



By: Glenn Chafetz

Can democracies defend themselves against Chinese high-tech colonialism?



China's policy of fostering foreign dependence on Chinese manufacturing and infrastructure is a geopolitical strategy, and not merely an economic consequence of macroeconomic decisions.

The Chinese Communist Party (CCP) cannot accept the economic dependence on other states that interdependence requires.

This is because the Chinese Communist Party believes that democracies, led by the United States, seek to use economic exchange to threaten CCP rule, specifically by limiting CCP freedom of action and exposing China to dangerous foreign ideas, especially democracy and universal human rights.

The CCP has committed itself to a high-tech type of colonialism in which China dominates manufacturing, technology, and infrastructure.

The role of other countries, including the United States, is to supply China with raw materials, food, energy, capital, and intellectual property and to purchase China's surplus production.

In this system, China uses its hegemonic role to secure and expand autocracy. China's leaders use **propaganda** to deliberately obscure the fact that domestic dictatorship also guides a pro-autocracy agenda in China's foreign policy.

To the CCP, the threat posed by democracies is existential. **Foreign democracy** threatens CCP power because it provides an example for China's citizens.

In addition, like most dictators, China's leaders require a degree of international threat to justify domestic repression.

Perception of threat

Although the CCP concocts foreign conspiracies to delegitimize domestic opposition by characterizing all dissent as external, the perception of threat is

nonetheless sincere.

Indeed, the **Tiananmen protests** of 1989 terrified China's leaders, who believed that the protests were directed from abroad, and particularly the United States.

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The CCP has similarly characterized Hong Kong pro-democracy protests as directed by foreign agitators.

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In short, the CCP looks with fear and suspicion at any kind of international arrangements that include support for individual rights, democracy, and the rule of law, because such arrangements logically call into question and undermine the CCP's claims to monopoly power inside China.

Protecting dictatorships throughout the world

China therefore intervenes abroad to support autocracy. The CCP exports its **censorship** and smart-city **mass surveillance technology** to illiberal regimes.

It offers training on how to use this technology to repress **dissidents** and advance pro-regime messages.

It uses diplomacy, investment, and aid to assist and protect dictatorships throughout the world, including Russia, Iran, Cuba, North Korea, and throughout **sub-Saharan Africa**.

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Beijing stifles international opposition by incentivizing foreign economic dependence on China, giving China influence and even control over trade, access to raw materials, technology, expertise, infrastructure, capital, standards, rules, data, and markets. The **Belt and Road Initiative** is the most well-known example of this effort.

The CCP also seeks to foster foreign dependence on China by ensuring that PRC companies are the **worldwide market leaders** in key sectors.

This is the point of **Made in China 2025**, the plan for China to dominate key manufacturing sectors, including green technology, EVs, robotics, AI, and smart manufacturing.

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Technological and economic dependence

Conversely, China works to minimize its own technological and economic dependence on other countries, especially democracies, and most especially the United States.

The infamous **Document 79** of 2022, known informally as “Delete America,” calls for the elimination of the United States from China’s supply chain.

The **Fifteenth Five-Year Plan** of 2025 explicitly makes economic self-sufficiency the goal of China’s development, excluding China’s dependence, or even interdependence, on others. The CCP drive for sufficiency and hegemony began decades ago.

Therefore, while the liberal democratic world worked toward 20th- and 21st- century goals of free trade, globalization, and interdependence, the CCP pursued a modern version of 17th- and 18th- century mercantilism.

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China joined the world economy but only up to a point; China eagerly accepted the benefits of increased exports and easy access to foreign investment and technology but never accepted and consistently violated the rules.

The question then becomes how democracies can defend themselves. Countering China depends on the ability of democracies to cooperate, to accurately assess risks, and to act in their own long-term interests.

The last point involves significantly reducing economic dependence on China, which is achievable, but comes with significant economic and political short-term costs. However, in the long term, failure to reduce that dependence will prove much more costly and politically painful.

The decoupling imperative

Blunting the China threat requires the creation of a largely separate system of free trade and a rules-based order like the post-World War II version China has worked to undermine.

This is not currently possible because the United States, under the second Trump administration, has rejected rules-based order and free trade, even among democracies.

President **Trump** has asserted that during the period of (relatively) free trade in the post-World War II era, the United States was “ripped off” by its trading partners.

The administration treats nearly all trading

partners as threats, which has alienated long-term, democratic **allies**.

Under the current administration, **US trade policy** requires that the United States produce more than it consumes and declares a trade surplus critical to national security.

Indeed, an export surplus is an explicit goal of the **US National Security Strategy of 2025** and was the justification for the imposition of the highest level of tariffs in a century.

The expansion and application of US power became its own justification

Under this framework, commerce and state action increasingly overlapped, and foreign policy became a tool for imperial-style wealth acquisition: the United States removed Nicolás Maduro from power and promptly seized control of **Venezuela's oil** and finance; and the US president issued threats to “keep” **Iran's oil**, overthrow the regime in Cuba, and take Greenland from Denmark, a NATO ally.

The United States furthermore rejected any higher or shared international purpose for US foreign policy.

References to the desirability of democracy, human rights, the rule of law, and poverty reduction disappeared from US policy documents.

The expansion and application of **US power** became its own justification. According to White House Deputy Chief of Staff Stephen Miller, rules and institutions like sovereignty and alliances were “international niceties.”

Miller asserted, “We live in a world...that is governed by strength, that is governed by force, that is governed by power. These are the iron laws of the world since the beginning of time.”

What happens after Trump

The question, then, is what happens in the United States after Trump. If the existing unilateralist, neo-mercantilist policy survives the end of Trump's presidency, the United States and other democracies will remain divided, and China will benefit.

Canadian Prime Minister **Mark Carney** described this scenario and noted that the democracies (and other “middle powers”) would have to band together without the United States.

The Carney arrangement would lack US power and leadership and would therefore prove less effective than during the postwar era at providing security, ensuring financial stability, resolving disputes, and promoting democracy and human rights.

Still, some degree of democratic cooperation would be more effective than the only other option: every country for itself.

In that anarchical scenario, alliances would be transactional, based on short-term needs, and therefore unstable. In this system, China (and Russia) do not face unified allies and can thus more easily expand their power and threaten their neighbors.

Germany, France, Japan, South Korea, and other middle powers, lacking US extended deterrence and unable to trust one another, will seek any means necessary to protect themselves, including making deals with Beijing and Moscow or acquiring their own **nuclear weapons**.

If Trump's successors recommit to multilateral cooperation, they could try to repair relationships with other democracies

Both the rush for nuclear arms and the negotiation of side deals will further accelerate insecurity, producing more conflict and disorder.

The United States, by dint of its power, would remain a key player; but without Washington's

commitment to anti-authoritarianism and other former alliance norms, none of the other democracies would follow or defer to Washington (which is already happening).

In fact, other democracies will increasingly view the **United States** as a threat, prone to tilting toward Russia and making side agreements with China without any regard for the interests of other states.

By contrast, if Trump's successors recommit to multilateral cooperation, they could try to repair relationships with other democracies.

This would hardly be guaranteed, easy, or quick, but it could restore the United States to some version of its previous role and the relative stability it provided.

In that case, the world would find itself in a second version of the US-USSR **Cold War**. Although also dangerous, a second cold war would be more predictable and safer than the alternatives of full anarchy or a concert of middle power democracies.

Second Cold War

A Sino-American cold war would resemble the US-Soviet version in that it would be largely bipolar; the two blocs would espouse and implement incompatible visions of ideal domestic government and international organization; the blocs would trade internally but very little with each other; the contest would be zero-sum and global; and while military force could be used to intimidate and deter, neither side would want a direct military conflict that might escalate into a nuclear exchange.

This second cold war, however, would differ from the first in two important ways that disadvantage the democracies.

The most significant difference is that neither the United States nor any of its allies depended on the Soviet economy or market in any way.

By contrast, Western dependence on China's supply chains and labor market will be exceptionally difficult to disentangle.



The CCP will continue to pursue China's hegemony regardless of the level of foreign dependence, but its power diminishes as its supply chain leverage decreases

As of 2026, China is the worldwide market leader in solar panels, EVs, drones, shipbuilding, and high-speed rail.

China is the number one global exporter of active pharmaceutical ingredients (APIs) and dominates the global extraction and processing of **rare earth elements**, which are critical to batteries, semiconductors, super-light and strong alloys, lasers, magnets, and a host of other high-tech applications.

China has used its dominance to coerce or attempt to coerce multiple governments, including **Japan**, **Australia**, and the **United States**.

The second difference between the US-Soviet Cold War and today is that the USSR was clear, assertive, and aggressive in declaring and acting on its goal of fomenting a worldwide communist revolution under Soviet leadership.

This clarity and dedication tended to harden blocs ideologically. The CCP, by contrast, denies any imperial ambition, repeatedly publicly protesting that it respects sovereignty and noninterference, even while demonstrating that it does not.

This self-presentation, combined with the deep material benefits China offers (e.g., BRI,

subsidized manufactures, and established positions in supply chains) helps exacerbate divisions both within and among different states about the degree of the **China threat** and how to respond.

The CCP will continue to pursue China's hegemony regardless of the level of foreign dependence, but its power diminishes as its supply chain leverage decreases.

None of the democracies and few other countries want a future of Chinese hegemony, but neither do they want to give up the billions of dollars in savings from subsidized, inexpensive imports and the secondary benefits such as lower inflation.

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