Military operations require access, logistics, authorities and agreement over escalation. The larger the coalition, the greater its potential power; the more politically heterogeneous it is, the less automatic its conversion can be.

3.3.3 Third states are not pieces

Wedge strategy is easy to overstate if every instance of allied hesitation is attributed to Chinese influence. Much of the friction comes from the interests of third states themselves. Japan can strengthen defence coordination with Washington while preserving selected commercial links with China. India can participate in the Quad without accepting alliance obligations. European governments can enforce advanced-technology controls while rejecting comprehensive containment. Gulf states can rely on American security relationships while deepening Chinese investment.

These are not embryonic members of a Chinese bloc. They are states trying to retain room for manoeuvre. Some are beginning to build what this paper later calls *partial incoercibility*: diversified arrangements in which neither Washington nor Beijing holds a decisive veto across every function. That tendency can frustrate American aggregation without producing Chinese organization. It is one reason a post-American order need not become a Chinese one.

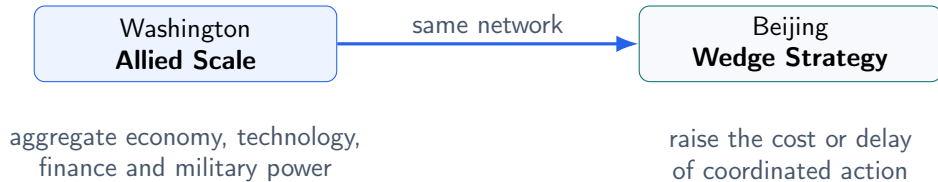
3.3.4 When the network is slower than the event

Chinese coercion has often failed to reverse the policies it targeted, and influence operations should not be credited with effects they have not demonstrated.[86, 87] The more important Chinese opportunity is structural: increase the cost, complexity or decision time required for a coalition to act. American policy can aggravate the same problem when disputes among allies accumulate faster than mechanisms for joint action.

The indicators are observable. Do export controls converge faster or more slowly? Are munitions, maintenance and industrial programs genuinely integrated? Is access pre-negotiated? Can intelligence and logistics move before political deliberation is complete? Do partners believe that joining one U.S.-led measure exposes them to unrelated American pressure later? The alliance system may remain formidable while its conversion rate deteriorates.

China therefore does not need to dissolve the American network. In some contingencies it needs only to make the network slower than the event.

The aggregation problem and the maximum-coercion test. The relevant American capability is not the arithmetic sum $C_{US} + C_A$, but the fraction of U.S. and allied capabilities that can be activated *simultaneously, rapidly and sustainably after Chinese retaliation*. A package is reversal-capable only if three properties survive the target's best counter-move: **leverage**, **usability** and **persistence**. The decisive test is political rather than destructive: can the assembled package be sustained long enough to make Beijing reverse a vital choice? Section 8 applies this test to the contemporary bilateral position and to the 2027–2035 strategic clock.



**Washington must make the addition sign work.
Beijing may only need to weaken it.**

Figure 6: Aggregation versus wedge: the asymmetric coalition game.

Strategic Assessment: Renewal, Substitution, Aggregation

Washington's problem is to keep the contest open: renew technological and military advantages before China adapts to them, and convert allied resources into action before a crisis outruns the coalition. Beijing's problem is to remove the external vetoes that make core choices coercible, while raising the cost and latency of the coalition that could combine those vetoes.

Neither strategy requires comprehensive superiority. American power can remain greater in aggregate while losing the ability to exercise a particular option on the required timetable. China can become difficult to coerce while remaining unable to organize an international order around itself. The strategic contest is therefore decided less by the stock of power each side possesses than by three conversion rates: American renewal, Chinese substitution, and coalition aggregation.

4 The Race to Incoercibility

4.1 How close is China?

The answer depends on the instrument. China can already absorb pressure that would have been crippling twenty years ago, yet it remains exposed in several systems that Washington and its allies still influence heavily. Industrial scale, financial autonomy, technological sovereignty, maritime endurance and military denial have not advanced at the same speed.

The distinction established earlier between resilience, incoercibility and systemic organization therefore has to be tested domain by domain. The relevant question is not whether China has become "self-reliant." It is whether the remaining dependencies can still be combined, quickly enough and at an acceptable cost to the coalition applying them, to change a decision Beijing considers vital. Finance remains the clearest source of American leverage. Advanced technology contains powerful but depreciating bottlenecks. Maritime dependence can impose enormous costs, but the time required to make those costs decisive has lengthened. Military intervention near China has become harder while systemic organization abroad remains far less developed than Chinese resilience at home.

The sections that follow examine the remaining vetoes in the order in which their strategic value is changing. The test is deliberately demanding. A measure that slows China is not necessarily capable of preventing strategic closure; an instrument that can still prevent it today may not be able to restore the dependency once a workable substitute exists.

4.2 Technology: destroying the veto

4.2.1 The semiconductor chokepoint

Advanced semiconductors remain the clearest contemporary example of a strategic dependency whose value changes as both sides adapt. The United States and a small number of allied firms occupy unusually strong positions in semiconductor manufacturing equipment, electronic design automation, advanced lithography, high-bandwidth memory, leading-edge accelerators, and parts of the software and tooling stack. Controls imposed since 2022 have constrained Chinese access to several of these capabilities and increased the cost of frontier production.[14]

The Chinese response has been broader than substitution of one imported machine. Procurement rules, state financing, customer pressure, local standards, and industrial policy are pushing fabs and equipment makers toward domestic alternatives. CSIS finds that export controls have accelerated localization across parts of the semiconductor chain, even while Chinese firms continue to face significant gaps in the most advanced equipment and production

processes.[21] The policy effect is double: denial imposes real delay and simultaneously raises the value of replacing the denied input.

4.2.2 Localization is not sovereignty

The distinction between localization and technological sovereignty is essential. A domestic fab capable of producing an advanced node does not by itself establish sovereignty if it depends on imported metrology, software, specialty materials, precision components, or maintenance knowledge. The stronger test is operational continuity under prolonged denial. Operational sovereignty requires Chinese firms to reproduce, service, repair, improve, and scale the full production stack after foreign inventories are exhausted and technical support ends. That standard is much more demanding than production of a demonstration wafer.

4.2.3 The frontier beyond semiconductors

The wider technology balance is less reassuring for Washington than the semiconductor case considered alone. ASPI's 2026 update to its Critical Technology Tracker places China first in high-impact research in 69 of 74 technologies, including fields in which it had previously trailed, while the United States remains first in only a small minority.[73] The metric is deliberately narrow: it measures the top decile of cited research output, not commercial capability, product quality, manufacturing yield, or military deployment. Its strategic value is therefore as an upstream indicator. A research lead creates no automatic veto over another state. It enlarges the pool from which future engineering and industrial advantages can emerge.

That distinction makes the Fifteenth Five-Year Plan unusually revealing. The Plan identifies one set of sectors for “decisive breakthroughs”—integrated circuits, high-end machine tools, advanced instruments, fundamental software, advanced materials and biomanufacturing—and another set as future industries to be cultivated, including quantum technology, biomanufacturing, hydrogen and fusion, brain-computer interfaces, embodied intelligence and 6G.[72] The first list can be read partly as a map of vulnerabilities Beijing still considers important enough to attack directly. The second is a map of technologies in which it wants to occupy future industrial positions before the market structure has settled.

4.2.4 Delay, prevention, reversal

Permanent technological exclusion is an implausible objective against an economy with China's scientific depth and industrial scale. American controls can nevertheless be strategically valuable if the time they buy is used to move the frontier. A five-year delay matters when those five years produce a new dependency in manufacturing equipment, advanced packaging, AI compute, scientific instrumentation, biotechnology or another field whose importance has risen. The contest is therefore temporal: frontier renewal in the United States and allied economies against China's ability to turn scientific and engineering capability into a production stack that survives denial.

4.2.5 The paradox of weaponized dependence

Use also changes the asset being used. Denial raises the return to substitution and can shorten the life of a chokepoint. Innovation, allied specialization and control of complementary inputs can create another one. The record so far supports a strong claim about delay. It supports a weaker claim about permanent prevention. Reversal is harder still: once China can operate a strategically adequate domestic stack, Washington would have to create a new dependency rather than restore the old one.

China’s own use of rare-earth controls demonstrates the same mechanism from the other side. Restrictions in 2025 imposed immediate costs on foreign manufacturers, but they also triggered a large U.S. and allied effort to finance new mining, refining, magnet production, recycling, and long-term offtake arrangements.[22] Japan’s experience shows that such substitution can take many years, which means weaponization can still be valuable even when it accelerates escape.[45] The strategic value of a chokepoint lies in the interval between disruption and replacement.

For semiconductors, the late-2020s indicator is not an announced Chinese breakthrough. It is sustained, high-volume production of strategically useful compute with a supply chain that can continue operating under extended denial, combined with evidence that U.S.-allied firms are failing to establish a new frontier dependency. For the broader technology system, the harder indicator is conversion: whether China’s growing research position is becoming industrial capacity in sectors whose loss would materially narrow American options.

4.3 Science, artificial intelligence and robotics: the acceleration question

4.3.1 Research leadership is not technological power

ASPI’s 2026 Critical Technology Tracker places China first in high-impact research in 69 of 74 technologies.[73] Taken literally, that number would suggest that the technological balance has already shifted. It has not. China can lead a research measure and remain dependent on foreign lithography, semiconductor equipment, scientific instruments, software or specialized materials. The gap between a paper and a strategically usable capability is where much of the competition now sits.

The same distinction applies to artificial intelligence. Stanford’s 2026 AI Index records a sharp narrowing of the benchmark gap between leading U.S. and Chinese models, with models from the two countries trading the lead on some measures since 2025.[39] The United States still produces more frontier models and attracts far more measured private AI investment. China has a different advantage: a manufacturing system into which improvements in perception, planning and control can be deployed at very large scale. It installed roughly 295,000 industrial robots in 2024, 54 percent of the global total, and operated more than two million.[29] Robot counts do not measure productivity. They measure the size of the physical environment through which embodied AI can diffuse.

4.3.2 The conversion problem

The decisive variable is conversion: research must become engineering, engineering must become reliable production, and production must diffuse far enough to change productivity, dependence or military capacity. The United States and China have different weaknesses along that chain. China has exceptional research depth and industrial scale while still facing several frontier bottlenecks. The United States can dominate a scientific or commercial frontier without reproducing the same advantage across domestic manufacturing.

Conversion also determines the strategic value of time. A research lead that cannot be engineered at scale may disappear before it affects the balance; an industrial system that can absorb an initially inferior technology can improve it through deployment, supplier learning and repeated redesign. The relevant comparison is therefore not publication against publication or model against model, but the speed and reliability with which each system carries an advance through the entire chain.

4.3.3 AI as a transverse accelerator

AI matters here less as a seventh strategic sector than as a technology that can shorten several conversion chains at once. In science, autonomous laboratories can reduce iteration time between hypothesis, experiment and learning. In engineering, AI-assisted design can search larger design spaces and compress selected optimization workflows. In factories, perception and control systems can move automation into tasks that were previously too variable for conventional robotics. In military systems, the same family of techniques can improve sensing, fusion, planning and autonomous operation. These are distinct applications with distinct bottlenecks; progress in one does not establish progress in the others.

This is why China’s combination of AI policy and manufacturing scale deserves attention without requiring an assumption of Chinese model supremacy. The Fifteenth Five-Year Plan explicitly couples computing power, algorithms and data with an “AI Plus” program intended to diffuse intelligent systems across production and society.[72] The strategic question is empirical: whether diffusion measurably reduces the latency between discovery, engineering and deployment in sectors that affect dependence, productivity or military capacity. If it does not, AI remains an important industry without becoming the transverse accelerator assumed in the faster Endgame scenarios.

4.3.4 Industry sets the questions

Beijing is trying to shorten the chain deliberately. At a 2026 Politburo study session on future industries, Xi Jinping used the formulation 产业出题、科技答题 (*chǎnyè chū tí, kējì dǎ tí*, “industry sets the questions; science and technology provides the answers”) and called for the use of the 新型举国体制 (*xīn xíng jǔ guó tǐ zhì*, new whole-of-nation system).[74] The institutional meaning is concrete. Industrial bottlenecks are turned into research tasks; 揭榜挂帅 (*jiē bǎng guà shuài*, “reveal the list and appoint the commander”) programs assign difficult problems; concept-verification centres test whether laboratory results can work outside the laboratory; pilot platforms and demonstration projects address the next failure point, between prototype and scale.[72, 75]

4.3.5 Quantum: the experiment in progress

Quantum technology shows this machinery while the outcome is still unsettled. The Fifteenth Five-Year Plan lists quantum first among its future industries. MIIT issued seventeen challenge tasks covering computing, communications and precision measurement. By mid-2026, ChinaTalk identified a growing network of verification centres, pilot platforms, local funds, state-backed investors and nearly thirty quantum-computing hardware firms pursuing several technical paths.[76] The United States still leads in important parts of quantum computing, including areas of error correction; China has a clearer lead in quantum communications and is advancing in sensing and computing.[76, 77]

That uneven position is what makes quantum useful for analysis. Chinese research strength has not yet removed the computing gap. The institutions intended to close it are already being built. A forecast based only on the current product frontier misses the rate at which the distance between science and industry may change.

4.3.6 Clean technology: the experiment already run

Clean technology shows what successful conversion can produce. China now holds roughly 85 percent of global solar-PV manufacturing capacity, more than 80 percent of lithium-ion battery-cell capacity, about 95 percent of wafer production and around 97 percent of anode-material production; it also produces roughly 70–75 percent of the world’s electric vehicles.[61,

62] No single scientific breakthrough created those positions. Manufacturing scale, process engineering, supplier density, finance, domestic demand and repeated learning reduced costs together. Industrial leadership then fed back into engineering and research.

The Fifteenth Plan is attempting to build comparable feedback loops in industries with very different technical and economic characteristics. Quantum computing cannot be scaled like solar modules. Biomanufacturing faces regulatory and biological constraints absent from batteries. Fusion may remain limited by physics rather than industrial organization. The relevant proposition is therefore testable: in selected future industries, can China reduce the time required to turn a strong scientific position into a self-sustaining industrial one?

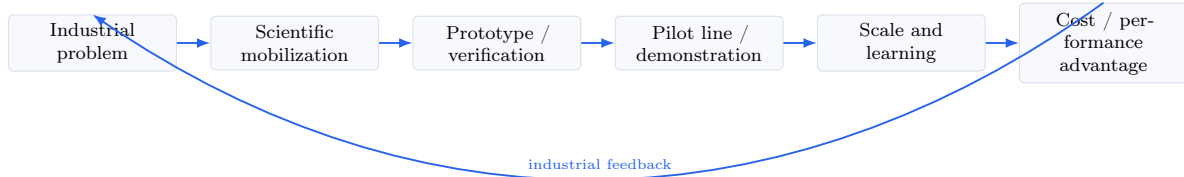


Figure 7: The Chinese technology-conversion flywheel. Clean technology provides a case in which scale and learning already generated global industrial centrality; quantum provides a case in which Beijing is actively building the intermediate institutions.

4.3.7 AI, robotics and the demographic constraint

Demography gives that conversion problem an economic deadline. China’s working-age population is shrinking. Automation matters if AI and robotics raise output per worker fast enough to offset part of the labour decline. Installations in showcase factories are weak evidence; productivity, capital efficiency, adoption by smaller firms and diffusion across supply chains are stronger tests.

The geopolitical effect could be larger than the demographic effect alone. If embodied AI raises the productivity of the manufacturing base in which China already holds unusual scale, it can reinforce industrial centrality at the same time that labour supply deteriorates. If deployment remains concentrated in subsidized champions or fails to improve total-factor productivity, the robot stock will have exaggerated the strategic change. This is one of the clocks on which evidence during the late 2020s should arrive quickly enough to alter the assessment.

4.3.8 From civilian scale to military capacity

War imposes a harsher conversion test. China’s civilian industrial base cannot be turned wholesale into military production. Some parts are nevertheless directly useful. CSIS documents a shipbuilding industry orders of magnitude larger than America’s in which commercial and naval production coexist in integrated yards; that base can contribute repair, replacement, sealift and conversion capacity in a prolonged regional conflict.[78, 79] Civilian roll-on/roll-off vessels already appear in PLA transport and amphibious planning.[80] Chinese production of batteries, magnets, carbon fibre, power electronics and other components also feeds the global drone ecosystem.[81]

The limits are equally important. Missile propulsion, seekers, explosives, secure electronics and military quality assurance require specialized plants and skills. A car factory is not latent missile production. Industrial depth contributes most where civilian and military systems share machine tools, materials, electronics, shipyards, software, logistics and trained labour.

Table 2: From research position to strategic power: selected Chinese future industries, 2026–2030

Field	Chinese position in 2026	Remaining U.S./allied advantage	Chinese conversion mechanism	Endgame relevance if conversion succeeds
Quantum	Lead in communications; strong science; computing gap remains	Error correction, parts of commercial computing stack, specialized equipment and software	National labs, 17 MIIT challenges, multiple hardware paths, patient capital, verification and pilot platforms	Reduces dependence in secure communications and sensing; could create new cryptographic and scientific leverage if computing matures.
Embodied AI / robotics	Exceptional manufacturing and robot deployment scale	Frontier compute, leading models, advanced chips and some robotics software/hardware	Factory scenarios, domestic robot ecosystem, AI diffusion, procurement, national computing build-out	Converts AI from software advantage into physical productivity and potentially military-industrial elasticity.
6G	Strong telecom equipment and 5G deployment base	Advanced chips, parts of software/tooling stack, allied market access	Ministry-province pilots, standards work, large application scenarios, integrated supply chain	Can embed Chinese equipment, protocols and standards in future communications infrastructure.
Bio-manufacturing	Strong research trajectory; expanding industrial base	Frontier platforms, talent ecosystems and specialized instruments in several niches	“Industry pull,” pilot facilities, industrial biology programs, finance and scale	Potential new leverage in materials, chemicals, food inputs and pharmaceuticals.
Fusion / hydrogen	Large state programs; industrial supply capacity	Multiple U.S./allied frontier research programs and private ventures	Long-horizon public investment, engineering supply chains, demonstration projects	Long-term energy and advanced-materials implications; low near-term coercive value.
Brain-computer interfaces	China-led in some high-impact research measures, commercialization early	Strong U.S. neurotechnology, medical-device and venture ecosystem	Future-industry pilots, medical scenarios, regulatory and financing support	High uncertainty; possible strategic relevance through human-machine interfaces and medical platforms.
Advanced semiconductors	Large scale and improving localization, but major bottlenecks remain	Lithography, equipment, HBM, EDA, process know-how and parts of scientific instrumentation	“Decisive breakthrough” programs, procurement, equipment localization, national computing infrastructure	Removal of one of the strongest remaining U.S. technological vetoes.

Qualitative synthesis from the Fifteenth Five-Year Plan, ASPI Critical Technology Tracker, quantum assessments and sectoral evidence. Research leadership does not imply industrial leadership; the table identifies the conversion problem rather than forecasting success.

The United States retains important qualitative advantages while acknowledging weaknesses in munitions surge and industrial depth.[46]

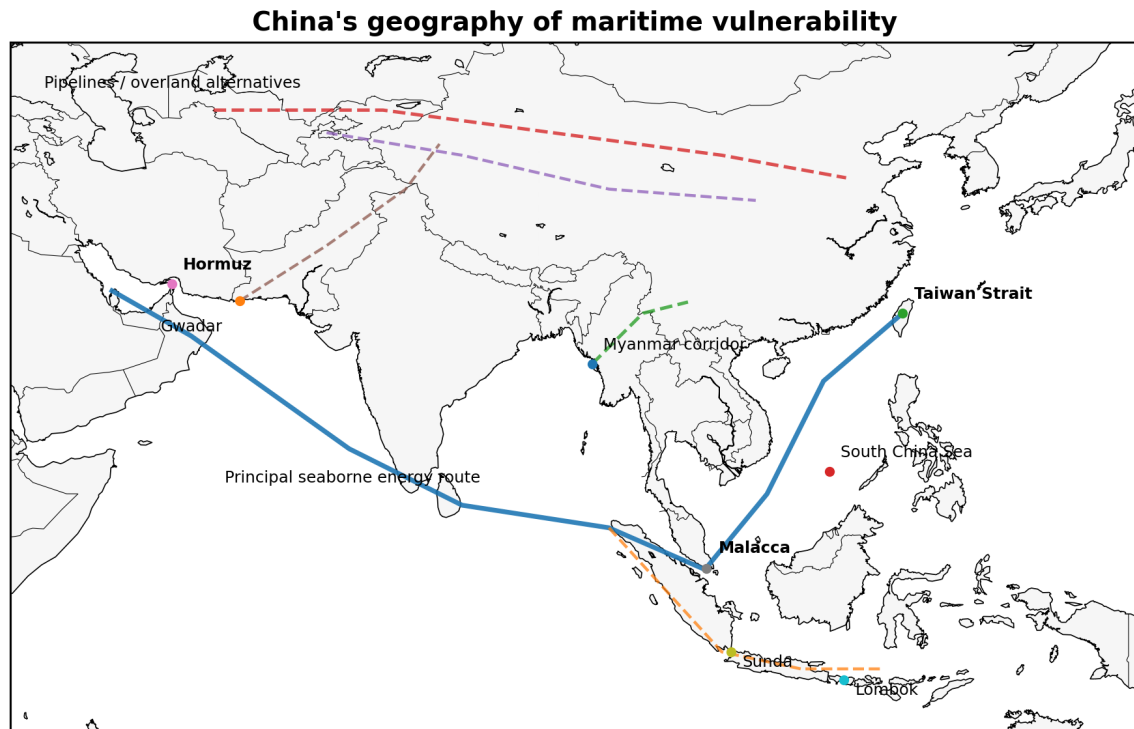
Conversion should therefore sit beside position, velocity, adaptation, mobilization and confidence in any net assessment of the competition. Research leadership can fail in industry; industrial capacity can fail in mobilization; frontier invention can fail in diffusion. The balance can move sharply when one of those gaps closes. China’s clean-technology experience shows that this can happen. Quantum, embodied AI, biomanufacturing and advanced semiconductors will show whether the mechanism travels.

4.4 Energy: escaping the maritime vulnerability

4.4.1 The geography of vulnerability

China’s maritime problem begins before Malacca. A large share of the hydrocarbons and raw materials that sustain the Chinese economy approaches Asia from the Persian Gulf, Africa and the wider Indian Ocean. Those flows pass through a sequence of narrow or politically exposed spaces before reaching China’s industrial coast. The Strait of Hormuz sits at the western end of the principal energy route. Malacca is the shortest connection between the Indian and Pacific Oceans. Sunda and Lombok provide alternatives, but at additional distance and cost. East of the South China Sea, the Taiwan and Luzon Straits form major exits through the First Island Chain. The resulting vulnerability is a chain of geographic constraints rather than a single chokepoint.

Malacca remains extraordinary in scale. The U.S. Energy Information Administration estimates that 23.2 million barrels per day of petroleum and other liquids crossed the strait in the first half of 2025, 29 percent of global maritime oil flows. China received 48 percent of the import volumes passing through it. Roughly 9.2 Bcf/d of LNG also crossed the strait.[103] These figures explain why the expression “Malacca dilemma” survived long after Hu Jintao reportedly used it in 2003. They do not describe the whole exposure.



Schematic routes. Maritime and pipeline alignments are indicative, not navigational. Base geography: Natural Earth/Basemap.

Figure 8: China's geography of maritime vulnerability. The principal seaborne energy route reaches China through a sequence of exposed maritime passages; pipelines and overland corridors diversify the system but do not replace maritime trade. Routes are schematic.

A 2026 CSIS reconstruction of trade through eight South China Sea gateways changes the conventional picture further. Malacca and the Taiwan Strait each carried more than \$2.4 trillion of goods in 2024. For China itself, about 21 percent of imports and 14 percent of exports passed through Malacca; 33 percent of imports and 16 percent of exports passed through the Taiwan Strait. Nearly \$1.3 trillion of Chinese trade used the Taiwan Strait, compared with about \$963 billion through Malacca.^[104] Energy security produces a Malacca dilemma. China's broader trading system produces a Taiwan Strait dilemma as well.

This matters for any Taiwan scenario. Military action intended to change the political status of the island would take place beside an artery carrying a remarkable share of China's own industrial imports and coastal shipping. Rerouting is possible through Luzon and other passages, but it consumes time, shipping capacity and insurance and becomes harder if conflict spreads. Geography therefore creates a constraint on Chinese coercion as well as a vulnerability to American coercion.

This map illustrates the maritime boundaries and territorial claims in Southeast Asia and the Pacific Ocean. Key features include:

- Maritime Boundaries:** A solid purple line runs from the coast of China, through the South China Sea, to the coast of Indonesia. A dashed red line, labeled "First Island Chain," runs from Japan, through the Philippines, to the Pacific Ocean.
- Territorial Claims:**
 - Paracels:** A yellow dot in the South China Sea.
 - Spratlys:** A cluster of colored dots (orange, blue, green, purple) in the South China Sea.
 - Fiery Cross:** A blue dot in the South China Sea.
 - Mischief:** A green dot in the South China Sea.
 - Balabac:** A purple dot in the South China Sea.
- Geographical Labels:** Taiwan, Luzon, Mindoro, Malacca, Sunda, Lombok, and Makassar.

Figure 9: The maritime gates around the South China Sea. CSIS identifies eight principal chokepoints: Malacca, Sunda, Lombok, Makassar, Balabac, Mindoro, Luzon and Taiwan. The Paracels and Spratlys sit inside the operating space connecting these gateways to China's coast.

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North of them, Taiwan, the Ryukyu chain and the Philippines define the principal passages from China's near seas toward the open Pacific. The First Island Chain is therefore not only an American operational concept. It describes a physical fact that shapes Chinese naval movement. A continental state whose prosperity became maritime has to pass through or operate inside an arc of islands occupied by Taiwan, Japan, the Philippines and other states, several of them U.S. allies or partners.

4.4.2 Changing the geography without abolishing it

Beijing has spent two decades adding alternatives. Russian and Central Asian pipelines bring hydrocarbons overland. The China-Myanmar oil and gas corridor reaches Yunnan without passing through Malacca. Gwadar and the China-Pakistan Economic Corridor create access and infrastructure on the Arabian Sea, although moving energy at scale from Gwadar across Pakistan and the Himalayas remains far less efficient than tanker transport to China's coast. Strategic petroleum reserves, domestic coal and hydrocarbon production, coal-to-liquids capacity and diversified suppliers increase endurance. The Belt and Road's port network and the expansion of the PLAN add logistical and naval options along the sea lanes. None removes the maritime system on which Chinese trade depends.

The pattern is strategically more interesting than a search for a perfect bypass. Each investment reduces the fraction of Chinese activity that can be interrupted through one route, increases the number of alternatives available after disruption, or raises the cost of enforcing a blockade. A coercing coalition must therefore act across a system: physical shipping, insurance and reinsurance, classification, port services, finance, vessel registration, dollar settlement and access to critical commodities. Maritime power is partly the ability to deny those services without stopping every ship at sea.

Food and industrial raw materials prevent the problem from being reduced to petroleum. China can ration transport fuel and substitute domestic electricity more readily than it can replace every imported feed grain, iron ore, copper concentrate, bauxite or specialized industrial input. Some commodities can be stockpiled; others cannot be stored indefinitely. Some have multiple suppliers but still depend on the same maritime passages. A blockade or sanctions campaign would therefore produce interacting shortages rather than a single oil shock.

Duration becomes decisive. A maritime coercion strategy has value only if it can impose politically intolerable costs before stocks, rationing, alternative suppliers, overland routes and coalition frictions change the balance. NDU analysis of a protracted blockade has estimated that China's reserves, domestic production and alternative routes could permit much longer resistance than a simple import-dependence calculation suggests, although the result depends heavily on assumptions about Russian support, pipeline capacity, industrial demand and the scope of interdiction.^[50]

The geographic trend is consequently not the disappearance of vulnerability. It is the declining plausibility of Malacca as a single switch capable of deciding a conflict. China is trying to turn a concentrated vulnerability into a distributed problem that would require longer, broader and politically more demanding coercion. Recent disruption in the wider Gulf system reinforces the distinction between import exposure and system resilience: large supply shocks can be absorbed for a time through stocks, demand compression, fuel switching and domestic energy, but those responses impose costs and do not abolish the underlying maritime geography. The strategic variable is therefore time-to-political-effect, not the peacetime import share alone.

4.4.3 From petro-geopolitics to electro-geopolitics

Electrification attacks the vulnerability at a deeper level because it changes what has to cross the sea. An electric vehicle substitutes domestically generated electricity for imported petroleum at the margin. Renewable and nuclear generation reduce the share of economic activity whose continuity depends on seaborne fuel. Storage and grid investment improve the ability to redistribute domestic electricity during disruption. Decarbonization, industrial policy and national security can therefore reinforce one another without being the same policy.

This transformation creates a second asymmetry. China can reduce its exposure to imported hydrocarbons while the rest of the world becomes more dependent on Chinese production of solar modules, batteries, electric vehicles, power electronics and processed critical minerals. Geographic diversification outside China does not necessarily remove that dependence if Chinese equipment, components, process knowledge or ownership remain embedded upstream.[61, 62]

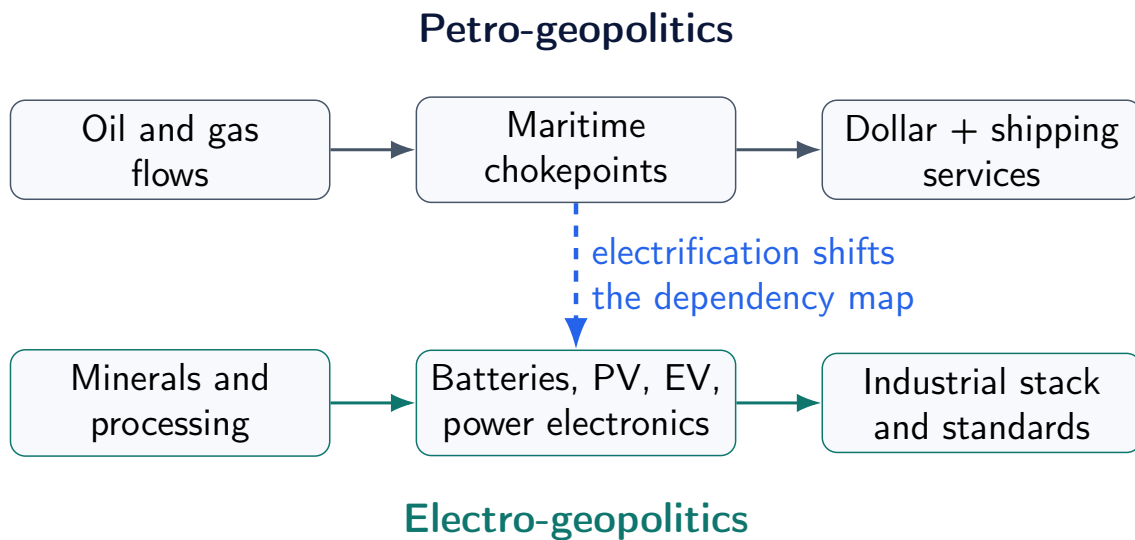


Figure 10: From petro-geopolitics to electro-geopolitics. Decarbonization can reduce exposure to imported fuels while increasing exposure to concentrated clean-technology supply chains.

The strategic reversal is easy to miss. For two decades Beijing has tried to make the geography through which its prosperity flows less usable as leverage against it. Pipelines, reserves, naval power, island outposts and electrification attack different layers of that problem. Yet the same geography cannot be engineered away. A Taiwan war could disrupt a trade artery on which China depends even more heavily by value than Malacca; the Spratlys and Paracels can extend Chinese reach without making the South China Sea invulnerable; overland corridors can supplement maritime supply without reproducing its scale. China's success should therefore be measured not by whether the chokepoints disappear, but by whether an adversary can still turn them into a politically usable veto.

4.5 Finance: America's hardest remaining veto

4.5.1 Why the dollar is different

Finance remains the domain in which claims of imminent Chinese incoercibility are least convincing. China has built alternatives to some Western-controlled channels, expanded RMB settlement, developed central-bank swap lines, and increased the scale of CIPS. These measures matter. They do not reproduce the functions of the dollar-centered system.

The dollar’s power is not reducible to SWIFT messaging. It rests on the depth and liquidity of U.S. capital markets, the Treasury market’s role as collateral and reserve asset, broad convertibility, a large stock of dollar liabilities, trade finance, legal infrastructure, and network effects created by decades of use. A payment can be routed outside SWIFT while still depending on dollar funding, dollar-denominated assets, or institutions exposed to U.S. jurisdiction. CIPS can make RMB settlement more robust without creating a global pool of safe RMB assets equivalent to Treasuries.

The IMF reports that the RMB share of China’s own cross-border settlement has risen substantially, including more than a quarter of goods trade, while the currency’s global reserve share remains small.[30] This difference is strategically important. Beijing can reduce the vulnerability of bilateral trade with selected partners long before the RMB becomes a general reserve currency. Such resilience can complicate sanctions without replacing the monetary order.

4.5.2 Bypass is not immunity

Russia’s experience after 2022 sharpened another distinction: payment exclusion is not the same as asset exposure. A state can develop alternative messaging and settlement channels while still holding substantial foreign assets that can be frozen, sanctioned, or politically contested. Brad Setser’s analysis of Chinese external assets argues that apparent declines in official dollar reserves partly reflect movement of dollar holdings into state banks and other less transparent entities rather than a clean exit from the dollar.[51] If correct, the data show diversification of custody more than financial independence.

4.5.3 The maximum financial strike

A serious sanctions scenario must therefore separate several instruments: restrictions on payments, freezing sovereign reserves, secondary sanctions on third-country banks, trade-finance restrictions, capital-market exclusion, asset seizure, and controls on dollar clearing. China is more resilient to some than to others. The size of the Chinese economy also cuts both ways. Sanctioning it would impose much greater losses on the sanctioning coalition than sanctions on Russia did, but China’s own financial integration gives outsiders more assets and transactions through which pressure can operate.

This makes finance a potential anchor of American leverage even if Chinese technological and industrial vulnerabilities continue to shrink. The central prospective question is whether Beijing can make financial coercion politically unmanageable before it makes it technically ineffective. If European, Asian, and Gulf institutions refuse a maximal sanctions regime because the collateral damage is too high, Chinese financial incoercibility may be achieved politically while the dollar remains structurally dominant. If a broad coalition is willing to act, China’s alternatives remain much thinner.

American financial power is continually reproduced through the services attached to dollar use; it is not a fixed inheritance. Federal Reserve standing swap lines with the Bank of Canada, Bank of England, Bank of Japan, European Central Bank and Swiss National Bank give core partners access to dollar liquidity during market stress; the FIMA repo facility extends a separate liquidity backstop to eligible foreign official holders of U.S. Treasuries. The Federal Reserve’s 2025 assessment argues that these facilities reinforce the dollar’s international role precisely because users expect emergency access to funding when markets seize up.[10, 11] Treasury and OFAC add a different layer: secondary-sanctions exposure can transmit U.S. restrictions through foreign financial institutions even when the immediate transaction is outside the United States. The American financial network therefore combines coercion with insurance. That combination is difficult to reproduce because states choosing an alternative

payment channel must also ask what liquidity, collateral and crisis backstop stand behind it.

4.5.4 What would tell us the veto is weakening?

The strongest evidence of a true monetary shift would therefore not be growth in RMB settlement between China and sanctioned partners. It would be routine use of RMB assets, clearing, and financing between third countries with no Chinese counterparty, accompanied by deeper offshore liquidity and a willingness to hold Chinese claims as safe collateral. The IMF's 2026 data make the asymmetry unusually clear: RMB use in China's own trade has risen rapidly while its global reserve and transaction shares remain modest.[30] China has built meaningful sanctions resilience; it has not yet reproduced the monetary network whose coercive reach it is trying to escape.

4.6 Industrial centrality: making decoupling unaffordable

4.6.1 When dependence becomes leverage

China's industrial weight matters strategically when removing Chinese supply costs more than the policy objective gained by removing it. That condition cannot be read from market share alone. It depends on substitutability, the time required to build alternative capacity, the location of upstream inputs and the losses borne during the transition.

Rare earths make the calculation visible. China's 2025 export restrictions created immediate pressure because refining and permanent-magnet production remain heavily concentrated in China. They also increased the return on competing supply. The United States expanded price support, offtake guarantees and financing and deepened cooperation with Australia, Japan, Malaysia and other producers.[22] Diversification is slow: Japan began reducing exposure after the 2010 dispute and still relies heavily on Chinese supply for several materials.[45] Chinese leverage is therefore substantial today and less secure if repeated use makes expensive alternatives politically acceptable.

The same logic applies to American chokepoints. An instrument can be most powerful before it is used. Once firms and governments expect future denial, insurance against the dependency acquires value. Beijing's 2020 supply-chain strategy recognizes the other side of the problem: preserve foreign dependence on Chinese production while removing Chinese dependence on inputs that others can withhold.[40, 41] The ideal asymmetry is not maximum self-sufficiency. It is low Chinese substitutability combined with high foreign substitutability.

4.6.2 De-risking beyond final assembly

This makes the measurement of de-risking difficult. Final assembly can move from China to Vietnam, Mexico or India while Chinese machinery, components, chemicals, materials or capital move with it. Bilateral trade statistics then show diversification before the underlying production network has changed. A useful assessment has to follow value added and strategically difficult inputs several tiers upstream.

4.6.3 The clean-tech ecosystem

Clean technology is the strongest existing example. China holds about 85 percent of global solar-PV manufacturing capacity, more than 80 percent of lithium-ion battery-cell capacity, about 95 percent of wafer capacity and close to 97 percent of anode-material production; Chinese plants produce roughly three-quarters of the world's electric vehicles.[61, 62] These shares are reinforced by process learning, supplier density, engineering skills and repeated scale expansion. Governments can subsidize competing plants, but they must also reproduce parts of the ecosystem that make the Chinese plants cheap.

The energy transition therefore cuts in two directions. Rapid electrification expands markets in which Chinese industry is unusually strong. Slower deployment can limit that demand while preserving dependence on internationally traded hydrocarbons and reducing the scale available to non-Chinese clean-technology producers. Industrial security cannot be inferred from being “for” or “against” faster transition; it depends on which dependency is being replaced and who controls the replacement system.

4.6.4 Can centrality survive its own weaponization?

Chinese analysts do not assume that centrality is permanent. CASS work on supply-chain relocation warns that Western containment and new manufacturing capacity in emerging economies could reduce Chinese shares in some export markets during the Fifteenth Five-Year Plan period.[42] The prospective question is whether visible diversification reaches the upstream layers that are hardest to reproduce. If Chinese machinery, materials, components and process knowledge remain embedded in nominally non-Chinese supply chains, centrality survives in a less visible form. If allied industrial policy replaces those layers, one of Beijing’s strongest sources of counter-coercive leverage weakens.

This is also where the technology-conversion problem acquires geopolitical consequence. Clean technology shows what happens after scientific, engineering and industrial advantages have accumulated into a production ecosystem whose removal is costly. If similar ecosystems emerge in embodied AI, biomanufacturing, advanced communications or other future industries, the balance of coercive power can change before those sectors appear in conventional measures of national power.

4.7 Military and nuclear power: making intervention unacceptable

4.7.1 The geography of denial

Military power affects the endgame through the cost and credibility of intervention, not through a simple comparison of fleet size or warhead totals. China’s conventional modernization has concentrated on the geography where U.S. commitments are hardest to sustain: the Western Pacific close to the Chinese mainland. Long-range missiles, integrated air defense, submarines, counterspace capabilities, cyber operations, and increasingly capable naval and air forces are designed in part to complicate reinforcement and raise the expected losses of an intervening force.

Space is part of this military balance because it is less a separate domain than an enabling layer for the others. Positioning and timing, long-range targeting, missile warning, communications, maritime surveillance and portions of nuclear command and control all depend on orbital systems. China’s expansion of ISR satellites, navigation through BeiDou, proliferated constellations, launch capacity and counter-space capabilities therefore bears directly on the credibility of U.S. intervention.[63, 64] The key comparison is not satellite counts. It is the loss of combat effectiveness each side would suffer if space services were degraded and the speed with which those services could be reconstituted. This also creates an escalation problem: attacks intended to blind conventional forces can affect systems used for strategic warning, making the boundary between conventional system destruction and nuclear threat harder to read in real time.

4.7.2 Destroying systems rather than platforms

The doctrinal emphasis on systems is important. PLA writings on “systems confrontation” and “system destruction warfare” focus on disrupting an opponent’s operational system rather

than destroying every platform separately. Command networks, sensors, communications, information support, cyber and electronic warfare, and space assets become targets because they connect otherwise powerful forces into a functioning whole.[47] The creation of the Strategic Support Force in 2015 and its 2024 restructuring into a new information-support architecture reflect continued efforts to improve information dominance and integrated joint operations under tighter Central Military Commission control.[48]

The military logic has an analytical parallel in the wider competition: critical dependencies are identified, protected on one's own side, and targeted on the opponent's. That parallel should not be mistaken for evidence that economic and military policies derive from a single doctrine. It does show why Chinese military modernization cannot be assessed only through platform counts. A smaller force that can blind, disconnect, or delay an opponent may produce effects disproportionate to its mass.

4.7.3 The nuclear shadow

Nuclear modernization adds a second constraint. China is moving away from a very small, relatively static deterrent toward a larger and more diverse force with new silos, mobile systems, ballistic-missile submarines, expanded early warning, and progress toward an early-warning counterstrike capability similar to launch on warning.[49] The strategic effect goes beyond movement toward U.S. numerical parity. A more survivable second strike makes several forms of deep conventional attack harder to contemplate because planners cannot be certain that strikes on Chinese strategic systems will remain separated from nuclear escalation.

4.7.4 Conventional-nuclear entanglement

The problem is intensified by conventional-nuclear entanglement. Satellites, early-warning sensors, communications networks, cyber infrastructure, and command systems can perform both conventional and nuclear functions. A U.S. operation intended to degrade Chinese targeting or command in a conventional conflict could be interpreted in Beijing as preparation to weaken its nuclear retaliatory capability. Chinese attacks on U.S. space or communications infrastructure create the same ambiguity in the opposite direction. RAND analysis based on Chinese sources emphasizes that conventional long-range strikes can affect Chinese nuclear calculations even when neither side intends a nuclear first strike.[38]

This places a nuclear shadow over strategies that begin far below the nuclear threshold. Severe economic coercion can trigger a military crisis; military operations can expand to attacks on information and space systems; those systems may support nuclear warning or command. The escalation path is therefore not a neat ladder in which economic, conventional, and nuclear conflict remain separate compartments.

4.7.5 When intervention becomes an option presidents no longer trust

China approaches military incoercibility when the expected costs and escalation risks of intervention alter actual U.S. planning. The best indicator is not a particular warhead count. It is evidence that strategies previously considered feasible are being excluded because deep strikes, prolonged operations, or attacks on command networks cannot be reconciled with acceptable nuclear risk. That threshold can be reached before the PLA becomes globally superior to the U.S. military.

4.7.6 The maximum-coercion test

The sectoral assessments can now be combined. The relevant question is not whether Washington still possesses powerful instruments; it plainly does. The question is which instruments

can still change a Chinese core decision once the coalition requirement, time to effect, Chinese countermeasures, self-damage and escalation risk are considered together. Atlantic Council and Rhodium scenarios illustrate the scale of the problem: a maximal financial response to a major crisis could place trillions of dollars of trade and financial flows at risk, giving the coalition enormous coercive reach while simultaneously raising the cost of sustaining it.[16, 60]

Table 3: Maximum-coercion test: residual U.S.-allied leverage against China in 2026

Instrument	Chinese sure	expo-	Time to bite	Main Chinese re-	Coalition/self-	2026 assessment
				sponse	cost	
Advanced technology denial	High in selected frontier inputs		Months–years	Localisation, stock-piles, alternative architectures, scale-driven learning	Foregone sales; allied enforcement burden; faster substitution	Still coercive. Strongest where the stack is concentrated and frontier renewal remains faster than substitution.
Financial sanctions / reserve restrictions	High, but heterogeneous		Days–months	RMB settlement, CIPS, state-bank routing, asset diversification, capital controls	Very high global spillovers; exposure of allied firms and banks	Potentially coercive, politically difficult. Probably the deepest remaining U.S. structural veto.
Secondary sanctions / trade finance	High for global banks and firms		Weeks–months	Third-country channels, renminbi financing, state support	Requires broad compliance; can fracture coalition if scope expands	Powerful if coalition holds. Effectiveness is a political variable as much as a technical one.
Shipping / insurance / maritime services	Material for energy and raw materials		Weeks–months	State shipping, alternative insurers, stockpiles, pipelines, rationing	Escalation and global-price costs; enforcement complexity	Damaging, rarely decisive alone. Works mainly as part of a prolonged package.
Critical-input restrictions on China	Medium to high in specific nodes		Months–years	Domestic substitution, diversification, re-design	Suppliers lose revenue; incentives to create non-Western markets	Selective leverage. Value depends on low substitutability rather than market share.
Industrial decoupling / investment controls	Medium		Years	Domestic demand, localisation, third-country production with Chinese inputs	Very high allied and corporate cost; slow implementation	Strategic over long horizons, weak as crisis coercion.
Military denial / regional intervention	High on core territorial questions, but contested		Hours–weeks	A2/AD, system-destruction operations, mobilisation, nuclear signalling	Casualties, escalation, alliance access, nuclear risk	Potentially decisive but increasingly dangerous. Coercive value falls as intervention cost and nuclear entanglement rise.
Chinese counter-coercion via supply	High for selected allied industries		Days–months	—	Chinese export losses and accelerated foreign substitution	Important offset. Rare earths, magnets, batteries and intermediates can raise the coalition’s immediate cost of action.

Synthesis based on sectoral evidence discussed above, including semiconductor controls, IMF financial data, maritime-blockade analysis, allied sanctions scenarios and U.S./Chinese military assessments. The entries are analytic judgments rather than quantified probabilities.

The table suggests a more precise location for China on the path to incoercibility. Beijing is not yet beyond coercion. It has, however, moved beyond the point at which any single economic instrument can plausibly be treated as a decisive veto. The most powerful remaining package requires several U.S.-allied advantages to be used together, and the cost of that combination is itself becoming part of China’s defense. The transition to incoercibility occurs when the package still inflicts severe damage but no longer offers a politically credible path to changing the decision that triggered it.

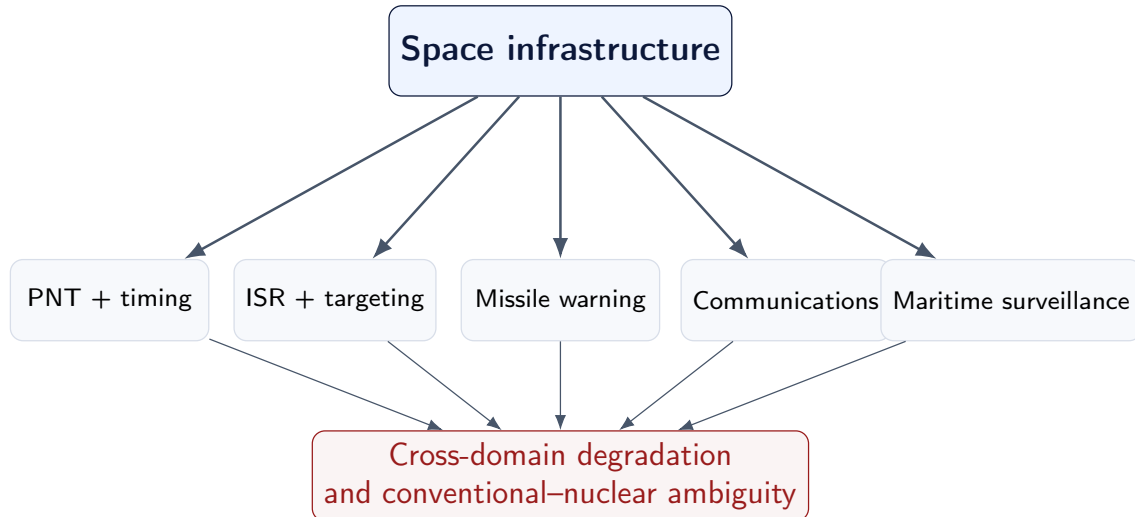


Figure 11: Space as a strategic nervous system. The relevant measure is not satellite count but the degradation of military and strategic functions when orbital services are disrupted.

4.7.7 Taiwan: the system under maximum stress

Taiwan is the case in which the separate forms of power examined above would have to operate at the same time. The purpose of the stress test is not to forecast an invasion sequence. It is to ask how much nominal power on either side remains usable once military geography, escalation, technology, maritime flows, finance and coalition politics interact under severe time pressure.

Table 4: Taiwan stress test: how six systems interact as a crisis lengthens

System	First 72 hours	First weeks	Protracted confrontation
Military	Access, warning, dispersal, denial and the ability to prevent a fait accompli dominate.	Munitions, basing, repair, ISR resilience and reinforcement become binding.	Industrial replacement, sealift, force regeneration and coalition endurance determine whether initial advantages persist.
Nuclear	Strategic forces shape the ceiling on conventional operations from the outset.	Attacks on space, sensors and command networks increase ambiguity over nuclear warning and control.	Damage, dispersal and alert changes make escalation management progressively harder.
Technology	Taiwan's semiconductor infrastructure becomes an immediate strategic asset and vulnerability.	Export controls, inventories and continuity plans begin to determine which production chains can operate.	Replacement capacity and access to equipment, software and materials matter more than pre-crisis market shares.
Maritime	The Taiwan Strait and nearby sea and air routes are disrupted immediately.	Shipping, insurance, energy stocks and rerouting determine the economic spread of the crisis.	The contest shifts toward endurance across SLOCs, ports, inventories and alternative routes.
Finance	Markets reprice risk before a maximal sanctions coalition can be assembled.	Reserve restrictions, bank sanctions, secondary sanctions and capital controls can be escalated.	The political durability of financial coercion depends on global spillovers and Chinese adaptation.
Coalition	Access decisions by Japan and the Philippines can matter before a broad diplomatic coalition exists.	Allied governments decide how far military, technological and financial measures will be combined.	Coalition latency gives way to coalition endurance: burden sharing, domestic politics and economic losses become decisive.

Analytical stress test, not an operational forecast. The time bands indicate when different forms of power are likely to become binding, not a predicted sequence of events.

The stress test exposes the difference between inventories and usable power. American military, financial and technological advantages are strongest when allied access and coordination arrive early enough to be combined. Chinese advantages are strongest when geography compresses military time, industrial and maritime counter-leverage raises the cost of escalation, and a survivable nuclear force limits the operations Washington is prepared to contemplate.

A prolonged confrontation tests a different balance from the opening phase: stockpiles, repair, industrial replacement, shipping, finance and political endurance begin to matter more than the forces visible on the first day.

Strategic Assessment: Which American Vetoes Still Work?						
Domain	U.S.–allied leverage	Chinese adaptation	Direction	Reversibility	Confidence	
Technology	Strong at selected frontier nodes	Localization, re-design, stockpiles, scale	Eroding selectively	Low once substitutes mature	Medium–High	
Finance	Deepest structural leverage	RMB channels, asset diversification, capital controls	Eroding slowly	High switching costs on both sides	High	
Energy / maritime	Severe disruption remains possible	Stocks, pipelines, domestic power, electrification, naval reach	Eroding gradually	Infrastructure changes slowly	High	
Industry	Access to allied markets and technology	Upstream centrality and dense supplier ecosystems	Mixed	Ecosystems are slow to reproduce	High	
Military	Alliance access and high-end capabilities	Regional denial, system attack, geography	More contested	Force posture can change; geography cannot	Medium	
Nuclear	U.S. superiority no longer implies escalation freedom	Larger, dispersed, more survivable force	Eroding as a coercive margin	Very low once survivability is established	Medium–High	
Coalition	Exceptional aggregate capacity	Wedge tactics, economic exposure, third-state autonomy	Contingent	Politically reversible	Medium	
No single American veto now appears sufficient to compel China on a core interest. Finance and selected technology nodes retain exceptional leverage, but their effect depends increasingly on coalition breadth, time and the willingness to absorb self-damage. Military intervention remains potentially decisive and increasingly dangerous. China's progress toward incoercibility is therefore uneven: the remaining American package is formidable, but its components have to work together.						

5 The Battle for the World System

The contest over the international system is often described as a struggle between an American order and a Chinese alternative. That formulation is too tidy. The American system is not a single institution that can be captured or replaced; it is a web of finance, alliances, standards, legal jurisdictions, technologies and habits accumulated over decades. China, for its part, is building alternatives unevenly. Some already work. Others remain insurance policies. A smaller set has begun to shape third countries' behavior. The strategic question is therefore not whether one order will simply displace another, but which functions remain American, which become Chinese, and which escape exclusive control by either side.

5.1 The American network

5.1.1 Power embedded in ordinary systems

American network power is easiest to miss when it works normally. A company invoices in dollars because everyone else does. An ally buys U.S. aircraft because training, maintenance, weapons, data links and doctrine already fit around them. A semiconductor firm uses American design software because replacing an entire toolchain is expensive. None of these decisions looks geopolitical in isolation. Together they create a structure in which apparently private choices narrow the range of public choices available later.

Farrell and Newman captured the mechanism in their work on “weaponized interdependence”: states occupying central nodes in global networks can obtain surveillance and choke-point advantages that are unavailable to actors at the periphery.[25] The American case extends well beyond finance. Dollar clearing, Treasury collateral, semiconductor design tools, cloud platforms, intelligence arrangements, export-control law, military logistics and shipping services all sit inside networks whose use can condition access to the rest of the system.

Rules are part of that infrastructure. Accounting standards, cyber requirements, sanctions definitions, aviation certification, maritime insurance and legal jurisdiction determine which transactions are straightforward and which are costly before a crisis begins. A state that influences the rules does not need to issue a political order each time. The system has already made some courses of action easier than others.

5.1.2 The network has to be renewed

Installed advantage creates inertia, not immortality. NATO procedures, U.S.-origin weapon systems, dollar assets, English-language commercial law, university networks and decades of professional training impose very high switching costs. But the relevant measure of American power is not the size of this inheritance. It is the rate at which the United States keeps turning it into usable advantages.

That conversion depends on political trust as much as technical lock-in. An ally can remain inside the U.S. security architecture while refusing a particular sanctions regime. A government can host American forces and still deepen trade with China. Firms can rely on dollar finance while investing in alternative settlement channels as insurance. The network is therefore strongest when access is valuable enough that participants accept some asymmetry because the overall arrangement still works in their favor.

This helps explain a recurrent paradox in American strategy. The same network that gives Washington extraordinary coercive reach also creates incentives to diversify when coercion appears unpredictable or indiscriminate. Drezner’s analysis of structural power makes the point sharply: extraction from allies can degrade the political conditions that make structural power usable in the first place.[52] Network power is renewable, but renewal requires restraint, investment and credibility.

5.1.3 Use changes the asset

The strategic value of a chokepoint is therefore time-dependent. A sanction, export control or access restriction can impose immediate costs while financing the search for an alternative. Once firms and governments have paid the fixed cost of substitution, the new infrastructure may survive long after the original dispute has passed. A backup payment rail can become normal business. A second supplier can become preferred policy. A domestic technology program launched under pressure can outlive the pressure that created it.

This is why the United States cannot judge success only by the damage inflicted in the first year of a measure. The more important question is whether the measure leaves the network more indispensable five years later or less. American reconstitution, if it occurs, will depend on repeatedly creating new advantages faster than adversaries and partners learn to route around the old ones.

5.2 China’s emerging order

5.2.1 A doctrine of reform, not a blueprint for replacement

Beijing now speaks about global order more explicitly than it did a decade ago. The Global Governance Initiative announced in 2025 sits alongside the Global Development, Security and

Civilization initiatives under the broader language of a “community with a shared future for humanity.” Its official concept paper identifies sovereign equality, international law, multilateralism, a people-centered approach and effectiveness as guiding principles. It also says directly that reforming global governance does not mean overturning the existing order or constructing a separate framework outside it; the United Nations is to remain central.[113]

That language matters because it changes the question. A post-American order need not be post-United Nations, post-sovereignty or institutionally unrecognizable. China could seek greater influence over inherited institutions, different interpretations of sovereignty and intervention, more weight for the Global South, and stronger Chinese positions in finance, AI, cyberspace, climate, trade and outer space without abolishing the structures built after 1945. The official claim is revision through reweighting.

Official doctrine cannot tell us whether such an order would work as advertised. It does tell us that Beijing’s articulated ambition is more developed than simple resistance to American pressure. China is no longer describing only what it wants protection from. It is increasingly describing what it believes international governance should privilege and which institutions should carry it.

5.2.2 Tianxia: inheritance, not instruction manual

The temptation is to read this ambition backward through *Tianxia*—“all under heaven”—and treat contemporary Chinese strategy as the restoration of an ancient worldview. That shortcut explains too much and therefore explains little.

Tianxia was a central vocabulary of imperial Chinese political order, and modern Chinese theorists such as Zhao Tingyang have revived it as an alternative to a world composed only of sovereign states. Its attraction is easy to see: it offers a language of order at the level of the whole rather than permanent competition among separate units. Yet its universalism is contested. William Callahan argues that some contemporary versions reproduce hierarchy beneath the language of inclusion; Sinan Chu reaches a related conclusion in his critique of the “Sinocentric subject” embedded in New Tianxia theories.[130, 131]

That dispute is more useful for this paper than the claim of civilizational continuity. It identifies a real tension inside any Chinese vision of universal order: how can a doctrine centered on sovereign equality coexist with the asymmetries produced by China’s own scale? The answer cannot be inferred from Confucian philosophy. It has to be observed in institutions and in the behavior of other states.

The same caution applies to Zheng He’s fifteenth-century voyages. They are often invoked as evidence that Chinese maritime power was inherently non-imperial. The historical record is less convenient: the Ming fleets combined diplomacy, trade and recognition of hierarchy with armed coercion when rulers resisted.[132] The lesson is not that modern China will recreate a tributary system. It is that maritime centrality and territorial conquest are different things, and that an order can be hierarchical without resembling European colonial empire.

5.2.3 Bypass, replacement, organization

The empirical test begins with three different thresholds. A *bypass* allows China or a partner to continue a critical activity when an American-centered channel is blocked. A *replacement* performs that function reliably enough for routine use. *Organization* begins when third parties structure consequential choices around Chinese-provided rules, institutions or guarantees even when China is not directly involved.

CIPS remains mainly a bypass and partial replacement. Its use has expanded quickly and RMB settlement has grown, but the renminbi still occupies a small share of global reserves and foreign-exchange activity.[30] Its strategic value lies in reducing the reach of exclusion and

giving selected transactions another route, not in reproducing the monetary functions of the dollar system.

BeiDou is further along. It provides global positioning, navigation and timing independently of GPS and has entered international aviation and maritime standards.[82, 83] That is a genuine functional replacement: a critical service can continue without an American-origin infrastructure. Yet it does not follow that a user of BeiDou accepts Chinese political leadership.

China is also trying to move upstream from infrastructure into rules. The Fifteenth Five-Year Plan calls for wider use of Chinese standards abroad and for Chinese participation in international rule-making in AI, digital technologies, green industry and outer space.[72] Work on 6G standardization shows the same ambition.[84, 85] Here again, the strategic question is not how many standards China proposes, but whether third-country firms and governments build systems around them because doing so has become efficient, safe or difficult to avoid.

5.2.4 China already provides some public goods

It would be wrong to treat China as a state that has built only coercive instruments and bypass mechanisms. It already performs several functions associated with systemic provision, although at a scale and with rules very different from the American system.

One is crisis finance. Horn, Parks, Reinhart and Trebesch document more than \$170 billion in liquidity support through the People's Bank of China's swap-line network to distressed countries between 2000 and 2021, plus roughly \$70 billion in additional balance-of-payments rescue lending by Chinese state institutions.[133] The system remains concentrated among Belt and Road borrowers, is less transparent than IMF lending and often more expensive. But it is real: China has become a lender of last resort to a subset of states.

A second example is development finance through the Asian Infrastructure Investment Bank. AIIB has not evolved into an anti-World Bank institution. Its operating model is extensively multilateral: by the end of 2024 it had approved 303 projects, 131 co-financed with other multilateral development banks, and its 2025 Partnerships Report states that it had become the World Bank's largest co-financier.[134] This is important because it shows one possible form of post-American institutional evolution: a Chinese-initiated institution can become part of the existing multilateral architecture rather than sit outside it.

Security provision is narrower but not absent. China remains the largest contributor of uniformed personnel to UN peacekeeping among the permanent members of the Security Council; in July 2025 roughly 1,860 Chinese personnel were deployed in UN operations.[135] That is far removed from the worldwide alliance and basing system maintained by the United States. It nonetheless complicates the picture of a China unwilling to provide security goods beyond its borders.

The harder question is whether these services generate durable reliance. Rescue lending tied largely to Chinese debtors is not a global liquidity regime. Co-financing inside AIIB can strengthen existing multilateral norms rather than replace them. UN peacekeeping does not amount to a Chinese security architecture. Provision is therefore visible before primacy, but it is still selective.

5.2.5 Coercion is not organization

The other side of the ledger is China's use of asymmetric economic power. Australia, Lithuania and South Korea all absorbed substantial Chinese pressure after political disputes. In each case, Beijing demonstrated an ability to impose concentrated costs. In none did the target simply reverse the core decision that had triggered the dispute. A wider CSIS review of eight episodes reaches a similar conclusion: Chinese coercion has often proved less effective at changing government policy than the scale of the economic pressure might suggest.[115]

This does not make coercion irrelevant. It can deter firms, shape the choices of states watching from the sidelines and expose the cost of opposition. But it marks the boundary between leverage and order. A state can force a company to change a shipment or punish an industry without becoming the institution around which others voluntarily plan.

The South China Sea reveals the same tension in legal form. Beijing's official governance language stresses sovereign equality and international law, yet China rejected the 2016 arbitral award that found against key elements of its maritime claims, arguing that the tribunal lacked jurisdiction and that disputes should be settled through negotiation.[136] The point is not the vague claim that China "rejects the rules-based order." The more precise issue is who interprets the rule, which adjudicator is legitimate and when a great power accepts an adverse ruling.

China's future systemic role will be decided in that gap: between the ability to make others bear costs and the ability to make institutions worth following.

Strategic Assessment: The Chinese Order Test

China no longer fits the description of a power that merely opposes the American order. It has built usable alternatives, supplies development finance and selective crisis liquidity, participates deeply in multilateral institutions, and now articulates a formal agenda for global governance. None of those facts establishes a Chinese successor order.

The decisive evidence will come from third parties. Do they use Chinese systems only when American channels are unavailable, or because the Chinese systems have become preferable? Do they comply under pressure, or organize important choices in anticipation of Chinese rules? Can China provide liquidity, security and dispute management to states that are not already tied to it? The transition from centrality to organization begins when those answers change.

5.3 The swing powers

5.3.1 Hedging is an active strategy

The rest of the world is not merely the terrain on which Washington and Beijing compete. Many states are deliberately redesigning their dependencies so that neither power can turn a single relationship into a veto.

India makes the logic unusually visible. It works with the United States, Japan and Australia through the Quad, remains inside BRICS, buys Russian energy and military equipment, competes with China on its land border and resists formal alliance obligations. These choices are not evidence of indecision. They are a strategy for preserving room to maneuver.

The Gulf states pursue a related form of diversification. American security relationships coexist with Chinese trade, infrastructure, technology and investment. ASEAN governments often want a U.S. military presence precisely because China is their dominant economic neighbor. Europe remains heavily dependent on the United States for hard security while attempting, unevenly, to reduce dangerous dependencies on both Chinese industry and American technology.

5.3.2 Partial incoercibility

The logic is the same one China has pursued at larger scale: dependence becomes strategically dangerous when a single outside actor can turn it into a decisive veto. A middle power cannot reproduce every layer of an AI, energy, finance or defense stack. It can still diversify enough layers to prevent one supplier from controlling the whole.

The emerging “sovereign AI” strategies of middle powers are a useful illustration. Carnegie describes these approaches as managed interdependence rather than autarky. The India–UAE AI infrastructure partnership, for example, combines foreign capital, American chips and expertise, Indian physical infrastructure and Indian data-governance rules.[114] No participant controls the full stack. The political purpose is precisely to avoid that outcome.

Call this partial incoercibility. It is less ambitious than strategic independence and more consequential than ordinary diversification. A state can remain dependent on several external systems while making it difficult for any one of them to shut down a critical function at acceptable cost.

5.3.3 Different systems, different alignments

Once this behavior becomes widespread, “alignment” ceases to be a single variable. A government can support maritime deterrence and refuse financial sanctions; coordinate on semiconductors while trading heavily with China; rely on American intelligence while using Chinese cloud infrastructure; or participate in a Western security framework while joining institutions created by Beijing.

This is why a third pole does not have to look like a third superpower. Chatham House has recently explored the possibility of a durable economic coalition distinct from both the United States and China, potentially linking Europe, CPTPP states and other middle powers.[137] Such a coalition would not possess a common nuclear deterrent or unified military command. It could still matter greatly for trade rules, sanctions, technology standards and development finance.

Functional multipolarity can therefore precede aggregate multipolarity. Security can remain largely U.S.-centered while manufacturing remains China-centered, regulation is strongly influenced by Europe, and technology or finance become more mixed. The international system does not have to choose one organizing center for every function.

5.3.4 The stress test is crisis

The weakness of this model appears when the cost of ambiguity rises. In peacetime, a government can cultivate several partners and separate issues. In a Taiwan crisis or a major sanctions confrontation, Washington and Beijing would each try to collapse those distinctions. Access to bases, export controls, payments, shipping, intelligence and industrial supply would become linked.

That is why middle-power autonomy should not be romanticized. Diversified dependence remains dependence. The key question is whether these states can preserve issue-specific choices under severe pressure or whether the system reaggregates into two blocs when the stakes become high enough.

For Washington, the operational problem is coalition design: identify which partners matter for which function and make agreement fast enough to be useful. For Beijing, the bar can be lower. It may not need a Chinese bloc. In many domains it needs only enough governments to refuse participation in an American measure for that measure to lose systemic reach.

5.4 Who is winning the network game?

5.4.1 American density, Chinese centrality

The United States still operates the denser global network. Dollar finance, treaty alliances, military access, advanced-technology ecosystems and decades of institutional use have no Chinese equivalent in the aggregate. China’s strongest position lies elsewhere: industrial centrality,

infrastructure, selective alternatives to American channels and the ability to make alignment against it economically expensive.

Comparing the two as if they were building mirror images obscures the actual contest. CIPS can reduce exposure to financial coercion without becoming a new dollar system. BeiDou can reproduce a critical infrastructure function without creating a Chinese alliance. AIIB can deepen Chinese institutional influence while operating alongside the World Bank. China can become much harder to exclude without becoming the state that organizes every domain from security to finance.

5.4.2 The transition is visible in behavior

A deeper systemic shift would show up first in choices made before coercion occurs. U.S. allies would become slower or more selective in coordinating against China when economic costs were high. Governments and firms would keep investing in alternatives to American-controlled networks even when Washington was not threatening them. Chinese-created systems would increasingly carry transactions among third parties for which China itself was not a necessary participant. States would begin to anticipate Chinese preferences when designing rules, supply chains or institutional positions.

Some of these trends are visible; none is complete. Military cooperation among U.S. allies has deepened in the Indo-Pacific, and the switching costs embedded in U.S. weapons, intelligence, finance and technology remain formidable. Chinese alternatives are expanding but remain uneven in liquidity, trust and security provision. At the same time, the search for strategic autonomy is no longer confined to countries aligned with Beijing. It is becoming a normal response to concentrated network power itself.

5.4.3 Declining exclusivity is the nearer threshold

The most important change in 2026 is therefore not Chinese network primacy. It is the erosion of American exclusivity.

That distinction matters because the two thresholds can be separated by years or decades. China can become strategically incoercible while the dollar remains dominant, most U.S. alliances survive and no Chinese institution acquires the legitimacy or scope of the American network. The resulting system would contain less American control without a commensurate amount of Chinese hierarchy.

This is the bridge to the Endgames. If American renewal outruns Chinese substitution, the network can reconstitute around a new set of advantages. If Chinese alternatives become indispensable and begin to organize third-party behavior, systemic breakthrough becomes possible. If neither occurs, power will continue to distribute itself by function.

Strategic Assessment: From Exclusivity to Distribution

The network contest is not a race to replace one stack with another. American power is strongest where scale, trust and institutional density still compound one another. Chinese power is strongest where industrial centrality and selective substitutes make exclusion costly. Middle powers are learning to exploit the overlap.

The near-term shift is therefore from exclusivity toward distribution. Whether that distribution becomes a Chinese-centered order, an American reconstitution or a durable multi-centered system depends on one question that raw capability measures cannot answer: who can make other actors reproduce the arrangement when nobody is forcing them to do so?

6 The Closing Windows

6.1 Six clocks, not one date

6.1.1 Why 2049 is the wrong clock

2049 matters in Chinese political language because it marks the centenary of the People's Republic and the horizon of national rejuvenation. It is a poor operational clock for the contest examined here. A state can remain far from its declared mid-century ambitions after it has already removed several of the constraints that give a rival coercive leverage.

The official sequence itself is denser than the centenary shorthand suggests. The Fifteenth Five-Year Plan covers 2026–2030 and requires the PLA centenary objectives to be met on schedule; 2035 remains the next broad modernization horizon.[72] Earlier planning moved some objectives once associated with mid-century forward to 2035.[96] None of those dates reveals a concealed timetable for confrontation, and 2027 is not an announced date for war over Taiwan. They do show why a countdown to 2049 obscures the problem rather than clarifies it.

The relevant dates are produced by capabilities. A more survivable nuclear force can change escalation before numerical parity. Adequate domestic semiconductor equipment can remove a particular veto while remaining behind the frontier. Electrification can reduce the value of an oil shock without eliminating maritime exposure. An alliance can remain intact on paper while political willingness to join a sanctions package changes after an election. The clocks are different because the constraints are different.

6.1.2 The convergence window

The late 2020s and early 2030s deserve attention for a narrower reason: several clocks are moving at once. China's nuclear posture is becoming larger and more survivable. The regional military balance continues to raise the cost of intervention near the Chinese coast. Semiconductor controls are testing whether allied bottlenecks can be renewed faster than Chinese substitutes become adequate. The Fifteenth Plan is organizing capital and institutions around AI, robotics, quantum technology and other future industries. Electrification and domestic generation are changing the composition of energy vulnerability. Coalition cohesion can move in either direction much faster than factories, grids or missile fields.

This is not a forecast that the clocks will strike together. Semiconductor substitution can stall; AI can disappoint outside bounded applications; allied coordination can harden; Chinese capital allocation can waste enormous resources. The claim is conditional: if several constraints weaken within the same five-to-ten-year interval, their combination can matter before any single domain looks decisive.

The clocks also differ in reversibility. A fabrication capability or pipeline, once built, is costly to erase. Reserve-currency status rests on accumulated assets, market depth and trust and therefore moves slowly. Coalition willingness can change in months. Nuclear survivability can alter calculations sharply when a new force posture becomes operational. The strategic effect is consequently nonlinear. An adequate Chinese chip substitute matters more if energy resilience has improved, sanctions coordination has weakened and military intervention carries greater escalation risk. The reverse is equally true: industrial centrality loses leverage if allies coordinate rapidly, frontier technology moves on and alternative supply acquires scale.

Chinese analysts themselves work with shorter competitive horizons. A 2025 CASS study of supply-chain relocation places the opening of the Fifteenth Plan alongside the first half of what the 2022 U.S. National Security Strategy called a “decisive decade,” and expects supply-chain competition to intensify during 2026–2030.[42] That is evidence of analytical attention to the overlap of planning horizons, not of Politburo intent.

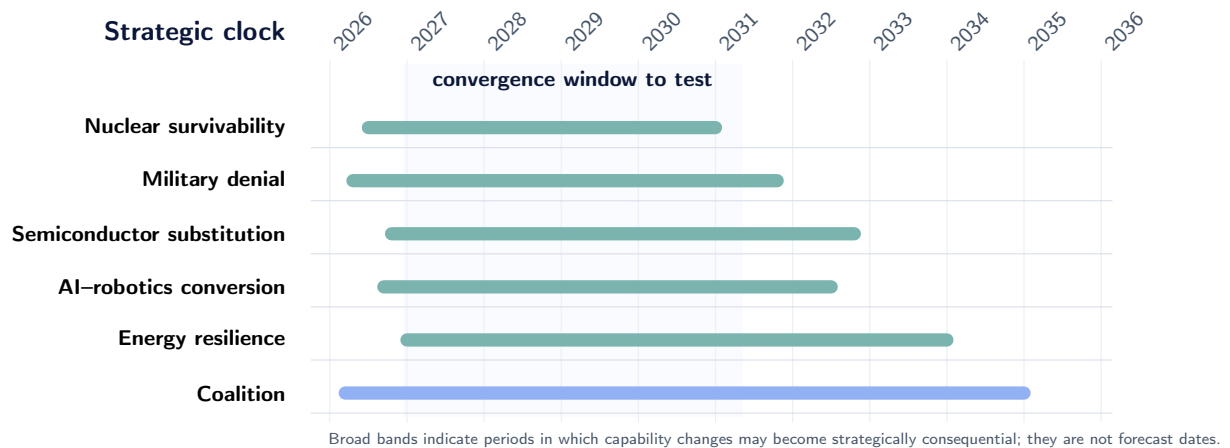


Figure 12: The decade that may matter: six clocks whose consequential thresholds could converge well before 2049.

6.2 Which clocks are moving fastest?

6.2.1 Fast, slow, and discontinuous clocks

The clocks cannot be ranked by a single measure. Some move through cumulative investment; some through technological conversion; some through political decisions.

Industrial automation is a fast candidate because China already has manufacturing scale and the world's largest installed industrial-robot base. AI model performance has also converged rapidly enough that a durable assumption of large U.S. algorithmic superiority is unsafe. Scientific output in many critical technologies has shifted strongly toward China, although commercialization remains uneven.[15, 29, 39] Regional military denial can also move faster than aggregate military power: missiles, air defense, space and information systems can raise the cost of intervention before the PLA approaches U.S. global reach.

Energy resilience is slower. Pipelines, stocks, electrification, nuclear power, renewables and domestic coal accumulate over years; they reduce some forms of maritime pressure while leaving exposure to oil, ores, shipping and insurance. Finance is slower still. RMB settlement can grow rapidly in selected trade relationships without producing the deep safe-asset markets and institutional trust that sustain a reserve-currency system.

Coalition power is the discontinuous clock. Interoperability and industrial integration take years to build, but willingness to act can change after an election or crisis. That makes the American network both unusually durable and unusually sensitive to political conversion.

6.2.2 AI is not a seventh clock

Treating AI as one more line on the chart would understate its strategic importance and overstate what is known about it. AI is potentially an accelerator of several clocks.

The strongest evidence is still bounded. Berkeley's A-Lab combined machine learning, robotics and active learning to execute 353 experimental recipes over 17 days and produced 36 of 57 target materials in its reported campaign.[106] That result does not establish economy-wide acceleration of science. It establishes a narrower mechanism: where objectives can be formalized, instruments automated and feedback captured digitally, parts of the discovery-experiment-learning loop can be compressed. Reviews of self-driving laboratories point to the same opportunity while emphasizing hardware integration, safety, reproducibility and domain constraints.[107]

The same mechanism can propagate beyond discovery. AI can shorten design cycles, improve industrial inspection and process control, increase the value of large robot fleets, and accelerate some military sensing, planning and autonomy workflows. But each arrow has its own bottleneck. A model does not manufacture a lithography tool; a scientific result does not build a fab; an autonomy algorithm does not supply power, sensors or trained units. The strategic variable is therefore not “AI leadership” in the abstract. It is the extent to which AI shortens the conversion time between knowledge and usable capability.

This is why China’s industrial structure matters. If AI is absorbed into a dense manufacturing system, gains in design or experimentation can feed into physical deployment more quickly than they would in an economy with weaker production feedbacks. The Fifteenth Plan explicitly links future industries to application scenarios, pilot deployment and industrial ecosystems.[72] The risk for Washington is not simply that a Chinese model reaches a benchmark. It is that AI makes several Chinese substitution programs move faster at the same time.

6.2.3 Conversion, not snapshots

Quantum shows the opposite danger: confusing an organized conversion effort with demonstrated leadership. China can connect laboratories, firms, pilot facilities and capital while the United States remains ahead in important fault-tolerant-computing capabilities. Clean technology shows what the far end of successful conversion can look like, where research, engineering, manufacturing scale and external dependence reinforce one another. Neither case is captured by counting papers alone.

The clocks should therefore be read through six attributes already used in this paper’s net assessment: position, velocity, conversion, adaptation, mobilization and uncertainty. A lead matters differently when it is widening, when it is difficult to convert, or when the rival can mobilize rapidly around the bottleneck.

6.3 Can America renew choke points faster than China removes them?

6.3.1 Frontier renewal

American technological leverage cannot rest on preserving today’s bottlenecks indefinitely. Its durable form is the capacity to create new scarce nodes as old ones diffuse. That is the contemporary meaning of an offset strategy.

The United States still has powerful inputs to that process: research universities, frontier firms, venture and capital markets, cloud platforms, immigration-driven talent and allies that control specialized manufacturing capabilities. None automatically becomes coercive leverage. A chokepoint exists only when a capability is technically scarce, commercially concentrated and politically controllable. Policy can also damage the ecosystem that produces the next bottleneck by deterring talent, fragmenting research or making allied firms unwilling to cooperate.

6.3.2 The substitution race

Semiconductors make the race visible. Controls can impose real costs while China invests to localize equipment, process knowledge and system design. In 2025, U.S. officials still judged Huawei’s supply of advanced AI chips insufficient to meet Chinese demand, even as they warned that Chinese capabilities were closing the gap.[108] By 2026, U.S. licensing policy for some advanced chips had already shifted again, illustrating that the frontier is technological, commercial and political rather than a fixed list of prohibited products.[109]

If the relevant frontier stood still, sustained investment by a large industrial system would gradually erode much of the leverage. It does not stand still. AI workloads alter demand for memory, packaging, interconnects, power, cooling and accelerators. New scientific instruments and manufacturing processes create dependencies elsewhere. The contest is therefore between *frontier renewal* and *substitution efficiency*.

China's advantage in that race is not infallible planning. Its domestic market, procurement, finance and industrial clusters can support suppliers through long learning curves and shorten feedback between equipment makers and users. The same machinery can sustain bad projects, duplicate investment and misallocate capital. The relevant question is empirical: how quickly does a mobilization produce an adequate substitute?

6.3.3 Delay only matters if it changes the next round

Export controls can buy time. They do not by themselves explain what the time buys. Prevention requires the United States and its allies to create or occupy the next scarce node faster than China can reproduce or route around the current one. Reversal would require something harder: restoring a dependency after a workable substitute exists.

This produces a technological closing window. A restriction is most valuable while dependence is concentrated; imposing it raises the target's incentive to substitute. Successful substitution shortens the expected life of the control, which can increase pressure to tighten the next restriction before the option depreciates further. Urgency can rise on both sides even without a decision to escalate the rivalry as a whole.

6.4 Can China use centrality without spending it?

6.4.1 The rare-earth experiment

Chinese centrality faces the mirror-image problem. A dependency yields bargaining power only while the other side remains unable or unwilling to pay for escape.

The 2025 rare-earth restrictions supplied a unusually clear test. China's April controls disrupted supplies of materials and permanent magnets before subsequent arrangements with the United States and Europe eased the shortage; Beijing then tightened parts of the regime in October, including restrictions directed at defense and semiconductor users.^[110] By 2026, some exports to the United States had recovered substantially while restrictions on Japan remained severe.^[111] The leverage was real, but so was the adaptation response: governments and firms accelerated mining, refining, magnet production, recycling and long-term supply agreements outside China.^[22]

That sequence is more revealing than a static market-share number. Weaponization raised the short-run value of Chinese centrality and simultaneously raised the price others were prepared to pay to escape it. Because substitution is slow, both statements can remain true for years.

6.4.2 Invisible centrality

Diversification is also easy to misread. Final assembly can move to Vietnam, Mexico or India while Chinese machinery, intermediate inputs, engineering knowledge or capital remain embedded upstream. CASS research on supply-chain relocation explicitly identifies the rise of alternative manufacturing locations while noting the persistence of Chinese advantages in global supply networks.^[42]

The more durable form of Chinese power would therefore be centrality below the level of the visible factory: process knowledge, specialized machinery, supplier ecosystems and intermediate goods that are expensive to duplicate. Evidence that these layers are migrating at

scale would weaken the case for a Chinese systemic breakthrough more than announcements of final-assembly relocation alone.

The strategic restraint problem is symmetric. Beijing can preserve a dependency by using it sparingly or spend some of its future value for bargaining power now. Washington faces the same choice with chips and finance. Chokepoints are assets whose coercive use changes their expected lifetime.

6.5 The Double Closing Window

6.5.1 Objective thresholds and perceived windows

A systemic threshold will probably appear first in behavior rather than in an aggregate statistic. Allies may still condemn a Chinese action while declining the most costly sanctions. Firms may comply with controls while redesigning transactions to reduce future exposure. Governments may avoid access arrangements because the expected military risk has risen. On the Chinese side, third states may begin adjusting policy before an explicit threat because they anticipate the cost of crossing Beijing. These are conversion effects: capabilities still exist, but their ability to organize behavior is changing.

The danger is that perceptions need not wait for the underlying trend to settle. Preventive logic operates on expectations of future power.[37] Washington can believe that an option it may need later is depreciating; Beijing can infer that Washington therefore has an incentive to use it while it remains effective. Chinese work on the overlap between the American “decisive decade” and China’s planning horizon shows that competitive timing is itself an object of analysis.[42]

A mistaken belief in irreversibility can be as dangerous as a real one. U.S. measures intended to preserve a narrowing option can look in Beijing like evidence of an approaching preventive move. Chinese countermeasures can then make the American diagnosis more plausible. The two perceived windows reinforce one another before the material balance is objectively closed.

6.5.2 What to watch

The warning indicators are consequently mixed: successful indigenous substitution; allied coordination and access decisions; reserve and stockpile policy; changes in nuclear and conventional posture; the speed with which Chinese industrial centrality is being duplicated abroad; and, crucially, official or elite assessments that delay will leave one side with fewer usable options.

The timing claim of this paper is deliberately narrower than a prediction. The late 2020s and early 2030s matter because several processes with different causal logics may overlap. If they do not, the window moves outward. If they do, China can become substantially harder to coerce before it becomes the world’s predominant power. Incoercibility can arrive by accumulation, without a moment spectacular enough to announce that the strategic position has changed.

Strategic Assessment: The Double Closing Window

The evidence supports no Chinese deadline. It supports a conditional warning: several clocks capable of reducing American freedom of action are moving within the same broad interval, while some American instruments become more valuable precisely as their expected lifetime shortens.

Clock	Evidence of movement	What could interrupt it	Assessment
Nuclear survivability	Force expansion, diversification, warning and C3 development	Technical delays; doctrinal restraint; survivability shortfalls	Strong evidence of consequential change
Regional military denial	Missile, air, naval, space and information-system modernization	Allied dispersal, access, munitions and denial improvements	Strong direction; outcome contested
Semiconductor substitution	Localization effort across the stack	Frontier renewal; persistent equipment/material bottlenecks	Real pressure on vetoes; timing uncertain
AI / robotics conversion	Research strength, robot scale, automated workflows, industrial policy	Weak diffusion; capital misallocation; hardware/frontier gaps	Potential accelerator, not an independent forecast
Energy resilience	Electrification, domestic generation, stocks and land routes	Persistent maritime oil and raw-material exposure	Slow but durable improvement
Coalition / finance	Deep U.S. network; political willingness variable	Renewed coordination or political fracture	Structural clock slow; conversion can jump
A convergence matters before Chinese primacy. The dangerous configuration is not simply that China becomes stronger. It is that Washington sees usable leverage expiring while Beijing sees that perception as an incentive for Washington to act before it expires. The locations of both windows remain uncertain; their interaction is the mechanism to watch.			

7 Endgames

7.1 Where are we on the goban in 2026?

The board does not show a Chinese succession or an American restoration. It shows an increasingly awkward coexistence of unlike strengths. The United States still possesses the deeper financial system, the denser alliance network and several of the most consequential technological bottlenecks. China has become the indispensable industrial center of gravity in a growing number of sectors, has sharply raised the cost of military intervention near its coast, and has spent years reducing the number of external decisions that can stop it.

The asymmetry matters more than any aggregate ranking. China is closest to incoercibility where pressure on China would also damage the states applying it. Washington's strongest remaining leverage lies where substitutes are hardest to build: finance, selected technological layers, and the political machinery that turns allied resources into collective action. Neither advantage is fixed. Chinese industrial depth does not automatically become frontier technological or military capability; American scientific, financial and allied assets do not automatically become timely strategic action. Both powers face a conversion problem.

The result is a peculiar position. China has removed enough vulnerabilities to make a return to the strategic conditions of the 1990s implausible, but not enough to make a maximum American-led coercive effort irrelevant. The United States can still impose extraordinary costs, but the number of domains in which it can confidently dictate the outcome is shrinking. At the same time, Beijing remains far from supplying the full set of functions—liquidity, security, trusted rules, crisis management—through which American primacy became an order rather

Table 5: Endgame net assessment, 2026

Domain	Position	Velocity	Conversion	Adaptation	Mobilization	Conf. constraint	Endgame significance
Industry	China scale / supply-chain depth	/ China still gaining; diversification rising	High in mass manufacturing; uneven at frontier	Allied subsidy and relocation; China embeds upstream inputs abroad	China: capital stack rebuilding time	H	Favors Chinese incoercibility unless upstream de-risking succeeds.
Semis / frontier tech	U.S.-allied bottlenecks	Mixed	China's research-to-stack conversion improving but incomplete	Controls induce local-ization; U.S. seeks new bottlenecks	China: full-stack quality; U.S.: allied cohesiveness / R&D	M-H	Central contest between substitution and frontier renewal.
AI / robotics	U.S. frontier ecosystem; China deployment scale	Very fast / uncertain	/ Key unknown: economy-wide productivity and embodied AI	China pushes industrial fusion; U.S. retains compute/capital	China: capital productivity; U.S.: factory diffusion	M	Potential accelerator of every other clock.
Quantum / future tech	Mixed; computing edge; China comms lead	U.S. Fast	China building explicit verification/pilot/scale machinery	Multi-path Chinese mobilization; U.S. frontier firms/labs	China: technical maturity; U.S.: diffusion / funding continuity	M	Laboratory for frontier renewal versus conversion latency.
Energy / resources	China import-exposed but more resilient	Toward China	High in clean-tech manufacturing; partial in resource security	Pipelines, stocks, coal, nuclear, renewables, EVs	China: raw-material bundles; coalition: endurance	M-H	Weakens rapid strangulation; protracted pressure remains.
Finance	Strong structural advantage	U.S. Slow gain	Chinese Limited: RMB/CIPS scale without full safe-asset system	China expands settlement/routing; dollar network persists	China: convertibility / collateral; coalition: willingness	H	Strongest remaining U.S. systemic lever.
Alliances / networks	Strong installed advantage	U.S. Politically volatile	U.S. converts allied resources only when coalition acts in time	Interoperability deepens; China exploits divergence	U.S.: coalition latency; China: limited substitutes	M	Multiplier of every other American instrument.
Regional military	U.S. global superiority; Chinese local mass	Toward China near mainland	China increasingly converts industry/data/space into local denial	U.S. posture/denial; PLA missiles, cyber, systems warfare	U.S.: access/munitions; China: joint-war execution	M	Narrows military coercion before global parity.
Nuclear / strategic	U.S. arsenal; deeper China more survivable	Toward Chinese second-strike assurance	Conversion is doctrinal/operational, not numerical alone	China expands warning/silos/SSBNs; U.S. adapts planning	Both: C3 survivability / crisis interpretation	M	More stable against disarming attack, more entangled in conventional war.
Space / information	U.S. lead but high dependence; China closing	Fast	Both building proliferated, dual-use ecosystems	Counterspace, commercial launch, cyber/EW, resilience	Reconstitution under attack	M	Critical to system-of-systems warfare and nuclear ambiguity.
Systemic organization	U.S. stronger	U.S. exclusivity eroding	China converts bypass into replacement unevenly; organization still limited	Middle powers hedge; China builds standards/infrastructure	China: public goods / trust; U.S.: legitimacy	M-H	Favors a distributed order until Chinese alternatives organize third-party behavior.

Author assessment from Sections II–V. “Conversion” asks whether scientific, industrial, financial or allied resources are being transformed into usable strategic effects. Confidence refers to the directional judgment, not to the probability of an Endgame.

than simply a preponderance of power.

That gap between the decline of American vetoes and the rise of Chinese organizing capacity is where the Endgame is now being decided.

Strategic Assessment: The Position in 2026

China is becoming harder to constrain faster than it is becoming able to organize a successor order. The United States still holds powerful cards, but several depreciate when used: controls induce substitution, sanctions encourage bypass, and pressure on allies can reduce the coalition value of the network itself. China faces the opposite problem. It can make itself increasingly difficult to coerce without persuading other states to entrust it with the functions of leadership.

The immediate contest is therefore not over who is “number one.” It is over whether American leverage can renew itself faster than Chinese vulnerability disappears, and whether China can turn freedom from coercion into an order that others will help reproduce.

7.2 What would count as an Endgame?

The word is easy to misuse. A balance of power is not an Endgame simply because it lasts for several years. Nor is military deterrence, economic interdependence, or a temporary political bargain. If both governments continue to believe that a plausible change in technology, alliances or force posture could transform the contest in their favor, the game remains open.

A useful Endgame must pass a harder test. The underlying distribution of power can continue to move, but the principal actors must cease to have both a compelling reason and a credible strategy for overturning the basic political arrangement. That is why the end of the Cold War was an Endgame in a sense that the *détente* of the 1970s was not.

This distinction matters acutely in a power transition. Powell’s work on commitment problems shows why anticipated changes in bargaining power can make agreements difficult to sustain: a state that expects to be stronger tomorrow may have little reason to honor concessions made today, while the state that expects to weaken may prefer to act before its options deteriorate.^[105] Yet the implication is not that war is inevitable. Recent work on grand bargains reaches the opposite conclusion under some conditions: concessions can stabilize a transition when they arrest, compensate for or otherwise neutralize the expected shift in bargaining power.^[112]

The difficulty in the U.S.–China case is that many of the changes driving the transition are not negotiable in that sense. Beijing is unlikely to bargain away scientific development, industrial upgrading, nuclear survivability or the ability to operate without foreign permission. Washington is unlikely to accept a settlement whose durability depends on China remaining technologically vulnerable. Any stable arrangement must therefore survive continued movement in relative power rather than freeze it.

Three questions follow. Can the arrangement close off the most attractive strategies for overturning it? Will the behavior that sustains it reproduce itself as capabilities change? And can the resulting order continue to perform the functions on which states depend? The first is a problem of strategic closure; the second of political reproduction; the third of systemic viability. An Endgame need not last forever. It does need to make the next major move look less promising than living with the position.

Strategic Assessment: A Stable Balance Is Not Yet an Endgame

Parity can be unstable. Deterrence can coexist with an arms race. A bargain can survive only until one side believes that tomorrow offers better terms. The relevant test is therefore dynamic: would the basic political arrangement still make sense to Washington, Beijing and the states around them if China's relative power continued to rise, or if the United States opened a new technological frontier?

An Endgame begins when adaptation no longer offers a plausible route to a fundamentally better board.

Strategic Assessment: Mutual incoercibility is a transition state, not a fourth Endgame

The framework implies a critical intermediate configuration:

$$I_{US} = 1, \quad I_{CN} = 1, \quad O_{US} \text{ and } O_{CN} \text{ still contested.}$$

If neither power retains a credible route to force reversal of the other's vital choices, the coercion contest has closed without the systemic contest being settled. The strategic question then shifts from *who can still coerce whom?* to *who can organize the choices of others?* In the sequence developed here, *I* is therefore a threshold on the way to *O*, not a substitute for it. Mutual strategic incoercibility can precede American reconstitution, Chinese systemic breakthrough or a durable functional distribution of power; it should not be mistaken for a fourth Endgame.

7.3 Endgame I: American reconstitution

American reconstitution would not restore the unipolar 1990s. China is too large, too deeply embedded in world production and too militarily capable for that. The realistic American objective is narrower and more demanding: preserve a system in which China can prosper and become stronger without acquiring the ability to settle major disputes by making effective collective resistance impossible.

Such an order would rest first on the continued conversion of allied scale into action. Washington would not need uniform agreement on China. It would need dependable coalitions in the functions that matter: intelligence, maritime access, advanced technology, defense production, finance and sanctions. A coalition that owns most of the relevant resources but cannot decide in time is weaker than its balance sheet suggests.

The second condition is technological renewal. Every static chokepoint has a half-life. Export controls on an existing technology buy time; they do not guarantee that the dependency survives. Reconstitution succeeds only if the American and allied innovation system repeatedly opens new frontiers faster than China closes the preceding gaps. That makes universities, immigration, basic research, capital formation, specialized suppliers and advanced manufacturing part of the same strategic problem.

The third condition is restraint in the use of network power. American centrality is valuable partly because firms and governments choose to remain inside the network. If access increasingly looks like a source of political exposure, partners have reason to insure against Washington even when they share its concerns about Beijing. Reconstitution therefore requires discrimination: harden dependencies whose interruption would be dangerous, but preserve enough openness that participation continues to confer benefits that alternatives do not.

These mechanisms can reproduce one another. Credible commitments make allied investment rational; allied investment enlarges the coalition's industrial and technological base; a larger base improves the odds of frontier renewal; renewed advantages make Chinese coercion

less decisive and hedging less attractive.

The danger is that Washington breaks this loop itself. A United States that retains immense capabilities but treats alliances as short-term transactions, overuses financial or technological coercion, or fails to rebuild industrial capacity could remain the stronger power while becoming less able to organize collective behavior. In that case, China would not have to defeat the American system. It could wait for the system's conversion rate to fall.

This is not a hypothetical distinction between resources and usable power. American alliances have repeatedly survived severe political disagreements, but they do not automatically produce common China policy. Their strategic value rises when cooperation is embedded in forces, supply chains, maintenance, intelligence and technology rather than left to be assembled after a crisis begins. The relevant asset is therefore not the alliance roster. It is the machinery that converts separate national capabilities into action before the opportunity to act has passed.

The evidence for American reconstitution would therefore be behavioral as well as material: falling coalition latency in crises; allied industrial investments that survive changes of government; repeated creation of new frontier dependencies; successful reduction of the most dangerous Chinese upstream leverage; and continued preference among third states for American-centered financial, security and technology networks even when Beijing offers viable alternatives. Without those developments, "American leadership" would describe an inheritance rather than a reproduced order.

7.4 Endgame II: Chinese systemic breakthrough

Chinese breakthrough begins at a different threshold. Beijing does not need to match the United States ship for ship, alliance for alliance or dollar for renminbi. It needs to make the instruments that once constrained its core choices too uncertain, too costly or too slow to determine the outcome.

That threshold is strategic incoercibility. Technology controls cease to be decisive when strategically important production can continue through domestic or alternative stacks. Maritime pressure loses force when reserves, routes, domestic energy and military denial make a quick political result implausible. Financial sanctions weaken when the coalition required to impose them becomes too costly to assemble or their effects can be absorbed long enough for political unity to fracture. Military superiority matters less if intervention near China carries losses that governments are unwilling to accept.

None of this, however, answers the question posed by the title of this section. A country can become extremely difficult to coerce without becoming the organizer of an international order.

Beijing's own diplomacy now makes that distinction harder to ignore. The Global Governance Initiative, presented in 2025 alongside the Global Development, Security and Civilization initiatives, explicitly calls for reform of an international system centered on the United Nations and identifies finance, artificial intelligence, cyberspace, climate, trade and outer space among the fields requiring new governance.^[113] This is not a blueprint for abolishing the post-1945 institutional architecture. On its own terms, it is a claim to reshape how that architecture works and whose preferences it reflects.

Official language is evidence of ambition, not of acceptance. The test lies in what other governments do. China's record of economic coercion is useful precisely because it separates the ability to impose pain from the ability to organize behavior. A CSIS review of eight episodes since 2010—Japan, Norway, the Philippines, Mongolia, South Korea, Australia, Canada and Lithuania—found coercion frequently costly to targeted firms but often ineffective at obtaining Beijing's immediate political objective. Lithuania did not reverse the decision that triggered Chinese pressure; Australia resisted the demands accompanying restrictions on its exports;

the THAAD battery remained in South Korea.[115, 116] The cases do not prove that coercion fails: deterrence of policies never attempted is difficult to observe, and concentrated sectoral losses can be severe. They do show why dependence cannot be equated with deference.

China’s insistence on sovereign equality also sits uneasily beside disputes in which smaller states see Chinese economic or military weight being used to narrow their choices. The 2016 South China Sea arbitration exposed a similar tension between Beijing’s invocation of international law and its rejection of an adverse tribunal ruling. A Chinese order cannot be inferred from Chinese doctrine.

Systemic breakthrough therefore requires a second conversion after incoercibility: centrality must become organization. Third states would begin to rely on Chinese institutions not merely because they cannot avoid them but because those institutions solve problems—finance trade, provide liquidity, supply security, settle disputes, establish standards or manage crises—at a cost and with a predictability that makes continued participation rational. They would adjust important policies in anticipation of Chinese preferences even when no explicit threat had been made. The distinction is between dependence and deference, and then between deference and durable organization.

This is the hardest threshold for Beijing. It is also the one most likely to be missed by measures of national power. China could cross the threshold of incoercibility years before it crosses the threshold of systemic leadership. If it never crosses the second, the result will not be American primacy restored. It will be a different kind of order.

7.5 Endgame III: a functionally distributed order

The most plausible alternative to succession is not necessarily chaos. It may be an order without a single organizing center.

Elements of such a system are already visible. Dollar finance can remain overwhelmingly American while manufacturing networks remain heavily Chinese. Asian security can continue to depend on U.S. alliances even as many of the same allies retain deep commercial relations with China. Europe can exercise regulatory power beyond its military weight. India can cooperate with Washington in the Indo-Pacific while protecting strategic autonomy in trade, technology and relations with Russia. Gulf states can combine American security ties with Chinese infrastructure, technology and capital. Different functions need not converge on the same pole.

This possibility changes the role of the so-called swing powers. They are not merely votes waiting to be won by Washington or Beijing. Their own strategy can be to make dependence less coercible. The sovereign-AI debate provides a useful example. India’s emerging stack remains dependent on American GPUs, yet New Delhi is combining imported compute with domestic models, local data rules and state-backed infrastructure. A 2026 India–UAE project makes the structure unusually clear: Emirati capital, American hardware and expertise, and Indian hosting and governance are combined in a national-scale system. Carnegie describes the broader strategy as “managed interdependence”—not technological autarky, but the deliberate distribution of dependencies so that autonomy can increase without reproducing the entire stack.[114] The logic extends beyond AI. Strategic autonomy often means redesigning dependencies, not eliminating them.

Call this partial incoercibility. It does not create a third superpower. It can nevertheless prevent either superpower from converting dominance in one layer into control over the whole system. Functional multipolarity can therefore arrive before aggregate multipolarity.

This outcome has two very different forms. In the unstable version, American organizing capacity erodes faster than alternative institutions mature. Standards fragment, crisis responses become improvised, sanctions and counter-sanctions proliferate, and governments insure against several powers at once. That is a genuine systemic interregnum.

In the more durable version, fragmentation acquires structure. States learn which institutions govern which functions; overlapping networks become predictable; no actor can command the whole, but several can organize parts of it. The system is less hierarchical than the post-Cold War order without being institutionally empty. The same government may accept American security leadership, Chinese industrial centrality, European regulation and a multilateral financial institution without seeing those choices as contradictory.

The distinction matters because the old language of hegemonic succession makes the first form easy to imagine and the second almost invisible. A functionally distributed order would still be competitive and often coercive. It would also be an Endgame if the major powers came to see the costs of overturning its division of functions as greater than the gains, and if third states became capable of defending enough autonomy to keep the distribution from collapsing back into two exclusive blocs.

For now, this is closer to the baseline than either clean American reconstitution or Chinese systemic breakthrough. American exclusivity is eroding faster than Beijing is reproducing the financial, security and institutional functions of American leadership. But “interregnum” should not be assumed to describe the destination. It describes what functional distribution looks like before its rules become legible.

7.6 Can the rivalry reach a tolerable equilibrium?

The three Endgames describe structures. None guarantees peace. The harder question is whether Washington and Beijing could accept rules that remain tolerable even while the balance beneath them continues to change.

A bargain based on freezing the competition is implausible. China will not stop trying to reduce technological dependence or improve its military position. The United States will not stop innovating, strengthening alliances or protecting capabilities it regards as militarily decisive. Nor is a simple division into spheres of influence an obvious solution. The countries supposedly assigned to those spheres have interests of their own, and many have spent decades building relationships precisely to avoid such a choice.

A more plausible equilibrium would be behavioral rather than territorial. The Cold War offers a useful benchmark. The 1972 U.S.–Soviet Incidents at Sea Agreement did not constrain fleet size or end naval competition. It prohibited specified dangerous behavior, created channels for reporting incidents and required regular consultations. U.S. official histories credit it with a marked decline in serious incidents, and the arrangement survived the Arab–Israeli war of 1973, the Soviet invasion of Afghanistan, the destruction of KAL 007 and the renewed confrontation of the early Reagan years.^[117, 118] Its significance was precisely that it remained useful when the political relationship worsened.

The comparison with China is sobering. Washington and Beijing established the Military Maritime Consultative Agreement in 1998 to discuss operational safety. Yet the working-level talks stopped after 2021 amid the breakdown in military contacts following Nancy Pelosi’s 2022 Taiwan visit and resumed only in April 2024 after Biden and Xi agreed to restore military communication.^[119, 120] The mechanism exists; its insulation from the wider rivalry does not. That suggests a demanding test for any future restraint: it becomes structurally stabilizing only when both sides value its operation most at the moment when relations elsewhere are deteriorating.

Nuclear risk reduction is the clearest candidate. Crisis communications, rules around military encounters, protection of strategic-warning functions in space, and some forms of notification around dangerous AI or cyber incidents may also qualify. The point would not be trust. It would be to reduce the number of situations in which one side can mistake an action in one domain for preparation for a much larger attack.

Taiwan remains the hardest exception because the disagreement is not merely about procedure. Beijing treats unification as a core political objective; Washington has built its regional position around preventing coercive resolution while preserving strategic ambiguity. No technical confidence-building measure dissolves that conflict. A durable equilibrium would have to convince Beijing that waiting does not permanently foreclose its interests and Washington that waiting does not merely improve Beijing's ability to impose them. That is a commitment problem in its most concrete form.

The standard for success should therefore be modest but exacting: rules that survive bad relations. A hotline used only when the relationship is warm is not a stabilizer. An arms-control dialogue that can be suspended in retaliation for an unrelated dispute is not insulated from the rivalry it is meant to manage. A tolerable equilibrium exists only when both governments conclude that preserving a narrow restraint is more valuable than using its suspension as leverage elsewhere.

7.7 Systemic war: a transition, not an Endgame

War belongs in the analysis because it can destroy one order without determining what replaces it. It should not be treated as a fourth Endgame.

Chinese history offers no simple formula for how such a war would end. Oriana Skylar Mastro's comparison of Chinese war termination in Korea, the 1962 Sino-Indian War and the 1979 Sino-Vietnamese War finds recurring tendencies rather than a doctrine of easy de-escalation: Beijing was more willing to negotiate with opponents it regarded as weaker, used escalation to improve the terms of termination, and often treated outside powers as sources of pressure rather than autonomous mediators.^[127] The cases are too different from a contemporary U.S.–China war to serve as predictions. They do warn against assuming that battlefield stalemate would automatically create a mutually acceptable offramp.

The mechanism that makes war plausible is the Double Closing Window developed above. Washington may come to believe that a military, technological or financial option it could need later is losing effectiveness. Beijing may simultaneously conclude that Washington has an incentive to use that option before it expires. The first fear creates urgency; the second turns the other's urgency into evidence of hostile intent.

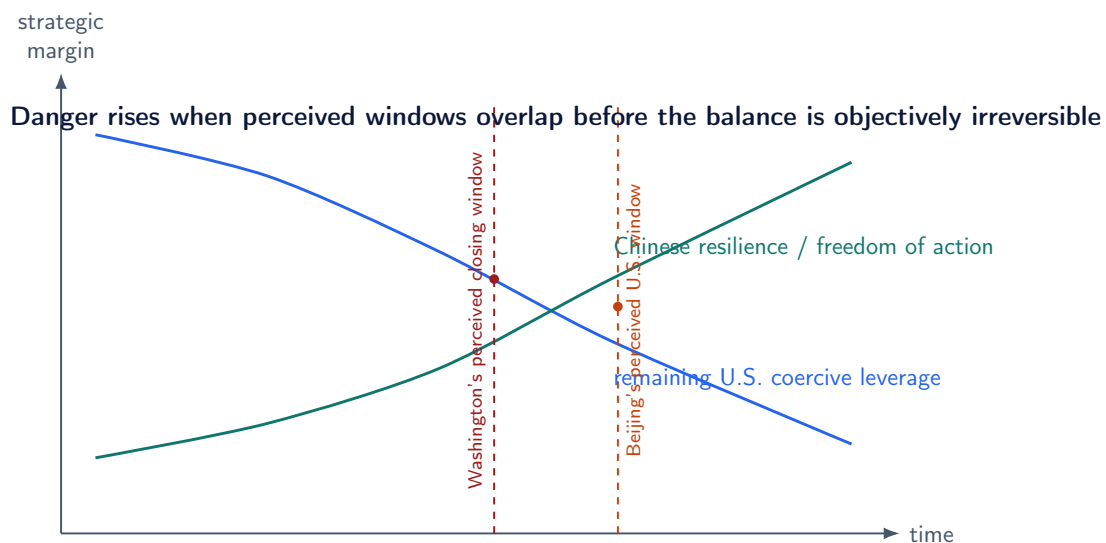


Figure 13: The Double Closing Window. War risk rises when Washington believes remaining leverage is expiring while Beijing believes that perception creates an incentive for preventive American action. The locations of the perceived windows are illustrative, not forecasts.

A conflict over Taiwan could begin through several routes—gray-zone coercion, quarantine, blockade or direct attack—and each would create different choices for Washington and its allies. Detailed war games are useful for exposing those branches, not for assigning probabilities to them. They belong in the appendix.

The main-text problem is what happens after the shooting starts. Recent Taiwan games reinforce the distinction between defeating an opening operation and ending the war. A CNAS exercise concluded that planning should move beyond a rapid invasion scenario toward protracted conflict and “favorable war termination.”[128] CSIS ran 26 blockade games in 2025; some escalated into wider war, others found offramps, and the authors concluded that the United States and its partners should plan explicitly for ways to end a blockade without making substantive Taiwanese concessions. Once kinetic escalation occurred, participants also found that a ceasefire could not simply restore the prior strategic position.[129]

Conventional attacks on command, cyber and space systems can affect nuclear warning and control; a longer war can exhaust munitions and create pressure to widen the target set; leaders can discover that a military operation they expected to be limited has changed the perceived survivability of strategic forces. China’s larger and more survivable arsenal reduces the plausibility of disarming attack while making intra-war nuclear management more complex.

Even successful war termination would not answer the Endgame question. A ceasefire stops combat. A settlement establishes terms. An Endgame requires those terms to survive the incentives created by the postwar balance. If both sides emerge convinced that rearmament can produce a better outcome in the next round, the war has changed the board without closing the game.

7.8 Can the dyad be broken?

The phrase “U.S.–China rivalry” can obscure a third source of change: everyone else. A country need not approach American or Chinese aggregate power to frustrate a bipolar order. It needs enough leverage in a particular function to prevent either side from taking its alignment for granted.

India is the clearest large-scale case, but the logic is broader. Europe matters disproportionately through regulation, market size, technology and the legitimacy it can confer on sanctions. Gulf states combine energy, capital and logistics with increasing room to maneuver between security and commercial partners. ASEAN states can affect access, maritime legitimacy and the political cost of regional coercion. None is a third superpower. Together they make the conversion of U.S. or Chinese assets into systemic power contingent.

This is why the search for “the third pole” may be the wrong question. The emerging system can have several poles for different purposes. What matters is whether these actors can preserve enough choice to prevent functional centrality from becoming political obedience. If they can, the Endgame will be shaped as much by their refusal to choose as by the capabilities accumulated in Washington and Beijing.

7.9 The planetary viability test

There is one final test that the traditional literature on power transition largely does not ask. A geopolitical arrangement can be stable for its principal powers and still be inadequate for the world it governs.

The reason is historical. Earlier power transitions decided who would dominate trade routes, territories, institutions and the rules of an increasingly connected world. The present transition occurs after human activity itself has acquired planetary consequences. Nuclear arsenals can destroy societies in hours. Pandemics cross borders faster than diplomacy. AI and biotechnology can create risks whose origin and effects are not confined to the jurisdiction

that produced them. Climate and ecological systems respond to aggregate behavior, not to the strategic preferences of a hegemon.

This does not imply that Washington and Beijing must cooperate on everything, or even on most things. Much of the energy transition can proceed through competition. Trade can remain contentious. Technological rivalry may accelerate some forms of innovation. The relevant question is narrower: which functions become dangerous when political rivalry interrupts them?

Four cases should be separated. Some problems require only parallel action: each state can reduce emissions or improve disease surveillance without agreeing on a common strategy. Others require interoperability, such as technical standards or selected forms of data exchange. A third group depends on information commons: epidemic warning, space situational awareness, or notification of certain high-consequence technological incidents. The hardest cases require mutual restraint, above all in nuclear operations and potentially in biological or autonomous systems where unilateral safety measures cannot eliminate interactive risk.

Recent experience shows why the distinction matters. U.S.–China climate channels have been suspended during political crises and later rebuilt; arms-control dialogue has likewise been vulnerable to disputes elsewhere in the relationship. The problem is not the absence of common interests. It is the ease with which cooperation in one domain can be held hostage to conflict in another. Where interruption itself creates danger, a viable order needs some mechanisms that are harder to switch off.

This is not an argument for world government. Nor is it a claim that planetary stress will pacify great-power politics; scarcity, industrial policy and the energy transition can create new arenas of competition. It is a simpler standard. An Endgame that reliably deters war between the United States and China but repeatedly disables nuclear risk reduction, pandemic warning, critical space coordination or other indispensable information channels would be strategically stable and systemically defective.

Strategic Assessment: Strategic Stability Is Not Planetary Viability

The quality of the next order cannot be judged only by whether Washington and Beijing avoid war or accept a balance of power. Some functions have become too consequential to depend entirely on the temperature of their bilateral relationship.

The strongest Endgame is therefore not the one in which one side wins the largest share of the board. It is the one in which rivalry can continue without disabling the few forms of coordination and restraint that neither side can safely provide alone.

7.10 Comparative assessment

The three structural outcomes can now be compared on a harder basis than relative capabilities alone.

On present evidence, the third outcome is the strongest baseline, but with an important qualification. What exists today is closer to interregnum than to a settled functionally distributed order. American institutions still organize much of global finance, security and advanced technology. Chinese industrial and technological centrality has nevertheless become too large for an exclusive American system to be restored cheaply. Most third states respond by separating issues rather than choosing a camp.

American reconstitution remains possible if the United States can turn its inherited advantages into a recurring process of renewal: new technological frontiers, lower coalition latency, credible military denial, deeper allied industry and enough restraint in the use of network power to keep the network attractive. Chinese breakthrough becomes more plausible if Beijing demonstrates continuity under maximum pressure and then converts that autonomy into

Table 6: Dynamic tests for the three Endgames

Endgame	Entry condition	What it reproduces	Main revisionist pressure	Failure mode	What would weaken the case
American reconstitution	U.S. renews frontier/network advantages faster than China removes them	Allied aggregation, selective de-risking, network legitimacy	Chinese drive to move remaining vetoes and raise local denial	U.S. coercion erodes coalition value; industrial renewal stalls	Persistent allied hedging; Chinese full-stack substitution; falling U.S. access/coalition reliability
Chinese systemic breakthrough	Maximum coercion no longer offers a credible route to reversing core Chinese choices; Chinese institutions begin organizing third-state behavior	Incoercibility plus trusted/valuable Chinese provision of rules, liquidity, security or standards	U.S. renewal; third-state balancing; backlash against Chinese coercion	China becomes uncoercible but not an accepted organizer	Persistent financial exposure; weak third-state deference; successful de-risking; poor public-goods conversion
Functionally distributed order	Neither side can monopolize organization; third actors preserve autonomy across functions	Predictable overlapping networks; partial incoercibility; issue-based alignment	Attempts by either superpower to force bloc discipline	Fragmentation remains crisis-prone and never acquires stable rules	Clear return of U.S. exclusivity or broad migration of security, finance and rule-setting toward China

These are structural tests, not probability estimates. Each Endgame must be judged by the mechanism that reproduces it and by evidence capable of falsifying that mechanism.

third-state reliance on Chinese rules, liquidity, security or standards.

The distinction between those two thresholds—*incoercibility* and *organization*—is the central uncertainty. China may reach the first well before the second. Indeed, it may reach enough of the first to end American primacy in practice without ever constructing a Chinese equivalent of the order that primacy once sustained.

That is why 2049 is a poor clock for the drama described in this paper. National rejuvenation can remain a distant political horizon while the strategic contest is decided much earlier, through the quiet accumulation of options that no longer work. *Incoercibility* has no victory parade. By the time it becomes obvious, the decisions that produced it may already be difficult to reverse.

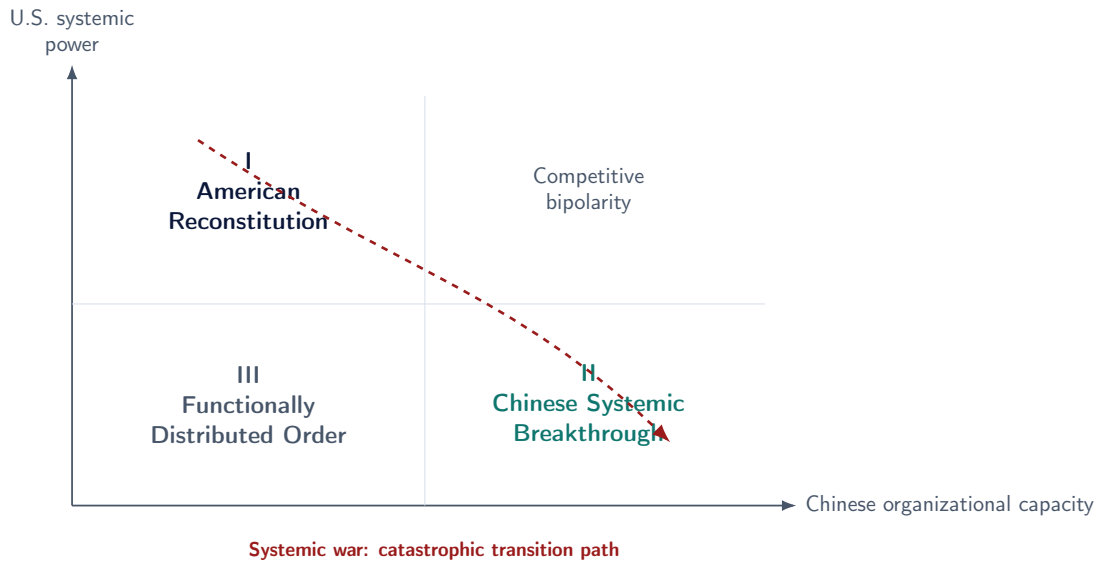


Figure 14: Three structural Endgames and war as a transition pathway. The distributed-order quadrant includes an unstable interregnum when functional rules fail to consolidate.

8 The Last Wide-Open Board: Trumpism and the Incoercibility Race

The preceding sections identified the structural contest: China is trying to remove the dependencies through which an American-led coalition can still alter vital Chinese choices, while

the United States must renew those sources of leverage faster than Beijing can substitute around them. The second Trump administration makes that abstract race observable. Eighteen months of policy now provide enough evidence to ask a harder question than whether Washington is “tough” on China: *has Trump improved the position from which the United States can both remain strategically incoercible and keep China below the same threshold?*

The Go analogy is exact in one respect. Washington still holds several exceptionally strong stones, but their coercive value depends on connection. Dutch and Japanese equipment controls, dollar finance, allied bases, maritime geography, intelligence networks and access to large markets matter most when they can be activated together. Beijing need not reproduce each of those assets symmetrically. It can instead add liberties to its own position and attack the connections through which superior American assets become a usable coercive package. The Trump problem is therefore double:

$$\boxed{\text{harden } I_{US}} \quad + \quad \boxed{\text{keep a reversal-capable package against China}}.$$

The two objectives overlap, but they are not identical.

8.1 The inherited board and the coercion test

Trump inherited neither intact American primacy nor an incoercible China. By January 2025 the United States still controlled the deepest financial network, decisive portions of the frontier-semiconductor ecosystem, the strongest long-range military network and a set of alliances capable of combining markets, technology, bases and intelligence at a scale China could not reproduce. China, however, had already spent more than a decade reducing the vulnerabilities that made those advantages overwhelming. Industrial scale supplied redundancy; military modernization raised the cost of intervention near its coast; nuclear expansion made escalation harder to dominate; energy diversification lengthened endurance; and concentrated positions in critical industrial inputs gave Beijing leverage inside the very economies whose cooperation Washington would require.

The relevant test is therefore not a balance-sheet comparison. Strategic incoercibility is crossed when an adversary can still impose very large costs but no longer possesses a politically credible route to force reversal on a choice regarded as vital. Each instrument must be evaluated after the opponent’s best plausible counter-move, along three dimensions:

$$\boxed{\text{Leverage} \times \text{Usability} \times \text{Persistence}}.$$

Leverage is the severity of pain that can still be imposed. **Usability** is the political and operational ability to activate the instrument after retaliation, allied costs and escalation risk are considered. **Persistence** asks whether pressure can last long enough to have political effect before adaptation changes the position. The distinction that matters throughout this section is simple:

$$\boxed{\text{Punishment} \neq \text{Reversal}}.$$

A state can remain vulnerable to punishment after it has become strategically incoercible.

Domain	U.S./allied leverage over China	Chinese counter-position	Inherited position	2025–26
Frontier technology	Leading accelerators, EDA, lithography, advanced equipment and parts of the cloud/software ecosystem	Domestic accelerators, equipment substitution, model efficiency, diversion and a state-led indigenous stack	Major constraint; selected vetoes remain, but depreciating	
Finance	Dollar funding, correspondent banking, Treasury collateral, capital-market infrastructure and secondary sanctions	Reserve diversification, RMB settlement, CIPS, lower Treasury exposure and counter-sanctions	Strongest durable U.S. veto candidate	
Markets and industrial networks	G7 demand, investment, technology and corporate networks	Chinese domestic scale, Global South trade, manufacturing centrality and reciprocal exposure of Western firms	Major constraint, not a stand-alone veto	
Energy and maritime geography	Exposure of seaborne hydrocarbons and trade routes to U.S./allied naval power	Russian and Central Asian supply, storage, naval protection, renewables, nuclear power and electrification	Very high wartime leverage; weak peacetime veto	
Regional military balance	First Island Chain geography, allied bases, submarines, ISR and long-range strike	Missile density, A2/AD, hardened continental bases, larger naval/air forces and a more survivable nuclear posture	Major constraint; increasingly costly to activate	
Industrial inputs	Diversifying allied supply and large non-Chinese technology base	Rare earths, magnets, gallium, graphite, battery inputs, pharmaceutical precursors and manufacturing depth	Powerful Chinese counter-vetoes in selected sectors	
Coalition aggregation	Combined U.S., European, Japanese, Korean and Australian technology, markets, finance and military capacity	Selective retaliation, market exposure, wedge diplomacy and pressure on the weakest coalition member	Potentially decisive; principal uncertainty	

Table 7: The inherited board. The decisive variable is not which side controls more assets, but which assets remain usable after the opponent’s response.

The asymmetry is already visible. Washington possesses more instruments capable, in principle, of imposing system-wide costs. Beijing possesses fewer direct instruments capable of forcing an American reversal, but several are positioned to reduce the usability of the American package. The strategic problem can therefore be stated compactly: **Washington must make the addition sign work; Beijing may only need to weaken it.**

8.2 Trump’s strategy: moves, counter-moves and net effects

A coherent part of Trumpism is now visible. The administration treats American coercibility itself as a strategic vulnerability. Critical-minerals orders, Defense Production Act measures, supply-chain mapping, energy abundance, defense production, maritime reconstruction and the effort to secure strategic infrastructure in the Western Hemisphere all seek to reduce the number of points at which an adversary could interrupt American mobilization. In that sense, Trumpism is much more than a collection of tariffs. It is an attempt to rebuild the American group before a larger confrontation.

The difficulty is that policies which strengthen I_{US} do not automatically preserve American coercive leverage over China. Some do both. Others improve the American rear while weakening coalition connection, accelerating Chinese substitution or consuming the financial and military resources on which a maximum package would depend. The most useful way to judge the record is therefore move, counter-move, resulting position.

Trump move	Intended positional effect	Counter-move / collateral effect	Net strategic effect
Critical minerals and industrial reconstruction	Remove Chinese counter-vetoes over mobilization and increase domestic endurance	Alternative mines, processing and qualification take years; Beijing can activate licensing restrictions in weeks	$I_{US} \uparrow$ strongly; helps preserve coercive usability, but timing remains adverse
AI stack and semiconductor policy	Renew a moving technological chokepoint by combining selective denial with continued dependence on U.S. hardware, cloud, models, software and standards	Indigenous Chinese chips, equipment, software and model efficiency improve; static denial accelerates substitution	Positive, but unresolved; strongest candidate for a successor U.S. veto
FIC denial and burden shifting	Concentrate U.S. power on Indo-Pacific denial while increasing allied military capacity	Higher allied capability is useful only if basing, logistics, export controls and political consent remain connected in crisis	Strongly positive if coalition connection survives
Panama, Venezuela and hemispheric consolidation	Secure the strategic rear and reduce extra-hemispheric footholds near critical infrastructure	China can contest transactions and influence but has limited ability to reverse U.S. actions close to the American homeland	$I_{US} \uparrow$ regionally; limited direct effect on I_{CN}
Greenland and Arctic access	Deny future rival access and reinforce northern approaches	Coercive treatment of Denmark and Greenland can reduce allied trust	Geographically positive, coalition effect ambiguous
Iran and energy dominance	Weaken a Chinese partner, constrict discounted oil and raise U.S. energy resilience	Military resources are diverted; China adapts; high energy prices strengthen electrification incentives	$I_{US} \uparrow$ on energy; mixed to negative effect on preventing I_{CN}
Tariffs and coercion against allies	Reshore capacity, extract concessions and increase burden sharing	Retaliation and reliability concerns increase coalition latency	Potentially negative for the maximum U.S.-allied package
Fiscal expansion and debt	Finance rearmament and industrial reconstruction	Persistent deficits, refinancing needs and lower Chinese Treasury exposure can erode future financial freedom of action	Positive short-run capacity; long-run risk to the deepest U.S. network advantage

Table 8: Trump’s principal moves and the position after counter-moves. The relevant question is not whether a policy is “tough on China,” but whether it improves the usable package after adaptation and retaliation.

Three conclusions emerge from these moves.

First, the strategy for American incoercibility is coherent. Critical-mineral diversification, domestic processing, energy abundance, defense supply chains, grid equipment, maritime capacity and hemispheric security all reduce vulnerabilities that could otherwise constrain U.S. freedom of action. Venezuela supplies an unusually concrete calibration. The January 2026 operation removed Nicolás Maduro after a large U.S. penetration of Venezuelan airspace. China condemned the action, had substantial economic interests at stake and challenged its legality, yet did not assemble a military, financial or economic package capable of forcing Washington to reverse it. Geography, the limited Chinese stake and Maduro’s contested legitimacy make the case regional rather than universal, but it is still strong evidence of high regional I_{US} . [146, 154, 155]

Second, the strategy for preserving leverage over China is much less settled. Technology policy is the clearest attempt at renewal rather than preservation. The administration’s integrated AI-stack strategy treats hardware, cloud, models, software, financing and standards as an ecosystem rather than a single chokepoint, while controlled H200-class exports were justified partly by the objective of strengthening that ecosystem. [144, 168] This is strategically coherent if dependence on the American stack creates successor vetoes faster than Chinese localization destroys existing ones. The opposing strategy is equally explicit in China’s Fifteenth Five-Year Plan, with its emphasis on high-end chips, industrial software, advanced materials, robotics, AI and full-chain indigenous innovation. [72] The contest is therefore not “controls

versus no controls.” It is frontier renewal versus adequate substitution.

Third, Trumpism contains a sequencing problem. The 2025 rare-earth confrontation showed the danger directly. U.S. tariffs and technology controls were backed by a much larger economic base, but Beijing responded at a narrow point of concentration. Export licensing on rare earths and permanent magnets disrupted U.S. and allied industry quickly enough to affect the bargaining position, while diversification required years. [110, 111, 164] Likewise, burden sharing can increase allied inventories while economic coercion reduces willingness to aggregate those inventories with Washington; energy dominance strengthens U.S. resilience while high prices accelerate Chinese electrification; fiscal expansion funds rearmament while potentially weakening the financial infrastructure behind America’s deepest remaining veto. The central contradiction can be stated simply:

Some moves that strengthen I_{US} can weaken the package required to prevent I_{CN} .

8.3 The interaction test: can the American package still compel reversal?

The central question is now narrower. After China’s best counter-moves are priced in, can the United States and the coalition it can actually assemble still combine enough pressure to force Beijing to reverse a choice it regards as vital? No individual inventory answers that question. The relevant sequence is:

U.S.+allied leverage $\rightarrow$ Chinese counter-moves $\rightarrow$ usability and persistence $\rightarrow C_{US+A}^{\text{effective}} \rightarrow$ reversal?

The cross-domain interactions matter more than the nominal size of any single chokepoint.

American leverage	Chinese counter-move	What decides usability	Strategic clock
Frontier technology	Critical minerals, industrial retaliation, indigenous substitution	Whether coalition members can absorb retaliation while successor U.S. chokepoints move faster than adequate Chinese substitution	Frontier renewal vs substitution
Finance and markets	Reciprocal exposure, counter-sanctions, trade diversion and pressure on politically salient firms	Whether a coalition can sustain trillions of dollars of reciprocal disruption long enough to affect Beijing’s decision	Political tolerance vs adaptation
Energy and maritime geography	Strategic stocks, pipelines, rerouting, naval protection and electrification	Whether maritime pressure acquires political effect before inventories, substitutes and escalation alter the coalition’s willingness to continue	Time-to-political-effect
FIC military denial	Missile attack, cyber/space disruption, pressure on allied bases and nuclear escalation	Whether access, munitions, ISR, logistics and allied political consent remain connected after the first Chinese counter-moves	Coalition aggregation under fire

Table 9: The four interactions that determine whether nominal American leverage remains coercively usable.

This table captures why a smaller Chinese chokepoint can neutralize a larger American one. A semiconductor embargo may impose greater aggregate losses on China than mineral restrictions impose on the G7, yet if restrictions on magnets or gallium disrupt the defense and industrial sectors of the states required to enforce the embargo, the smaller chokepoint attacks the coalition connection supporting the larger one. The correct comparison is therefore not dollar loss against dollar loss. It is whether retaliation pushes the political cost of sustained denial above coalition tolerance before denial changes Beijing's choice.

The same logic contains an endogenous weakness for China. Every visible Chinese restriction creates inventories, new mines, recycling, substitution and political coalitions for de-risking. By mid-2026 some rare-earth inputs remained extremely difficult to obtain, and firms expected several supply constraints to persist for years, but the same episode accelerated U.S., European, Japanese and Australian investment in non-Chinese supply. [111, 164] Chinese counter-vetoes can therefore be most powerful precisely before they are used too broadly. Beijing's present advantage is timing: selected export controls can bite in weeks, while the alternative supply chains often take years.

Energy illustrates a different clock. China remains physically exposed to seaborne oil, but physical dependence and coercibility are not identical. During the 2026 Hormuz shock, rapid electrification reduced the oil intensity of Chinese transport and helped China absorb a larger import shock than a static reading of maritime dependence would imply. [149, 169] This does not solve the Malacca dilemma, and it does not eliminate petrochemical, aviation or freight dependence. It does lengthen the time required for an oil shock to become politically decisive. The strategic value of maritime pressure can therefore decline even while the map of sea lanes remains unchanged.

Coalition aggregation is the fourth and most general interaction. The United States can combine capabilities that no single state possesses, but it does not own those capabilities outright. Japanese bases, Dutch lithography, Korean technology, European markets and Australian resources enter the American package only through political decisions. Trump's burden-sharing strategy can increase allied military capacity, yet economic coercion against allies can increase the latency of the same coalition. The renewed U.S.-Canada tariff confrontation is not itself a First Island Chain case, but it demonstrates the mechanism: formal alliance can persist while confidence in American reliability and willingness to accept synchronized economic costs decline. [145]

Finding. The interaction rule. A chokepoint matters only after the opponent's best counter-move is priced into its usability. The race is therefore between **American renewal and aggregation** and **Chinese substitution and disaggregation**.

The maximum-package stress test. Taiwan is the hardest useful case because it activates almost every system simultaneously without requiring us to forecast that a war will occur. A maximum U.S.-allied response could combine frontier-technology denial, financial sanctions on major institutions, capital restrictions, market restrictions, shipping and insurance measures, pressure on maritime energy access, First Island Chain military denial and diplomatic isolation. On paper this remains overwhelming. In practice, the same package would endanger trillions of dollars of flows, expose allied industry to Chinese retaliation, put regional bases and logistics at risk and create escalation pathways extending to nuclear forces. [16, 35, 60]

China's strongest response would not be symmetrical. It would attack the package's connections: restrictions on critical inputs; regulatory and market retaliation against firms and states; cyber and space attacks on military and economic infrastructure; pressure on allied bases and territory; financial and trade circumvention; emergency substitution; and political efforts to separate states willing to condemn Beijing from states willing to bear the costs of

coercing it.

Test	U.S.+allied China	package against	Chinese U.S.+allies	package against
Can it impose extreme costs?	Yes, with high confidence. Finance, technology, markets and military pressure remain formidable in combination.		Yes in selected sectors and regional operations; no comparable economy-wide package against the United States.	
Can it be activated rapidly?	Partly. Several U.S. instruments can move quickly; coalition-wide finance, trade and basing decisions require political aggregation.		Yes for licensing, regulation and local military pressure; broader measures create Chinese self-harm.	
Can it persist?	Uncertain. Reciprocal losses, Chinese adaptation and coalition politics limit duration.		Uncertain. Concentrated chokepoints bite quickly but induce substitution and sacrifice Chinese commercial interests.	
Can it compel reversal on a vital choice in 2026–27?	Plausible, probably yes before full-scale war, but not assured once a major conflict is underway.		Probably not against the United States itself. More plausible as a means of degrading allied participation.	

Table 10: The maximum-package interaction test. The key distinction is between the ability to impose catastrophic costs and the ability to compel reversal.

The resulting present-tense judgment is asymmetric. **China is approaching but has not clearly crossed I_{CN} .** The residual U.S.-allied package remains too broad, and Chinese exposure to finance, frontier technology, markets and maritime geography remains too substantial, to say that a reversal route has already disappeared. But that route is now composite, politically expensive and less certain than the capacity to inflict damage. **The United States, by contrast, is already strategically incoercible against China on vital national choices.** Beijing can impose severe industrial, commercial and regional military costs, but no current Chinese package offers a credible route to force Washington to reverse a vital American choice.

8.4 The race to incoercibility: 2027, 2030 and 2035

The interaction test allows the paper’s central timing question to be answered. These dates are threshold checks, not predictions of crisis or war. They ask whether, under present trajectories of technological substitution, counter-chokepoint removal, military denial and coalition aggregation, a maximum U.S.-allied package would still retain a credible route to reversal.

Decisive test	2027	2030	2035
Can U.S.+allies impose extreme costs on China?	YES	YES	YES
Can U.S.+allies compel reversal of a vital Chinese choice?	PROBABLY YES	UNCERTAIN	PROBABLY NO
Can China compel reversal of a vital U.S. choice?	NO	PROBABLY NO	PROBABLY NO
Can China materially degrade or fragment the U.S.-led package?	PARTLY	PLAUSIBLY	PROBABLY
I_{US}	YES	YES	YES
I_{CN}	NO	THRESHOLD	PROBABLY YES
Position on the board	Asymmetric advantage	U.S. Closing window	Mutual strategic incoercibility

Table 11: The bilateral coercion evaluation. The central result is that the capacity to punish China survives beyond the capacity to compel reversal.

Strategic Assessment: THE EVALUATION

2027: CHINA REMAINS COERCIBLE. A maximum U.S.-allied package still combines finance, frontier technology, markets, maritime exposure and regional military denial into a plausible route to reversal. The route is costly and contingent, but it still exists. I_{US} is already established; I_{CN} is not.

2030: THE COERCIVE BALANCE REACHES THE THRESHOLD. American instruments remain individually formidable, but the decisive question becomes whether they can still be connected after Chinese substitution, counter-chokepoints, regional denial and pressure on U.S. allies. Reversal capacity becomes genuinely uncertain.

2035: CHINA IS PROBABLY STRATEGICALLY INCOERCIBLE. On present trajectories, the United States and its allies should still be able to inflict extraordinary damage, but probably no longer possess a politically credible package capable of forcing Beijing to reverse a vital choice. China still lacks an equivalent capacity to compel the United States. The central trajectory is therefore **mutual strategic incoercibility, not Chinese primacy**.

Why does the judgment change between 2027 and 2035? Not because the United States becomes weak. Three narrower processes can cross the threshold together. First, some technological vetoes can be converted from denial into delay as Chinese substitution becomes adequate rather than necessarily superior. Second, Chinese industrial counter-chokepoints can remain usable long enough to raise the domestic and allied cost of activating Western pressure, even as diversification gradually erodes them. Third, military denial and escalation risk can make regional access more conditional at precisely the moment when economic coercion also requires faster allied political aggregation. The result is a declining probability that all components can be sustained simultaneously, not a disappearance of American power.

The 2035 judgment is conditional and falsifiable. It should be revised if three developments become observable rather than aspirational: **successor U.S.-allied technological vetoes emerge faster than adequate Chinese substitution; critical mineral, pharmaceutical and industrial diversification removes enough Chinese counter-chokepoints to restore the usability of broad coercion; and coalition latency falls through pre-**

negotiated controls, basing, logistics, financing and industrial mobilization. Conversely, faster Chinese technological substitution, military modernization or coalition-splitting capacity would move the threshold earlier.

8.5 Does Trump change the trajectory?

Trumpism must now be judged against the trajectory rather than against its own announcements. On the first half of the double task, the evidence is strong. The administration is materially hardening I_{US} by reducing mineral, industrial, energy, maritime and geographic vulnerabilities. On the second half, it is also acting on real problems: the AI-stack strategy seeks successor technology chokepoints, mineral diversification attacks Chinese counter-vetoes, FIC denial seeks to prevent military closure and allied burden sharing can increase the coalition's physical capacity.

But delay is not prevention. To change the 2035 judgment, those efforts must succeed simultaneously in the three domains identified above: frontier renewal must outrun adequate Chinese substitution; diversification must remove counter-chokepoints fast enough to restore the usability of a broad package; and allied capabilities must remain politically connectable under Chinese retaliation. The current record does not yet demonstrate that combination. Indeed, some Trump policies make it harder: coercion against allies can raise coalition latency, energy shocks can accelerate the erosion of China's oil vulnerability, and fiscal deterioration can eventually weaken the financial infrastructure on which the strongest remaining American veto depends.

Strategic Assessment: THE TRUMP VERDICT

Trumpism materially strengthens American strategic incoercibility and slows China's approach to its own. It has not yet demonstrated that it can prevent China from crossing the threshold.

In compact form:

$$\boxed{I_{US} \uparrow} \quad \boxed{\frac{dI_{CN}}{dt} \downarrow} \quad \boxed{\text{delay} \neq \text{prevention}}.$$

Trump changes the slope of the race more clearly than its evaluated destination. On present evidence, 2030 becomes more contestable, but mutual strategic incoercibility remains the central 2035 trajectory.

This is not a claim that Trumpism lacks a grand strategy. The opposite is closer to the evidence. It has a recognizable strategy of American reconstitution, and several of its moves attack genuine vulnerabilities identified in this paper. The narrower conclusion is more demanding: rebuilding the instruments of power is not sufficient if the counter-chokepoints and coalition frictions that govern their use are not removed at comparable speed. A stronger America can remain unable to compel a strategically incoercible China.

8.6 Mutual incoercibility is not the Endgame

The result above is easy to misread. Mutual strategic incoercibility would settle the coercion question without settling the systemic contest. If both groups are "alive" in the Go sense, neither possesses a politically credible route to force reversal on the other's most vital choices, but both can still improve the surrounding position.

$$\boxed{I_{US} + I_{CN} \not\Rightarrow \text{Endgame.}}$$

The distinction follows from the sequence developed earlier in the paper:

$$\boxed{R < I < O}.$$

Resilience is the capacity to absorb pressure. Incoercibility is the point at which pressure no longer supplies a credible route to reversal. Systemic organization is a further capacity: inducing other states to rely on, defer to or coordinate through rules, networks, standards, security arrangements and public goods that one helps to organize. Crossing I enlarges Beijing's freedom of action; it does not complete a Chinese project of order.

For China, the space beyond I_{CN} would remain large. A state less vulnerable to technology denial, financial pressure, maritime coercion and coalition sanctions could continue to weaken the First Island Chain, reduce dollar exposure, deepen technological autonomy, exploit divisions among U.S. partners and convert industrial centrality into standards and institutional influence. None of those moves requires the ability to coerce the United States directly. They require enough freedom from American coercion to keep playing. For Washington, the symmetric implication is that a favorable balance of power can be strategically valuable without being self-enforcing. If China can continue to improve its position after crossing I_{CN} , the contest moves from *who can force whom to reverse?* toward *who can organize the consequential choices of others?* That is the passage from I to O .

Taiwan remains the most dangerous reality check on this assessment. A crisis could reveal that the threshold had already been crossed before either side fully recognized it. If Washington discovered only after escalation that its maximum package could devastate China but could no longer compel reversal, the strategic danger would shift from insufficient power to **strategic misrecognition**: both sides could enter a confrontation using obsolete assumptions about the other's coercibility. That is the route by which a closing coercive window can become a war pathway even when neither side requires war to reach its preferred Endgame.

9 Conclusion: The Endgame Before the End

The paper's central finding is a transition in coercibility that precedes any plausible transition in primacy. **The United States is already strategically incoercible against China; China is not yet strategically incoercible against the United States and its allies.** On present trajectories, however, the remaining U.S.-allied route to reversal narrows sharply over the next decade. It probably remains credible in 2027, becomes genuinely uncertain around 2030, and by 2035 would probably be capable of extraordinary punishment without retaining a politically credible route to reverse a vital Chinese choice. The central trajectory is therefore **from asymmetric American advantage toward mutual strategic incoercibility**, not from American primacy to Chinese primacy.

The mechanism matters as much as the date. Beijing does not need to reproduce the dollar system, the American alliance network or global U.S. military reach. It needs to make the American package fail as a package. Chinese substitution can remove individual vetoes; counter-chokepoints can raise the cost of activating others; regional denial can make military leverage slower and more escalatory; and pressure on allies can weaken the political connections through which Washington converts superior aggregate assets into usable coercive power. The operational boundary is therefore **punishment versus reversal**: a power can remain capable of devastating its rival after it has ceased to be capable of coercing it.

Trumpism changes this race, but the evidence is asymmetric. Critical-mineral policy, industrial reconstruction, energy resilience, defense production, AI infrastructure, maritime capacity and the strategic rear materially harden I_{US} . Technology controls, First Island Chain denial and allied military investment can also slow China's movement toward I_{CN} . Yet the second achievement remains less secure than the first. Chinese substitution continues, important

counter-chokepoints remain usable, and pressure on allies can increase the coalition latency on which the strongest anti-China package depends. **Trumpism therefore strengthens I_{US} and delays I_{CN} , but has not yet demonstrated that it can prevent I_{CN} .** Changing the 2035 trajectory would require observable success in renewing technological vetoes, removing consequential Chinese counter-vetoes and making coalition aggregation faster and more reliable.

That prospective convergence does not settle the Endgame. Strategic incoercibility is a defensive threshold; systemic organization is a higher one. If both principal powers become difficult to coerce, the contest does not end. It changes object. China would still have to convert autonomy, industrial centrality and regional power into institutions, standards, liquidity, security relationships and public goods that durably organize the choices of third states. The United States could remain the stronger systemic organizer even after losing the ability to reverse Chinese choices on vital questions. In the notation developed here,

$$\boxed{I_{US} + I_{CN} \not\rightarrow \text{Endgame}}, \quad \boxed{I \rightarrow O}.$$

The three Endgames identified in this paper therefore remain open: American reconstitution, Chinese systemic breakthrough, and a functionally distributed order in which different forms of systemic power remain concentrated in different hands. War is not a fourth Endgame. It is one possible route between positions, made more dangerous if leaders mistake destructive superiority for coercive control. Taiwan is the sharpest such risk: a crisis could reveal only after escalation that the coercive threshold had already been crossed.

The strategic question facing Washington is consequently narrower and harder than whether the United States can remain “ahead” of China. It is whether American renewal can keep producing vetoes faster than China removes them, whether Chinese counter-vetoes can be neutralized before they make those instruments unusable, and whether allied capabilities can still be aggregated on the timetable of a crisis. For Beijing, the immediate task is the inverse: survive the remaining vetoes, increase the cost of their use and prevent their aggregation. **If the present trajectory holds, the decisive change of the coming decade will not be that China becomes stronger than the United States. It will be that neither can reliably compel the other to reverse a vital choice. What follows will be a struggle not over who can still coerce whom, but over who can organize the board that remains.**

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