MOMENTS OF CLARITY

Uncovering Important Lessons for 2023











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The Wilson Center's unique Congressional charter gives it a special obligation to look beyond the daily headlines and to identify key foreign policy developments that others may overlook or underappreciate. The Center's mission is to analyze those developments, and identify lessons and insights to guide policymakers as they navigate new challenges and opportunities. Reviewing 2022, here are several "moments of clarity" from Wilson Center experts.

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In October, the Biden administration released sweeping new export controls aimed at sharply restricting China's access to advanced semiconductors as well as the technology and talent used to make them.

For decades, we were told that closer commercial ties with Beijing would lead inexorably to a "kinder, gentler" Beijing. The new export controls extinguish whatever was left of that approach. What is left is a complex economic landscape that will require thoughtful, yet firm American leadership around key considerations: How do we reshape our economic engagement with China to best advance our interests, all while doing our best to restrict China's access to technology that could undermine our security position, and while still cooperating with China in ways that promote common interests? As we reshape our China strategy, how do we foster even stronger economic and security ties with others in the region so they aren't left behind or left more vulnerable?



The Hon. Mark Andrew Green, Wilson Center President & CEO

Former USAID Administrator (2017-2020); Ambassador to Tanzania (2007-09); Member of Congress (1999-2007)

The Biden administration hopes to deny China artificial intelligence (AI) capabilities, which it can use in weapons that target the US. Most Americans would probably approve this measure—why sell China rope it may use to hang us? But there is more to this than weapons. In denying China semiconductors for military and surveillance uses, we are also denying the Chinese people AI for medicine, agriculture, communications, education, and non-military R&D. The message the ban sends to the Chinese people is that the United States is committed to stunting their material and technological progress until their government changes course. For the sake of long-term relations between Chinese and Americans, the ban should be carried out in tandem with a public diplomacy strategy that explains America's thinking to Chinese and global audiences. Without such an effort, the resentment of the Chinese people may outlive the US-China technology war.



Robert Daly, Director, Kissinger Institute on China and the United States

Former US diplomat in Beijing; former interpreter for Chinese and U.S. leaders, including President Carter and Secretary of State Kissinger; former head of China programs at Johns Hopkins, Syracuse, and the University of Maryland

The export controls on China are part of a strategy to slow China's military development and its economic development. It represents a declaration of technological war on China, but in order to win the war, the US will need allies—otherwise China will be able to source advanced semiconductors from other countries. That makes the protectionist provisions in the Inflation Reduction Act—providing a tax credit for buyers of electric vehicles only if they are made in North America—particularly pernicious because they alienate key US allies in Asia and Europe. And the Biden administration's unwillingness to rejoin the Trans Pacific Partnership is passing up an opportunity to cooperate economically with likeminded countries. The export controls make sense but they should be embedded in a multilateral trade policy.



Sue Mi Terry, PhD, Director, Asia Program, Hyundai Motor-Korea Foundation Center

Former director for Korea, Japan, and Oceanic Affairs at the National Security Council in both the George W. Bush and Barack Obama administrations; former senior analyst on Korean issues, CIA

When it comes to ramping up technological competition, we tend to view China as capable of everything and anything. But one arena in which Beijing struggles is the ability to produce the most advanced semiconductors—those with circuits that are around seven nanometers. The Biden regulations are intended to prolong the West's advantage, and Taiwan's, by depriving Chinese makers of the equipment needed to make chips comprised of such tiny features. Will it work? For a while, maybe a few years. And if the United States uses that time wisely, building semiconductor fabricators on American soil that can restore the US to its long-ago role as the dominant producer of the most advanced chips, the strategy will look smart. But it comes at a cost. China is convinced that this is part of a new containment strategy—and that may well be an accurate description. For all the Biden administration insists that it is building a "high wall around a small yard,"protecting just a few key technologies, the fact is that this is a fundamental technology—vital for military, commercial, healthcare, and energy uses. And China understands that.



David Sanger, Distinguished FellowWhite House and national security correspondent, *New York Times*; author of *The Perfect Weapon*

The United States is determined to protect its critical technologies for national security purposes, and to maintain its competitive edge. By tightening export rules for advanced semiconductor machinery to China, the Biden administration has drawn a clear red line to constrain Beijing's technology ambitions. Yet such efforts can only be effective by having other advanced chipmakers follow suit. Ensuring that South Korea, Japan, Taiwan, and the Netherlands in particular, are aligned with the US vision and goals to constrain China will be critical. With Beijing taking its case to the World Trade Organization against US chip export curbs, advanced economies will also be pushed further to take sides.



Shihoko Goto, Director, Geoeconomics and Indo-Pacific Enterprise, Deputy Director, Asia Program

China's hypersonic missile test demonstrated its technological advances, and its intent to apply technology to threatening capabilities. With its innovative edge compressed and today's technologies inherently dual use, America finds it necessary to ensure its technology does not benefit a rival's military. Future restrictions will likely extend beyond semiconductors. America's protectionist tilt is inconsistent with such measures. Technology restrictions only succeed in tandem with other advanced economies. As restrictions bifurcate markets, America will lose foreign consumers unless it embraces trade. Defensive steps only buy time. Long-term success requires preserving an innovative edge, strengthening alliances, and achieving economic resilience through trade, infrastructure support, and energy security.



Mark Kennedy, Director, Wahba Institute for Strategic Competition

Former president, University of Colorado; Member of Congress (2001-2007); former presidentially appointed member of the Advisory Committee for Trade Policy and Negotiations



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On October 12, 143 member states of the UN General Assembly voted to condemn Kremlin efforts to annex Ukrainian territory, and called on all states and international organizations to reject any Russian claims to Ukrainian land.

Only a few countries are openly siding with Russia in its war on Ukraine. On the other hand, after 10 months of fighting, 200,000 military casualties, tens of thousands of civilian casualties, millions displaced, global economic disruption, and countless atrocities and war crimes, the number of countries opposing either the invasion or Putin's illegal claims of annexation is largely unchanged. Furthermore, only 30 countries (less than 20% of the world's population) have been willing to impose some form of sanctions against Russia. The difficult question we must ask ourselves is whether this is more about those countries—or about us and our role in the world.



The Hon. Mark Andrew Green, Wilson Center President & CEO

Former USAID Administrator (2017-2020); Ambassador to Tanzania (2007-09); Member of Congress (1999-2007)

The Russian invasion of Ukraine, and claimed annexation of internationally recognized Ukraine sovereign territory has received formal condemnation from across the world, notably at the United Nations. This formal condemnation does not represent reality. We have been reminded that the structure and rules of the UN reflect the power balance of the world after World War II. In 2022, the UN has had very limited influence on events in Ukraine. Even the much-respected International Atomic Energy Agency has not been able to control threats to nuclear power facilities in Ukraine. The war is exceptionally destructive and shows no sign of ending. It represents a total breach of international law. But outside of Europe and North America, many countries have sought to maintain good working relations with Russia. At a global level, the war is widely seen as a problem for NATO and Europe. There is little understanding of the historical background to Russia-Ukraine relations, and the role this has played in Russia's illegal decision to invade. Nor is there adequate understanding of what the conflict means for long term global security, and the global economy. We need to think about these issues much more deeply.



Sir John Scarlett, Co-Chair, Wilson Center's Global Advisory Council

Former Chief, British Intelligence Service MI6

The war in Ukraine has raised the question of the future of international institutions, born from the ashes of World War II, and now struggling with their role in the future. We should be wary of those who suggest the international order is finished. Far from it, most of the planet voted for the sovereign right of Ukraine to determine its own future, and to condemn Russian aggression. Bringing nations together, however challenging it might be, to find answers is even more necessary than before. As we contemplate a difficult winter for Ukraine, we should collaborate to offer support, in the short term and long term. There is a lot to do to rebuild a torn nation, make borders secure, and find lasting solutions. As we consider our work in a new year, breathing new life into the role of our institutions should be a part of our plan.



Baroness Catherine Ashton, Slater Family Distinguished Fellow;

Former Vice President of the European Commission; former High Representative of the EU for Foreign Affairs and Security Policy Successful diplomacy in support of Ukraine will require more than condemnation of President Putin and Russia for the invasion. It will require more than efforts to impose sanctions on the Russian economy, and isolate Russia within the international community. It will require a larger political vision defining Ukraine's future in Europe, explaining the security structures that will prevent future Russian adventurism, clarifying how Ukraine will transform itself into a democratic state guided by transparency and the rule of law, committing the finance necessary to recreate the Ukrainian economy as part of the European Union, and describing how Russia will be held accountable for atrocities and violations of humanitarian law. Broader support for Ukraine can be won if Ukraine, its allies, and partners reach beyond arguments of territorial integrity to focus on how a fully empowered sovereign state can remake itself to reflect the will and well-being of its people, while in the midst of conflict, through the solidarity and assistance of the global community.



Ambassador Thomas Alfred Shannon Jr., Co-Chair of the Brazil Institute Advisory Council

Former Under Secretary of State for Political Affairs; former US Ambassador to Brazil

The UN General Assembly vote was an ignominious defeat for Russia. Moscow is now left with a rogue's gallery of friends: Belarus, North Korea, Nicaragua, and Syria. Even Central Asian countries traditionally influenced by Russia are turning away from Moscow: Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan abstained. Vladimir Putin is trying to depict Russia as a defender of the former colonies of an "imperial" West. But Russia itself is acting like an imperial power, seeking to lash former republics of the now-dead Soviet Union—independent nations for more than three decades—to itself. Few countries are buying it.



Jill Dougherty, Global Fellow
Former CNN Moscow Bureau Chief

Votes on Russia's war against Ukraine are lopsided these days, but in regions such as Latin America and the Caribbean, there is little pressure on the Kremlin to reconsider its aggression. Russia retains important allies in Latin America, including the authoritarian governments of Cuba, Nicaragua, and Venezuela. Among the region's democratic countries, meanwhile, there are few efforts to isolate Vladimir Putin. In February, just before the invasion, the presidents of Argentina and Brazil visited Moscow, where the Argentine leader promoted his country as Russia's "doorway" to Latin America. The next month, lawmakers from Mexican President Andrés Manuel López Obrador's party established a "Mexico-Russia Friendship Committee." These days, there are fewer ostentatious gestures of support, but also little condemnation of Putin's conduct, let alone sanctions against Russia.



Benjamin Gedan, PhD, Director, Latin American Program
Former South America director at the National Security Council

The UN vote confirmed that a majority of African countries reject Russia's invasion of Ukraine, but it also showed that several African countries, for political or historical reasons, are reluctant to take sides in a conflict that has strained their energy and food supplies. On the whole, African states are more closely aligned to Western partners on matters of international peace and security. Africa's divided response to Russia's aggression toward Ukraine is largely informed by political and economic concerns that are both ideological and practical. Understanding the nuanced and complex position of Africa countries could go a long way in understanding how countries in the Global South view Russia's war against Ukraine.



Oge Onubogu, Director, Africa ProgramFormer director West Africa, United States Institute of Peace

In South Asia, Russia has no enemies and one close friend: India. For decades, Russia has hosted South Asian tourists and students, helping it earn soft power in the region. In more recent years, Russia has invested in some key sectors in South Asia, especially energy. And in a region with serious economic stress and energy insecurity, cheap Russian hydrocarbons are an attractive prospect. This helps explain, in part, why India and Pakistan abstained on the October 12 vote, and why New Delhi, Islamabad, and several other capitals in the region, have abstained on additional resolutions condemning Russia's invasion. They may oppose the war, but that does not mean they'll align themselves with the US-led camp. This is one more reminder that for Washington—and its NATO allies—building a broader coalition against Russia won't be easy.



Michael Kugelman, Director, South Asia Institute, Deputy Director, Asia Program

In addition to condemning the Russian aggression that has caused human suffering and displacement, the October 12 UN resolution welcomes the efforts of the United Nations Member States and humanitarian organizations to respond to the humanitarian and refugee crisis where more than 7.5 million refugees, and 6.5 internally displaced persons have been forced to flee their homes. Despite the wide-ranging effects of Russian efforts on civilians, 35 countries abstained from voting. These countries, including China and India, represent about half of the global population and some of them (e.g. Pakistan and Uganda) are top refugee-hosting countries. Their position shows the nuance with which countries are trying to navigate a war between two great powers in Europe, and the geopolitics of looking before jumping. Or did the US "democracy vs. autocracy" framing alienate these countries to be on the fence without injecting the voice of reason?



John Thon Majok, Director, Refugee and Forced Displacement Initiative

One of the "Lost Boys" of South Sudan, Majok lived for thirteen years in refugee camps in Ethiopia and Kenya.



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In March, in the wake of Russia's invasion of Ukraine, the Biden administration sent a delegation to Venezuela to discuss modifying US energy sanctions. In July, President Biden met with Saudi Arabia's Crown Prince Mohammed bin Salman after previously saying he would not. In November, the Biden administration announced a limited easing of oil sanctions on Venezuela.

The awkward spectacle of the Biden administration's outreach to Caracas and Riyadh was entirely avoidable. Regarding energy, Canada—already our largest source of oil imports—would like to provide more. Our domestic energy sector would like to provide more. In political terms, our leaders have fallen short in simply "coming clean" with the American people...talking openly and honestly about the choices and trade-offs we face. None of this gets easier in the transition to a new energy economy because many of the critical minerals we'll need are found or controlled by countries with whom we have significant differences.



The Hon. Mark Andrew Green, Wilson Center President & CEO

Former USAID Administrator (2017-2020); Ambassador to Tanzania (2007-09); Member of Congress (1999-2007)

Venezuelan President Nicolás Maduro is a dictator that has established a narco-oppressive regime that has destroyed all forms of institutional and socioeconomic development in the country. As a consequence of this, more than 6 million people have left the country, triggering the most challenging migration crisis in the history of Latin America. To change the course of this nightmare for the Venezuelan people, a path to democracy must be implemented that supports the brave efforts of the genuine democratic resistance that Maduro has harmed for years. The path to democracy requires an immediate call for free presidential elections with international supervision, a transition government, an economic recovery plan, and an obviously fair trial for Maduro, who must pay for all the crimes he has systematically committed.

The idea of allowing Maduro to set the terms and conditions of the dialogues with the democratic resistance in exchange for allowing US oil companies to drill in Venezuela is going to be used by the regime to remain in office while any democratic hope is destroyed. This only strengthens the brutality of the most repressive regime the region has seen in decades.



H.E. Iván Duque Márquez, Distinguished Fellow Former President of Colombia (2018-2022)

President Biden's meeting with Saudi Prince Mohammed bin Salman was consequential. Beyond the feuding about bilateral details, it signaled a profound strategic shift in US and broader Western global focus. After 1989, Western states, international organizations, and the entire "Davos" global community assumed major state-state conflict had ended. The goal of international relations became to hone that liberal international order, and to persuade or compel internal democratic reforms. But recently that order has been challenged by rising great powers China and Russia. **The Biden administration, reflecting intellectual 'sunk-costs' in the post-1989 order more than the emerging China-Russia challenge, entered office proclaiming a "democracies versus autocracies" philosophy. But Ukraine and Taiwan have compelled a shift. As the October 2022 National Security Strategy states, the US will partner with "countries that do not embrace democratic institutions but nevertheless depend upon and support a rules-based international system." This is a fundamental shift, and the Riyadh meeting a dramatic manifestation of it.**



Ambassador James Jeffrey, Chair, Middle East Program

Former Ambassador to Iraq; former Ambassador to Turkey; former Special Envoy to the Global Coalition To Defeat ISIS



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Sending a delegation to Caracas and easing sanctions has only emboldened Venezuelan dictator Nicolás Maduro. This effort has so far failed to get Maduro to the negotiating table in a substantive way. It also undermines democratic efforts in Venezuela and elsewhere as authoritarians in Nicaragua and Cuba increase their oppression. The US applauded when oil companies divested from Moscow in response to the unprovoked war against Ukraine, yet now we are facilitating oil production under a criminal entity led by Maduro. The focus should be on increasing domestic supply or leaning on allies such as Canada and Mexico—our top oil importers.

Iran and its proxies are a terrorist threat, yet Saudi Arabia and the United Arab Emirates took note when there was more outrage over Iranian drones being used by Russia against Ukraine than the same drones being used in the Middle East. As strategic competition heats up in the Middle East, China is making inroads with Gulf countries. The US needs to offer new economic opportunities—such as putting forth a regional Abraham Accords Free Trade Agreement—since individual trade agreements already exist with Bahrain, Israel, Morocco, and Jordan.



Eddy Acevedo, Chief of Staff and Senior Advisor
Former senior official at USAID; former senior Congressional staff member

Changing course on Saudi Arabia with the Biden-Bin Salman meeting and famous "fist bump" was inevitable given how the conflict in Ukraine affected geoeconomics and elevated, once again, oil dependency on the Middle East as a core pillar of America's Mideast engagement. For Saudi Arabia and other oil producers in the region, the shock waves of the energy market was a golden opportunity to "cash in" given that the pandemic hit them hard on that front. It was simply seen as a reasonable and pragmatic path to pursue their national economic interest: keep production where they preferred it to benefit from skyrocketing prices.

There is truth to this narrative. After all, the Kingdom's grandiose economic visions need to be bank rolled, and they are home to an unemployed youth population (estimated at 29 percent) that needs to be integrated into a more diverse economy in the medium to long term. However, beyond the financials, this new dynamic in the energy market was also an opportunity for the Kingdom to reinstate its geostrategic position in global politics, especially given the perception in the region that the United States is no longer as engaged in the Middle East or that it is no longer a top priority of their foreign policy agenda. It's a realization by the Saudis that other great powers can and have entered the MENA field, and that there are opportunities and benefits from engaging both Russia and China, which they pursued further by hosting a China-Arab summit in December 2022.



Merissa Khurma, Director, Middle East Program
Director of the Office of Jordan's Prince Ali Bin Al Hussein (2010- 2013);
Press attaché and director of the Information Bureau at the Embassy of
Jordan (2003-2010)

The Biden administration's overtures to important oil producers in the wake of sanctions on Russian oil and soaring prices, highlights how the transition away from a hydrocarbons-based energy system will be highly uneven and non-linear due to supply and pricing shocks. Although impressive progress is being made toward decarbonization in each of the world's three major economies, the undeniable fact remains that petroleum and gas continue to be the linchpins of transportation and power generation. As long as that reality holds true, the US government will have to employ diplomatic and policy tools to try to stabilize energy prices and supplies in the face of major disruptions.



Duncan Wood, Vice President for Strategy & New Initiatives
Former Director of the Mexico Institute

While Russia's war in Ukraine has put into sharp relief the interconnected nature of the global energy system, the correlation between gas prices and President Biden's approval ratings in the US, spotlight the political realities of energy access. There's been a fair amount of "told you so" opining in the US and Europe, but those short-sighted reflections miss the forest for the trees. A more prescient analysis would be to consider how the renewable energy transition will shift the balance of power between oil-producing countries and those who rely so heavily—and uncomfortably—on them, and what that could mean for those country's leaders.



Lauren Herzer Risi, Director, Environmental Change and Security Program

I sure loved that '67 Mustang convertible (light blue, black hood and interior) I had in college. I did, at least, until the October 1973 OPEC oil crisis turned my gas guzzler into a wallet emptier. Fifty years later, despite the United States having become a <u>net energy exporter</u>, no subject was more on the minds of Americans in 2022 than skyrocketing prices at the pump. **Energy crisis management not only had the effects noted on relations with Saudi Arabia and Venezuela, it also compounded the challenge of defeating Russian aggression in Ukraine and set back—yet again—climate change abatement.**

As we enter 2023, gas prices have come down. Still it's hard not to foresee the next energy crisis as when—not if—we see yet another round of damaging economic consequences, foreign policy ramifications, and distractions from other pressing priorities.



Bruce W. Jentleson, PhD, Distinguished Fellow William Preston Few Professor of Public Policy at Duke University

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