

ECONOMIC STATECRAFT OF THE FUTURE

ECONOMIC STATECRAFT PROGRAM

GENERAL INFORMATION

DESCRIPTION

This module focuses on contemporary and emerging manifestations of economic statecraft. The module is divided into two weeks, with reading material for each. Week 1 discusses contemporary approaches to economic statecraft through analysis of trade regimes, US foreign policy, and industrial policies. Week two discusses emerging forms of economic statecraft, including intellectual property theft and espionage, standards setting, targeted industrial policies, and strategic emerging technological developments. The module will provide students with the necessary tools to identify and analyze emerging forms of economic statecraft.

PREREQUISITES

Students may wish to have taken the *Fundamentals of Economic Statecraft* module cluster, *Tools of Economic Statecraft* module cluster, *Targeting Economic Health Through Economic Statecraft* module, and *Military Effects of Economic Statecraft* Module to have the proper context for this module.

EXPECTATIONS AND GOALS

By the end of this course, students should be able to do the following...

- Understand the frontiers and cutting edge of economic statecraft
- Have background knowledge on important emergent issue areas in economic statecraft
- Think analytically about policies pursued by rivals and adversaries in emerging issue areas
- Operationalize definitions of economic statecraft in novel technological contexts

READINGS

WEEK 1: ECONOMIC STATECRAFT OF TODAY [118 PAGES]

The implementation of economic statecraft within a state's grand strategy is an important aspect of today's geopolitical landscape. In this week, students will engage with key debates about the implementation and nature of modern economic statecraft. After this week, students should be able to critically evaluate the key debates in policy circles and academia on the applications of economic statecraft in today's world.

Drezner, Daniel W. "Economic Statecraft in the Age of Trump," *The Washington Quarterly* vol. 42 no. 3 (2019), 7-24

Robert D. Blackwill and Jennifer M. Harris, "The Lost Art of Economic Statecraft: Restoring an American Tradition," *Foreign Affairs* vol. 95 no. 2 (March/April 2016), 99-110

Vinod Aggarwal and Andrew W. Reddie, "New Economic Statecraft: Industrial Policy in an Era of Strategic Competition," *Issues and Studies*, vol. 56 no. 2 (June 2020), 1-29

Aggarwal, Vinod K., and Andrew W. Reddie. "Economic Statecraft in the 21st Century: Implications for the Future of the Global Trade Regime." *World Trade Review*, 2020, 1-15.
<https://doi.org/10.1017/S147474562000049X>.

Rose Tenyotkin, April Herlevi, Alison Kaufman, and Anthony Miller, "Economic Statecraft: How China Legally Accesses Foreign Technologies to Build Military Capabilities," CNA Report. Available at <https://apps.dtic.mil/sti/pdfs/AD1107697.pdf> 1-31

Besha, Patrick. "Civil-Military Integration in China: A Techno-Nationalist Approach to Development." *American Journal of Chinese Studies* 18, no. 2 (2011): 97-111.

WEEK 2: ECONOMIC STATECRAFT OF TOMORROW [167 PAGES]

In the future, a more competitive economic environment will provide ample opportunities for the implementation of economic statecraft within a state's grand strategy. During this week, students will engage with arguments highlighting key issues which will shape the economic statecraft of the future. Students should gain an appreciation for the potential pitfalls and opportunities presented by emerging arenas of economic statecraft like the domains of law, international organizations, standards setting, innovation, critical raw materials, investment and acquisitions, and financial technology.

Oh, Seung-Youn. "How China Outsmarts WTO Rulings in the Wind Industry." *Asian Survey* 55, no. 6 (2015): 1116-45.

Kenderdine, Tristan. "China's Industrial Policy, Strategic Emerging Industries and Space Law." *Asia & the Pacific Policy Studies* 4, no. 2 (2017): 325-42. <https://doi.org/10.1002/app5.177>.

US-China Business Council. "China in International Standards Setting: USCBC Recommendations for Constructive Participation." US-China Business Council, 2020. 1-12
https://www.uschina.org/sites/default/files/china_in_international_standards_setting.pdf.

Chen, Zhenhua, and Kingsley E. Haynes. "A Short History of Technology Transfer and Capture: High Speed Rail in China." *SSRN Electronic Journal*, 2016. 2-20. <https://doi.org/10.2139/ssrn.2872527>.

Hedlund, Julie A., and Robert D. Atkinson. "The Rise of the New Mercantilists: Unfair Trade Practices in the Innovation Economy." SSRN Scholarly Paper. Rochester, NY: Social Science Research Network, June 1, 2007. 1-41. <https://papers.ssrn.com/abstract=1004514>.

Kalantzakos, Sophia. "The Geopolitics of Critical Minerals." Sustainable Energy Transition Series. IAI PAPERS 19: IAI - Istituto Affari Internazionali, December 27, 2019. 1-15
<https://www.iai.it/sites/default/files/iaip1927.pdf>.

Rithmire, Meg, and Yihao Li. "Lattice Semiconductor and the Future of Chinese High-Tech Acquisitions in the United States." Harvard Business School, January 2019. 1-41 <https://store.hbr.org/product/lattice-semiconductor-and-the-future-of-chinese-high-tech-acquisitions-in-the-united-states/719059>.

Rosenberg, Elizabeth, Peter E. Harrell, Gary M. Shiffman, and Sam Dorshimer. "Financial Technology and National Security." CNAS - Center for a New American Security, 2019. 1-4
<https://www.cnas.org/publications/reports/financial-technology-and-national-security>.