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# **CROSSING NEW RIVERS BY FEELING THE STONES?** ASPIRATIONS, EXPECTATIONS AND CHINA'S ROLE IN THE 21ST CENTURY



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PATHWAYS TO  
PEACE INITIATIVE

## **CROSSING NEW RIVERS BY FEELING THE STONES? ASPIRATIONS, EXPECTATIONS AND CHINA'S ROLE IN THE 21ST CENTURY**



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## **CROSSING NEW RIVERS BY FEELING THE STONES? ASPIRATIONS, EXPECTATIONS AND CHINA'S ROLE IN THE 21ST CENTURY**

**The world is in a fragile state. China's rise and evolving role in global affairs heightens this sense of fragility, particularly from the perspective of developed economies. It does so not only because it is now the world's second largest economy, but also because it both promotes and undermines the international status quo. More unsettling still, China is a successful authoritarian regime that enjoys a relatively high degree of domestic legitimacy. These three features weigh heavily on the global landscape just as many anchoring conceptions, such as free trade and cross-border capital flows, that drove a 30+-year international economic and development consensus have come unraveled.**

China's integration into the global economy as the world's most efficient manufacturer has both benefited billions of consumers as well as substantially undermined the economic foundations of the wealthy nations that created the conditions for China's rejuvenation. Its rhetorical challenge to the western Enlightenment ideals of freedom, democracy, and universal values is felt as an attack on core principles by many nations. Deep political fractures in today's liberal democracies seemingly endorse several aspects of China's dissenting views on political governance.

Even as China is a one cause of instability, its undisputed Great Power status requires its contribution to a new international status quo. Participants of "Crossing New Rivers by Feeling the Stones? Aspirations, Expectations, and Chinas Role in the 21st Century," part of Salzburg Global's Pathways to Peace initiative, broadly concluded that engagement with China is not only necessary, but desirable. In doing so, the international community must lean into its strengths while also assuming a balanced posture, both challenging China's damaging behaviors and incorporating its unique perspective into a new equilibrium.

We are in the early stages of reconceptualizing a new international order, one that must include previously underrepresented voices of the Global South, among others. The program unraveled narrative frameworks, like the Cold War, that need replacing by new conceptions yet to be codified. Despite the seemingly ominous mood today, participants sounded a note of confidence that the task is achievable. It requires accessing a wide range of channels not limited to traditional policy circles, including civil society, the business community, academia, and other participants.

## INTRODUCTION

During the week, program participants embarked on a comprehensive exploration of global engagement with China. The purpose was to generate new thinking, question assumptions, and explore the nexus of cooperation and competition with China.

Fellows debated crucial questions:

- What is the China Dream and how do other nations respond to it?
- What lessons from the past can be applied to the present – and the future?
- Can Great Power struggles coexist with the benefits enjoyed from global interdependence?
- How can we understand China's economic model and its global consequences for peace?
- Is China's development model replicable elsewhere in the world?
- Where can we find common ground on technology governance?
- What are some new ways to articulate the global relationship with China?

The highly participatory program mixed curated conversations with distinguished guests, knowledge exchange, practical working groups, and informal interactions on topical issues to maximize cross-sector interaction among participants. The format provided multiple opportunities for all participants to share their knowledge and expertise on equal terms and to build new alliances.

This report summarizes some of the key discussions and insights from the program.





## NARRATIVES

*The ideological and cultural divide between China and its liberal democratic counterparts is an ongoing source of misunderstanding and mistrust between both sides. Accurately identifying these fractures and reflecting on them in the policy context can allow for more nuanced and durable approaches to problem-solving. The program started by broadly considering China's ambitions and the world's understanding and reception of the China Dream.*

## THE CHINA DREAM

Xi Jinping first articulated the idea of the China Dream when he assumed leadership in 2012, presenting it as a vision for the country's national rejuvenation. This ambitious concept encompasses multiple dimensions of development, including economic prosperity, technological advancement, cultural resurgence, social cohesion, and global influence. Rooted in China's rich history and distinctive identity, Xi Jinping's vision emphasizes economic and societal modernization while simultaneously charting a path that diverges from Western political institutions and claims to universal values. It is in many aspects a fresh articulation of Chinese exceptionalism.

In its essence and intended audience, the China Dream is a work of domestic policy, as many program participants stressed. It orients away from the well-worn trope of China's century of humiliation and toward a positive vision meant to invigorate national pride and feeling of strong national identity. Xi's vision aims to build a cohesive Chinese community under the leadership of the Chinese Communist Party (CCP), encapsulated in the concept of the Chinese Nationality. Reorienting the chiefly pragmatic economic focus of the past three decades of leadership under Deng Xiaoping, Jiang Zemin and Hu Jintao, the China Dream embraces a more holistic approach to harness China's cultural strengths and



historical legacy in service of greater prosperity and global prominence. It extends itself onto a long tradition of domestic citizen mobilization through grassroots ideological campaigns to implement central government policy.

Beyond its message to China's domestic audience, Xi's articulation of the China Dream makes vital statements about how it sees its role in the world. It envisions China's development model as not only fostering domestic stability and growth, but also contributing to global peace. By emphasizing the interconnectedness of economic development and peace—both echoing and coopting a similar Western articulation—, Xi Jinping rhetorically signals China's commitment to a harmonious international order. The China Dream, in his view, represents not only China's aspirations for its own future, but also its contribution as a Great Power to global stability and prosperity. As relations with Western democracies have become more fraught, Chinese officials have gradually presented their model as a clear alternative to the West's liberal economic theory—fractured since the Global Financial Crisis—and its faltering democratic political institutions.

While previous generations of Chinese leaders politely evaded the Western elite credo that China's economic growth would lead to political liberalization and align it more closely with Western democratic principles, Xi's China Dream unequivocally dashes this aspiration. As many during the program pointed out, China has no intention of reforming its political system to conform to Western expectations, nor has it ever. When Xi removed all doubt that many Western policymakers had been mistaken, it precipitated a fresh consideration of China's role in the world in the context of many crosscurrents.

## RECEPTION TO THE CHINA DREAM

The China Dream narrative became the foundation for both the Belt and Road (BRI) as well as the Made in China 2025 initiatives, both of which have shared mixed international reception. Broadly speaking, the BRI was received positively as an opportunity for China to help build global infrastructure for developing nations, while Made in China 2025 was seen as a threat to other countries with whom China competes economically.

The United States and the EU repeatedly noted during the early Xi era that an economically strong China was good for trade and good for the world. With the election of Donald Trump to the U.S. presidency in 2016, U.S. policy turned sharply as Mr. Trump shifted a more balanced narrative of China to an ominous one. One Fellow noted that during the Trump administration, American businesses cited China's unfair trade practices as their chief concern. While real and urgent issues, their complaints inadvertently fueled Trump's trade war. Ultimately, U.S. businesses bore the brunt of the costs incurred by the tariffs. Meanwhile, positive views of China in U.S. public opinion polls have collapsed, even among U.S. states that are large agricultural exporters to China. Similar trends have been documented in other liberal democracies as well. Fellows—while clear-eyed about China's more aggressive policies—noted throughout the program how damaging the menacing characterizations of China have become to global stability.

Since then, the EU's policy focused on maximizing trade with China has also undergone revisions. As one participant observed, the previous consensus that what is advantageous for European businesses would benefit Europe collectively has evaporated. Chinese imports of European goods have declined by one-third compared to 2019 levels, and total EU exports to China now match that of the EU's exports to Switzerland. Consequently, China is losing its significance as a major market in the eyes of European businesses. In contrast, Chinese exports to Europe have surged since the start of the COVID-19 pandemic, with trade imbalances particularly in electric vehicles (EVs) and solar panels. The influx of Chinese goods into Europe has disproportionately affected European Small-and-Medium Enterprises (SMEs), the backbone of the European economy, solidifying



the view that the China Dream comes at the expense of Europe. European Parliament elections in June 2024 may cement an anti-China coalition that will have profound long-term implications.

The China Dream and other policy formulations emanating from Chinese officials also heighten deep-seated tensions between China and its Asian neighbors, both liberal democracies, such as Japan and South Korea, and others. Invoking the historical inevitability of regaining its prior global dominance, China created the so-called “Nine Dash line” to justify claims to international waters in the South China Sea that have been well-established since the end of WWII. In doing so, China both upsets the world order—its regional neighbors in particular—and proclaims a new one that would create chokepoints threatening the Transpacific flow of goods. What is mostly left unstated by Chinese officials is a perceived aspiration to establish a sphere of influence as Asia’s regional hegemon. In this context, China’s support for the Russian invasion of Ukraine has been particularly alarming to its regional neighbors. While Taiwan is the most obvious target for Chinese incursion, so are territories in Japan, India, and the Philippines.

## CHINA AND THE GLOBAL SOUTH

There was general agreement that the Global South has become a more critical voice in the shifting global dynamic. Their reception to China has also been mixed. The Global South moniker is shorthand for a grouping of countries and regions, including Africa, Latin America, MENA, and South Asia, who both embrace and resist being members of this club, depending on the context. They have distinctive national objectives and are in differing stages of economic and institutional development, but find common cause on issue-specific policy. Many perceive the United States as the primary provider of international security and China as a catalyst for economic growth.

Several participants noted the competition between India and China to become the representative spokespersons for the Global South. China likes to



identify as a developing nation when it serves its national interest, but also as a developed nation when it serves to project Great Power status. Yet, across Africa, Latin America, the Middle East, and South Asia, each nation articulates a unique perspective on China's ascent and the degree to which they accept China's leadership of their group. From an economic development perspective, in fact, these countries are more closely aligned with India than with China. What is clear is that these countries no longer perceive themselves as mere pawns in a geopolitical chess match, as they might have in the Cold War era. Instead, they possess independent motives and viewpoints shaped by their own historical experiences, and they act more assertively to advance their strategic interests than previous generations.

Countries in Africa, for instance, prioritize economic cooperation with China to address infrastructure deficits. In the Middle East, the traditional security partnerships with the US are realigning due to the US's retreat from the region and, more recently, the Israel-Hamas war. Meanwhile, many Middle Eastern states look to China to build out its physical and digital infrastructure, and increasingly, as an economic opportunity. In both South Asia and Latin America, countries are reevaluating their relations with China.

A key player in this shifting geopolitical landscape is India, which is rapidly transforming into a developing world powerhouse. While traditionally India has favored closer ties with former Communist nations, simmering tensions and violent border clashes with China have shattered the bilateral relationship. Resentful of the significant power asymmetry between India and China, India has pivoted not only toward the U.S., but toward partnering more broadly in the APEC region. For example, India has become a critical member of the QUAD, a security dialogue with Australia, Japan, and the United States. Still, India recognizes the imperative of engaging with China. Total decoupling is unlikely, but India remains committed to charting a new path forward that fosters economic growth and navigates complex geopolitical dynamics for its own national benefit.

In Latin America, China's dream has fallen flat. While the Belt and Road Initiative was initially welcomed, its execution has disappointed many countries



and generated burgeoning anti-China sentiment in countries like Argentina. As the region shifts towards the right-wing politics, resistance to Chinese influence has grown, and thus consigns engagement to a more transactional nature. As one observer pointed out, ties to the United States are far more natural than with China and it is chiefly the U.S.' disengagement from Latin America that drove its pivot to China in the 2000s. Today, the United States has a fresh opportunity to reengage with Latin America for mutual benefit.

In the Middle East, China's diplomatic overtures and investments, particularly in energy, are reshaping regional dynamics. Some nations view China as a counterbalance to Western influence, embracing economic partnership as a means of diversification. Despite vocal international criticism, MENA nations remain largely indifferent to China's brutal treatment of Muslim minorities in Xinjiang. China's alignment with Russia in the Middle East and Central Asia is perceived as complementary rather than competitive. Coupled with the U.S.' retreat from the region, this development allows China to consolidate its influence in the region without much contest.

This diverse picture highlights a variety of challenges and opportunities for both China and its interlocutors. Several discussants raised the need to recognize the agency of the Global South both as a collective entity and as individual nations, and not through the lens of great power competition. While the United States and its democratic allies remain the core relationship with China, Fellows argued that the Global South can play an increasingly significant—and mostly positive—influence on the relationship between ideological and economic rivals. Old frameworks require reimagining to make room for a path forward that includes the contributions of the Global South. By acknowledging their diverse priorities and aspirations, the international community can foster more comprehensive dialogue that accounts for the local nuances.

## OLD & NEW FRAMEWORKS

*The gloomy shift in China's image both in the world and of the world has revitalized a host of old terminology drawn from the Cold War era, such as Realpolitik, hegemony, and autocracy. Participants evaluated the degree to which these terms helped or deterred the process of defining the future international order.*

Many scholars within China interpret efforts to compete or push back against the China Dream as encirclement, or as an attempt to thwart the historical inevitability of its resurgence. Some attribute this to the United States' inability to accept the emergence of a global power that diverges from its own Western model, although some program participants speculated that the United States could not tolerate a dominant China even if it were fully democratized. Western democracies, on the other hand, counter that they are defending themselves from China's unfair business practices and an attack on their fundamental values. Hardliners on both sides invoke the Cold War as the framework to describe the current rivalry between the United States and its allies, and China.

## A NEW COLD WAR?

There was broad consensus among participants that a Cold War narrative is not only analytically false, but it predetermines a set of policy paths that undermine constructive engagement. The Cold War created a chiefly military and ideological competition between the United States and the USSR. Today, the scope of rivalry and potential conflict is much broader. The geopolitical landscape includes not only military and ideological components, but an economic and technological race between China and liberal democracies around the world. Technology and economics have become national security issues because much of the technology used in manufacturing has dual military applications as well. As a result, classical geopolitical considerations have been eclipsed by geoeconomics.

In China, the Cold War discourse is framed within a broader narrative of national identity and global power dynamics. Some Chinese, including some political elites, perceive the trajectory of U.S.-China relations as destined for conflict—caught in a so-called Thucydides Trap that inexorably leads to military conflict. In this account, the United States is caricatured as a liberal hegemon leveraging its power to contain China and curb its legitimate right to pursue its own developmental course. U.S. sanctions against Chinese technology giant Huawei and the arrest in Canada of Huawei CFO Meng Wanzhou, are viewed as one example of an orchestrated effort to undermine China's progress.

## ENLIGHTENMENT VALUES

Contributors observed that for China, confrontation with the United States and likeminded nations represents more than just a raw power dispute. China sees itself as the great dissident in the struggle against the global dominance of the Western Enlightenment canon of ideas, including individual freedom, democracy, and universal values. When China disputes the values embedded in many multilateral structures, such as the United Nations or Bretton Woods, it defends national sovereignty as an organizing principle of international relations. It is not just the values that it disputes, but also the majority-rule governance system that enforces them. As a Great Power, China often projects itself as the protector of sovereignty for all nations who have the right to choose their own economic and political models from the tyranny of majority-rule in international institutions. In this context, China often assumes the role of spokesperson for the Global South, and successfully weaponizes the anti-colonial message against the West. The anti-colonial message has enjoyed special resonance in Africa.

From the American vantage point, China's economy has benefited more than any other nation from the liberal world trade order championed by the West, and yet it is also doing the most to undermine that order. China's economic success is seen as having come at the expense of U.S. manufacturing—even if this is only partially empirically substantiated. Moreover, its rhetorical challenge to the Enlightenment is felt as a core attack on the liberal democratic identity, amplified by the unsettling fact that the deep fractures present in today's liberal democracies seemingly validate China's dissenting view. As noted by one participant, the United States finds itself grappling with growing nervousness and discomfort in navigating this evolving dynamic. Ideological competition from the USSR never cut into American confidence the way China's public discourse does. The shift among U.S. policymakers increasingly toward confrontation with

China is guided by an emotional response to a perceived assault on deeply held beliefs.

Evangelizing opposing economic and political models was a defining characteristic of the Cold War: free markets and democracy versus centralized economics and Soviet socialist solidarity. During the Cold War, the Soviet Union and the United States sought to spread their models as universally beneficial for all countries that would embrace them. Soviet expansionism ended when the USSR imploded. In the post-Soviet era, the United States has continued to promote democracy abroad through economic engagement, albeit with diminishing positive effect. Under the Trump administration, this aspiration all but evaporated.

By contrast, China neither actively promotes its own model as a template for other countries, nor does it export its form of authoritarianism. The very addition of the term “with Chinese characteristics” to government policy often invokes the idea of Chinese exceptionalism that cannot be enjoyed by other nations, noted one seminar contributor. Moreover, even if China did promote its political model, a message of authoritarian repression would scant gain popular following, added another.

China's manufacturing dominance can cause its presence to be felt as a form of ideological export when in fact it is chiefly driven by a mercantilist impulse. The China presence is driven by global consumer demand for goods rather than ideological push factors. Structural factors—not least of which is China's exceptional scale—would impose severe headwinds for developing countries in adopting the China model. While China undeniably seeks influence in the outside world through traditional and social media, its efforts are generally focused on creating a positive image of China—and dismantling the positive image of the West—rather than on disseminating the China Model as such.



## DEMOCRACY VERSUS AUTOCRACY

A common theme during the program was the mistaken framing of competition with China through the lens of democracy vs. authoritarianism. Participants acknowledged that over-reliance on this dichotomy amplifies one of the most significant misunderstandings of Chinese politics: the erroneous belief that China is a unitary state. The tendency to attribute every policy decision to Xi Jinping fosters a dangerous assumption in the international community that China operates with a singular intent. It overlooks the fragmentation caused by conflicts of interest among different interest groups and stakeholders within the Chinese political system.

China's political system is more complex, with a range of inputs shaping policy outcomes. Among policymakers, for example, there is considerable dissatisfaction with many of Xi's economic initiatives. This became evident when Chinese leaders failed to convene a Third Plenum in 2023. The Third Plenum is traditionally the venue through which China announces major future policy. Failure to hold the plenum broadly signaled to many China experts that leaders failed to reach policy consensus.

Oversimplification can also lead to misinterpretations of Beijing's intentions, as demonstrated by the weather balloon incident in 2023. As that diplomatic tussle showed, China's internally fragmented leadership can generate unintended consequences that have no relationship to official policy. Assuming the worst of Beijing's intentions may contribute to perilous escalations of tensions.

Setting aside inflammatory labels can open channels to leverage China's internal political dynamics and to create common cause between Chinese and international policymakers on specific policy issues where interests overlap. Equally important, it allows for broader coalitions in the international community—even those with an imperfect commitment to democracy—to create external pressure on China when its actions harm collective global interests. Both economic powerhouses and smaller nations of the Global South can be powerful advocates on issues, such as overfishing, where China significantly damages the global food supply with its enormous fishing fleets in deep waters.

## EMERGENT GEOECONOMICS

*China's version of state capitalism plays a disruptive role in open global trade and technology development. In reaction, China's most important trading partners have instituted countermeasures, such as government subsidies to sensitive industries, and national security-based barriers to technology trade. Dual use civil-military technological applications have created a national security dragnet for many tech companies and manufacturers. Decoupling, derisking, and dual circulation, have provided the conceptual framework for a host of new policies.*

China is at an important crossroad. Persistent structural imbalances, including a gargantuan real estate crisis, high local government debt, an aging population, feminine resistance to resurgent gender inequality, and high youth unemployment, have cast a shadow over the long-term prospects of the Chinese

economy. Fellows noted that China's model is increasingly leaning toward a Korean or Japanese-style economy with large corporate conglomerates and dominant government input. It encompasses characteristics spanning state policy interventions, whole-of-government-led investments, high debt leverage, and Chinese entrepreneurial pragmatism in foreign business development. Since Xi assumed leadership in 2012, the Chinese economic model has firmly refocused on building a large manufacturing base. This reflects a strong collective leadership preference for generating GDP growth through goods rather than services, particularly in light of the Global Financial Crisis, whose genesis lay in excessive financialization of the global economy through layers of derivative financial instruments. The revised Chinese model concentrates on high-end manufacturing and shifts away from consumer tech. China's current industrial strength is manifested in its EV, renewables, robotics, and other technologies.

The near-catastrophic example of the Global Financial Crisis has had a multifaceted impact on China's economic policy. Government-backed banks have doubled down on investment-driven lending. Investment now accounts for 40 percent of China's GDP, which makes it a huge outlier compared to other global economies that invest on average 25 percent of GDP. Moreover, despite the urgent need for consumer spending to bolster economic expansion, China eschews large scale fiscal stimulus or robust social welfare support to drive consumption-led growth. China currently accounts for 31% of global manufacturing, but only 13% of global consumption, according to the World Bank. Xi has explicitly decried the full expansion of the social welfare system, fearing that workers will become complacent and less productive. Rhetorically Chinese officials encourage greater consumer spending, but parsimonious fiscal support de facto compels a higher savings rate. Chinese citizens save an astonishing one third of their income even after three decades of blistering economic expansion.



## TRADE RELATIONS AND FDI

In light of these trends, participants broadly felt that protectionist measures, while undesirable, are likely to continue and expand around the world. They noted that a world in which Chinese exports continue to soar while its imports plummet or stagnate is unsustainable for the global collective. Some argued that in order to compel a level playing field, China should be given access to local markets on the same terms that it extends to others. A fear predominant in Europe is that China will export its excess capacity and cause deflation, particularly in high valued-added sectors where Europe once complemented rather than competed with China. Unlike the United States, EU countries do not have the same tolerance for the social instability caused by high job loss in major manufacturing sectors. Despite the global drive toward clean energy, deflation concerns will continue to prompt protectionism at the expense of climate change aspirations.

Participants also expected that the trend toward “friendshoring” to reduce targeted supply chain vulnerabilities would continue unabated. Foreign investment into China has plummeted to the lowest level in over 20 years. FDI investments peaked in Q1 2022 at over US\$100 bn to slightly more than US\$10 bn in Q1 2024. In response, the Chinese government has implemented new policies to stimulate foreign trade and investment, including dismantling barriers to market entry and eliminating unfair practices in procurement. It has also departed from its longstanding policy of restricting foreign company shareholding in Chinese entities to 50%. These central level policy changes are complemented by local level efforts, where provincial and municipal governments offer foreign firms competitive terms, including tax breaks and discounted land. Additionally, foreign companies can now secure loans on favorable terms from Chinese banks for their investments, rather than having to bring in new capital from abroad. As one seminar participant pointed out, it has become a “buyer’s market” for foreign Multi-National Corporations (MNCs) that still perceive China as an essential market.

Despite these changes, participants noted that foreign businesses remain wary of policy instability in China. Moreover, though local officials are eager to attract investments, they too are reluctant to implement the new growth policies for fear of aligning themselves against the political tide. Consequently, a prevailing sense of uncertainty will persist until an authoritative signal from Beijing, possibly through a Party Plenum, announces China’s new direction. Only when measurable cadre evaluation criteria are announced will local cadres feel empowered to take proactive initiatives.

Nevertheless, they also noted that despite rising labor costs in China, it remains the most efficient manufacturer in the world. As such, foreign businesses with existing manufacturing capacity are likely to maintain a footprint there, even as they seek to diversify to other countries for manufacturing capacity. China, too, has moved much manufacturing capacity outside of the country in order to circumvent rising tariffs. U.S., European, and Chinese companies increasingly find themselves competing in third markets for labor and manufacturing inputs.

## GLOBAL TECHNOLOGY AND GOVERNANCE

Technology is a key component of China's quest for high value-added production and independence from the West, both for military and economic applications. The development of AI and the chips that fuel them, for example, are focused both on improving manufacturing productivity and military capabilities. China, the EU, and the U.S. have all crafted national strategies for critical emerging technology that encroach ever more into the private sector. These include existing technology export bans that participants widely expect to remain in place.

Participants had a diversity of views on how to address technology trade. Some urged that China and the United States—as the primary innovators—consider which technologies can be carved out from the national security dialogue to minimize trade disruptions. Others argued that the U.S. has scant incentive to do so given both its technology independence from China, and China's clearly stated intent to develop technology dominance that enhances its geopolitical leverage. Not only could China use advanced AI to further undermine the manufacturing competitiveness of other economies, but it could also use AI to establish technology-driven military advantages that would threaten Transpacific trade flows. The ongoing prominence of China's persistent state-sponsored hacking of commercial intelligence and top secret military information demonstrates the value China places on attaining cutting edge technology at any cost.

While emerging technologies create the greatest friction between the U.S. and China, discussions about how to govern these technologies—at the global and domestic level—present critical opportunities for constructive dialogue. One



angle of approach is to convene ongoing discussions of higher-level technology governance principles focused on promoting human flourishing and economic development. Such higher-level discussion can draw the focus away from mutually perceived national security threats that engage a zero-sum posture and toward a habit of collaboration absent in current relations. Many program participants identified generative AI as a fruitful area for exchange given its unpredictable nature and the new challenges it introduces to all societies. At a minimum, such exchange can foster an intellectual infrastructure to ensure that policymakers throughout the international community, including voices of the Global South, have the technical and philosophical understanding to both articulate and address critical problems. Ongoing convenings of this nature can influence not only foreign policy but have positive spillover effects onto domestic policy as well, and need not be limited to international exchanges.

A critical impediment to progress on shared principles around technology governance is the yawning philosophical chasm between the China Dream and Enlightenment values discussed at length during the seminar. Both are based on entirely different moral and ethical foundations. On the one hand, China's fundamental objection to universal values inherently forces fragmentation on global governance, a trend that is now dangerously well-established. On the other hand, Western insistence on universal values based in the Enlightenment impose a canon that can drown out diverse viewpoints.

The scope of the moral differences requires not only an international, but an intergenerational approach to articulate a new international order. As such, many seminar participants agreed that technology governance requires a pillar of thought generation and collaboration that explicitly leads back basic to fundamental principles. One proposal is to fund a new entity modeled on the United States' RAND corporation or a new DARPA, both of which have been instrumental in generating many innovations in both thinking and technology. Other less recognized models may exist, or perhaps an altogether new model needs conception. Several critical features of such an entity would include an endowment sufficient to ensure ongoing intergenerational work without external influence, as well as cross-cultural and cross-disciplinary expertise.

## CONCLUSION

We noted at the outset that the world is in the early stages of reconceptualizing the international order. While technological innovation has undergone a Cambrian explosion over the past three decades, the intellectual capacity to imagine fresh human interactions with one another and with technology has lagged. The world faces a profound imbalance between policy innovation and technological innovation. In our final session, there was a shared urgency to focus on creating a global environment in which most people would choose to live. To achieve this end, participants stressed the need to advance communication outside of traditional policy channels, fostering people-to-people communication, ongoing cultural exchange and language learning, a revitalization of funding for China studies in universities to ensure that knowledge gained is not lost over the generations. The prevailing pessimism about China, particularly in the West, has resulted in a mass exodus of foreign workers, business executives, and students. There are fewer foreigners living in China today than there were 100 years ago in 1924.

No document can capture the richness of thought that unfolds in a convening of this nature. We are indebted to the participants, whose thoughtfulness and expertise from a wide array of disciplines contributed to a meaningfully deepened understanding of China and its engagement with the world. For the nuggets of wisdom we have omitted, we apologize in advance. In addition to discussions summarized in this document, participants also held working group sessions whose findings are collected [here](#). We invite readers to offer feedback and to share this document and the findings from the working groups in their broader networks.



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