Linking Values and Strategy

How Democracies Can Offset Autocratic Advances

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A Task Force Report

About the Task Force

In mid-2020, the Alliance for Securing Democracy convened a task force of 30 leading American national security and foreign policy experts to devise a national strategy for the United States to offset autocratic advances in non-military domains of competition. This report reflects the collective insights and recommendations of this bipartisan group. Not all members of the task force agree with every argument or recommendation, but the overall report reflects the general consensus to the best of the authors' ability.

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Executive Summary

The United States and other liberal democracies face a persistent asymmetric threat from authoritarian challengers who aim to reshape the global order in their favor. Illiberal regimes use a wide range of tools across the political, economic, technological, and information domains to undermine democratic institutions and alliances, prevent criticism of their own regimes and governance systems, and establish norms and standards favorable to autocratic rule. In the case of digital information technology, these efforts go beyond shaping norms to controlling the infrastructure that transmits information itself. To date, democracies have been slow to adapt to this contest, allowing autocrats to seize the initiative by taking advantage of the openness of liberal systems.

Fortunately, the United States can regain the initiative in this emerging competition with authoritarianismif it addresses its vulnerabilities, leverages its strategic advantages, and reframes the contest on its own terms. The United States faces an array of domestic challenges-political polarization, inequality and racism, erosion of traditional media, a growing tech-government divide, flawed and porous political influence systems, and impaired economic competitiveness-that threaten to undermine the United States' competitive strengths. Autocrats can leverage these cleavages and constraints in the short-term, but in the long-term democratic characteristics confer tremendous strategic advantages. The United States' advantages include a vibrant civil society, dynamic and competitive economy, innovative private sector, and robust network of alliances. Leveraging these strengths requires a national strategy to offset autocratic advances by seizing on the advantages of open systems, building resilience into democratic institutions, and exploiting the brittleness of authoritarian regimes. This Task Force report outlines the logic and contours of such a national strategy across four overlapping non-military domains.

Political Competition

A key asymmetry between democracies and authoritarian regimes is the ability of democratic governments to respond and adapt to citizens' demands. Authoritarians seek to undermine this advantage by exploiting democracies' openness, manipulating information, and penetrating permissive political influence systems. The United States is particularly vulnerable given its weak financial transparency laws and stark polarization. To build resilience against authoritarian interference, the United States must first improve its own democratic practices by strengthening key institutions and cultivating a culture of civic engagement. Democracies must also showcase the corruption and political repression of autocracies. To accomplish this, the United States should support efforts to expose kleptocracy abroad and work with allies to draw attention to authoritarian repression.

Economic Competition

Corrupt kleptocracies enrich loyalists at home while weaponizing corruption and unfair trade practices abroad. In this regard, democracies, which favor fair competition and the rule of law, have a distinct longterm advantage. To shore up the sources of its strength, the United States must make strategic investments at home-including in infrastructure, education, and basic research—while also supporting innovation and development in key industries. At the same time, the United States should adopt a robust anti-corruption platform. This effort should begin with transparency and regulatory reform at home and extend to exposing authoritarian corruption abroad. Finally, working with allies and partners, the United States should call out the unfair and coercive economic practices of authoritarian states.

Technological Competition

Authoritarian states—most notably China—are investing heavily in the development of emerging technologies, many of which are both tools of repression and pathways to power. While the United States and other democracies maintain an edge in this space, their advantage is rapidly eroding. The United States should work with other democracies to take a more active role in shaping global technology governance to ensure that norms, standards, and new technologies are conducive to democracy rather than corrosive to it. Investing in democracy-affirming technology and enacting societal guardrails on platforms will be essential to this effort. The United States must also ensure it remains an attractive destination for technological talent while preventing foreign theft of intellectual property.

Information Competition

The technologies, architectures, and norms of the Information Age are still in flux, and authoritarians are shaping them. Autocrats view information as a threat to stability at home and a weapon that can be wielded abroad. Democracies, on the other hand, see open and trusted information as the foundation of a healthy society. To compete in the information domain, democracies will need to build resilience to authoritarian interference without compromising the democratic value of free expression. To do so, the United States should embrace media and digital literacy education, ensure that information architecture supports democratic values, challenge authoritarian narrative dominance, and reinvigorate independent journalism, both at home and abroad. It should work with other democracies to maintain a free and open Internet, and to construct data governance models rooted in democratic principles.

Recommendations

To regain its competitive edge in this multidimensional competition, the Task Force identified a number of recommendations for the United States. Although these proposals are specific to the United States, many are applicable to other democracies and could be broadly adopted or adapted. The Task Force recommends that the United States:

Protect and Strengthen U.S. Democracy and Competitiveness

- Reinvest in civil society by embracing civic education and service learning, provide robust funding for digital and media literacy education, establish a universal national service program, and reinvest in civic infrastructure.
- Reinvigorate the free press by encouraging investment in local and investigative journalism and supporting independent media in closed spaces abroad.
- Enact guardrails around online platforms by expanding user control of data and online experiences, strengthening transparency requirements and privacy protections, and promoting accountability and competition.
- Enhance financial transparency by ending anonymous shell companies, tightening restric-

tions for foreign company political activity, and enacting stronger disclosure requirements for foreign funding of non-profit organizations and media outlets.

- Improve political transparency by clarifying the definition of in-kind political contributions, tightening legal reporting requirements for offers of foreign assistance to campaigns, and strengthening campaign finance laws.
- Fortify election infrastructure by improving cybersecurity assistance and encouraging broad implementation of auditable, paper-based voting systems.
- Invest in strategic technologies and critical infrastructure by boosting funding for infrastructure development and deployment and increasing investments and incentives in critical technology areas like artificial intelligence.
- Attract and retain innovators by embracing a smart immigration policy to recruit and keep foreign talent in key industries and establishing scholarships to train the next generation of scientists and technologists.
- Protect critical technologies by strengthening the Committee on Foreign Investment in the United States, prioritizing combating intellectual property theft, and working with allies and partners to implement export controls for key technologies.

Adapt and Update Democratic Structures, Resources, Authorities, and Norms

- Integrate technology policy across government by establishing an integrated structure within the Executive Office of the President with a senior official coordinating technology policy across domestic, economic, national security, and foreign policy considerations, and establishing a Technology Directorate at the National Security Council.
- Build technical expertise in government through temporary exchange programs, technology scholarship programs, and reestablishing the Office of Technology Assessment.
- Construct new cross-sector connective tissue by enabling more agile technology acquisitions

and coordinating more closely with academia.

- Streamline jurisdiction and improve oversight and coordination efforts by establishing a Foreign Malign Influence Center and standing up a new congressional committee with oversight of technology development and online platform regulation.
- Resource non-military tools through robust funding and holistic budgeting linked to a cross-cutting National Security Strategy.
- Expose malign activity by appropriately prioritizing the identification and public exposure of authoritarian interference efforts.
- Facilitate information sharing between government, tech companies, and researchers by establishing an independent Social Media Data and Threat Analysis Center.
- Revitalize the State Department's technology expertise by establishing a Bureau of Cyber-space Security and Emerging Technology, as the bipartisan Cyberspace Solarium Commission recommended, to guide norm and standards-setting efforts.
- Develop new frameworks for data governance guided by the values of transparency, privacy, and free expression.
- Reimagine cyber and Internet governance by working with like-minded partners and allies to advance a governance model based on an open, transparent, and accessible Internet.

Leverage and Prioritize the United States' Leading Advantages

- Seize the initiative in the information competition by executing a global campaign to expose the false promises of authoritarians while redoubling support for independent media and open access to information.
- Reinvest in alliances and international institutions by embracing multilateral democratic engagement to counter authoritarians.
- Leverage technology alliances to pool talent and resources, conduct joint research and development, collaborate on norm setting, and coordinate on investment screening.

- Prioritize engagement in standards-setting bodies to support the establishment of democracy-affirming global standards.
- Share information and coordinate unified responses with allies and partners to counter and deter authoritarian interference efforts.

Introduction: The Strategic Landscape

Over the last seven decades, democracies have built a rules-based international order promoting peace, security, and opportunity through cooperation. This liberal order—principally supported by U.S. political, economic, and military infrastructure as well as a robust network of international institutions and alliances—has fostered the longest respite from great power conflict in a century.

Today, this order faces a range of threats from authoritarian challengers that have made targeted investments to compensate for their real or perceived disadvantages and to exploit democracies' vulnerabilities. China, which has risen rapidly relative to the United States, aims to shape a new order favorable to its own interests. Russia, a declining power by most metrics, aims to foment disorder to weaken its competitors and reverse its relative decline.¹ Despite their different strategic positions and goals, both China and Russia have an interest in undermining democratic institutions, eroding U.S. alliances and security partnerships, and preventing criticism of their own illiberal policies and systems of government.² They also have an interest in competing with the United States over international norms of behavior and the architecture that underpins the liberal order, in particular in the information space.

This is a strategic competition with far reaching implications for the global rules-based order and the balance of power between democracies and autocracies. Because it increasingly entails direct interference by authoritarian challengers into the domestic politics of democratic countries—and threatens to damage the free and open information space that democracies need to thrive—this competition will also have a profound impact on the ability of democracies, including the United States, to govern themselves.

In prior strategic competitions, the United States adopted offset strategies to meet asymmetric challenges. In the 1950s, the First Offset Strategy emphasized the importance of the U.S. nuclear arsenal as a response to the North Atlantic Treaty Organization's conventional force disadvantages vis-à-vis the Soviet Union. When the Soviets gained nuclear parity in the late 1970s and early 1980s, the Second Offset Strategy bet on precision strike and stealth technologies to counter the Warsaw Pact's numerically superior conventional forces. A more recent Third Offset Strategy seeks to regain eroding military-technical superiority relative to competitors developing advanced capabilities.

These offset strategies were led by the Pentagon and focused on restoring U.S. military advantages. But much of today's competition takes place off the battlefield in political, economic, technological, and information domains—so it demands a new type of offset strategy. to regain and leverage the United States' unique advantages over authoritarian challengers in non-military domains. This multifaceted approach should be based on principles of openness and transparency and aim to reframe the competition on democracies' own terms by better leveraging Washington's robust network of alliances, considerable soft power, responsive political system, vibrant private sector, bottom-up innovation economy, and open approach to information.

Capitalizing on these advantages will strengthen democracy at home while limiting the spread and legitimization of authoritarianism abroad, ultimately boosting U.S. national security for the decade to come. Effectively competing on this terrain requires an honest assessment of the relative advantages and disadvantages of democracies and autocracies, and a plan to offset autocracies' recent advances.

The Authoritarian Challenge

Unlike the Cold War struggle between communist and free societies, the current contest is not primarily motivated by authoritarian efforts to spread their ideology. Today's authoritarian regimes do not have particularly appealing global ideologies, nor do they proselytize them effectively. However, the contest does have an ideological dimension, since autocrats' concerns about regime insecurity have led them to seek a world safe for, if not converted to, authoritarianism.³ Their actions are aimed first at consolidating and maintaining their hold on power at home, but to do so they advance their interests abroad in a manner inconsistent with the existing liberal order. Authoritarian leaders recognize that this struggle of systems is an unavoidable element of the emerging strategic competition. As Xi Jinping recently noted, "the competition of different systems is the most fundamental competition between countries."4 This systems competition plays out through several different pathways.

Some autocracies view weakening democracy as vital

to defending and advancing their own interests. The ideas and practices of liberal democracies, including free elections, independent journalism, civic engagement, public activism, and the competition of ideas, challenge the legitimacy and power of autocrats.⁵ For example, open information and investigative journalism threaten to upset social control, while democratic assertions of universal freedoms and rights pose direct threats to regime legitimacy. As a result, autocrats have sought to co-opt and corrode the openness and connectedness of democratic systems, turning democracies' strengths into vulnerabilities.⁶

Authoritarian regimes therefore seek to undermine democratic institutions, including electoral, legislative, and judicial processes; the free press; academic institutions; and civil society. They often do so through covert foreign influence, which aims to manipulate information and democratic processes to bias policies toward their interests. They use coercive economic practices to shape public and private decision-making. They engage in malign finance and corruption to entice friendly voices to tout their virtues, downplay their deficiencies, discredit their critics, and otherwise shape the political environment in their favor.⁷ And they use cyberattacks to steal and manipulate information, hinder democratic institutions, promote certain parties or candidates, and undermine faith in electoral processes.

In the global south, China seeks to erode democratic institutions and strengthen autocrats to achieve what Nadège Rolland has called a sphere of influence "free from Western influence and purged of liberal ideals."⁸ By targeting democratic political systems and engaging in information manipulation, authoritarians can advance their foreign policy objectives without risking conventional military conflict with leading democracies.⁹ The coronavirus and the accompanying economic downturn has exacerbated this dynamic, leading some authoritarians—in particular China—to take an emboldened stance, seizing on the pandemic as an opportunity to increase their influence while discrediting democracy.¹⁰

Meanwhile, there is evidence that the renewed resilience of authoritarian regimes is due, at least in part, to authoritarian learning—the process by which autocrats adopt survival strategies based on the successes and failures of their peers.¹¹ For example, many autocrats view Mikhail Gorbachev's glasnost and perestroika policies as having contributed to the collapse of the Soviet Union by granting media the freedom to criticize the political system and permitting civil society to participate in anti-government activism. Partially as a result, the Communist Party of China has worked diligently to limit the rights of media and non-governmental organizations in China. Similarly, Putin's Russia has sought to learn from the collapse of authoritarian regimes in Ukraine and Georgia. It is deeply mistrustful of non-governmental organizations, especially those with foreign ties, and has sought to dominate the civil society sector with organizations firmly under government control. These include pro-regime think tanks, advocacy organizations, and youth groups, which help to limit influence by non-government forces.¹²

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Just as democratic concepts and policies can spread, so can authoritarian ones-not only through learning, but also by diffusion. For example, China's Digital Silk Road provides a key pathway for the export of digital technologies, which propagate authoritarian norms and standards while increasing China's coercive leverage. Likewise, Huawei's "Safe Cities" projects, which have been deployed in more than 50 countries around the globe, advance state control at the expense of civil liberties.13 Authoritarians have also become increasingly adept at preventing the spread of democratic ideals through "diffusion proofing," enacting preemptive policies to forestall the spread of popular protest movements.¹⁴ Perversely, autocracies frequently accomplish this by mimicking democracies, allowing controlled political participation or establishing pseudo-democratic institutions, which are in turn used to target potential troublemakers. These tactics have resulted in authoritarian regimes that are more stable, resilient, and long-lasting.15

Authoritarians thus create conditions that are conducive to autocracy even when they do not actively promote a coherent ideological alternative.¹⁶ As Andrea Kendall-Taylor has noted, "autocracies do not have to engage in 'autocracy promotion' to weaken democracy."¹⁷ China, Russia, and some other autocracies provide alternatives to liberal democracy, thereby altering perceptions about what constitutes legitimacy while modeling illiberal tools and tactics that others can adopt.¹⁸ China's leaders in particular are seeking to portray their framework for economic growth as a more efficient and stable alternative to democracy, while Putin's success in holding on to power serves as a model for autocrats in neighboring countries and beyond. Both sets of leaders use fear of instability and disorder to engender support.¹⁹

As part of this effort, autocrats often trumpet their systems as best equipped to provide stability and security, while simultaneously seeking to discredit alternative systems as chaotic, unstable, and inefficient. This has been a key element of China's strategy around the coronavirus—deflecting criticism of its failed initial response by pointing to the weaknesses of U.S. and European approaches.²⁰ When democracies fail to deliver effective governance or live up to their own ideals, they give competitors fodder to discredit them. Growing inequality in some democracies contributes to a sense of systemic failure, which both China and Russia have eagerly exploited.

Autocracies are also shifting global norms in their favor. Influence within international institutions has long been contested, but as the United States has stepped back from its involvement in some organizations, illiberal powers have taken advantage. Autocracies are using these fora to reshape norms in ways inconsistent with democratic values. These negative externalities corrode democratic processes and institutions in both fragile and developed states by advancing norms around geographic and functional spheres of influence and control.²¹ For example, China and Russia have pushed the concept of cyber sovereignty, which argues that the state should control the information and data flowing into and through its territory. They have advanced a new cybercrime treaty process to embed this framework legally, and a new Internet model to embed it technologically. Some of the most critical battles are taking place within arcane and technocratic standards-setting bodies, often without serious liberal opposition. These efforts often justify, normalize, and legitimize surveillance and censorship activities conducted by authoritarian regimes. They also deny dissidents the tools to organize, communicate, and resist government oppression. In the case of digital information technology, this goes beyond shaping norms to shaping and controlling the infrastructure that transmits information itself.

The Democratic Challenge

In this competition, democratic characteristics confer tremendous long-term advantages. But democratic traits also create limitations and cleavages that authoritarians can leverage in the short-term. For example, privacy and oversight concerns rightly constrain data collection, which could hamper some artificial intelligence-fueled industries of the future. Similarly, a free market exacerbates the challenge of controlling and protecting critical technologies in a world of globalized supply chains. A hands-off approach to information has made it difficult to counter authoritarian efforts to control narratives, manipulate information, shape digital architecture, misuse data, and set norms in the digital space. An effective offset strategy must minimize these vulnerabilities.

In the United States, an array of domestic challenges threatens to undermine its foundation for successful competition. Many of these challenges are closely connected and interrelated; failure to address one issue will impede progress on others. The following domestic challenges must therefore be seen as matters of national security:

- **Political Polarization:** Deep fractures and growing divisions within the U.S. political system hinder elected leaders from reaching compromises and making decisions that would move the economy, society, and national security forward, while reinforcing perceptions that the government does not deliver for its citizens.
- *Inequality and Racism:* Ongoing racism in political, social, and economic institutions and inequality of opportunity contradict the foundational principles of U.S. democracy and diminish its potential as a country and society.
- *Erosion of Traditional Media:* The erosion of local and independent media, coupled with changing revenue models for online news and political attacks on journalists, have reduced trust in media.²² The rise of social media has exacerbated this collapse and contributed to increasing polarization.²³
- *Technology-Government Divide:* Innovation is outpacing the governance of new technologies, creating legal and ethical challenges. So too are the rise of surveillance capitalism and

a growing gap between government and the technology industry.²⁴ The international reach and power of some companies also makes them less likely to associate with any one government or set of values.

- *Flawed Political Influence Systems:* Permissive regimes that fail to ensure transparency around money and influence in politics engender unequal access to policymakers and create myriad opportunities for authoritarian exploitation. Meanwhile gerrymandering, voter suppression, and efforts to undermine confidence in election integrity, by both domestic and foreign actors, erode faith in the legitimacy of elections.
- *Impaired Economic Competitiveness:* The United States' ability to compete against authoritarian powers is hindered by an economy that is not delivering for all citizens, as well as a broken social safety net and immigration system. Decades-long underinvestment in infrastructure and public goods, such as broadband Internet, also pose challenges.²⁵ The economic damage wrought by the coronavirus pandemic will exacerbate this trend.

Racism and inequality, in particular, are not new challenges-former Secretaries of State Dean Acheson and Dean Rusk both spoke about how racism and discrimination hindered the United Sates in its competition with the Soviet Union.²⁶ So too did President Harry Truman in an amicus brief to the U.S. Supreme Court on Brown v. Board of Education, in which he argued, "if we wish to inspire the people of the world whose freedom is in jeopardy... we must correct the remaining imperfections in the practice of democracy."27 Fortunately, the United States has the tools to overcome these challenges and to reform and strengthen itself. Although U.S. democracy is underperforming, anti-racism protests this summer demonstrated that civic engagement is alive and well.28 The ability to respond to citizens is what makes democracy such a powerful and compelling system. The appeal of self-governance is also the greatest fear of authoritarian powers, which rely on oppression, control, and static leadership to survive.

Therefore, in responding to these challenges, the United States must resist taking steps that would make it like those with which it is competing. As George Kennan warned at the outset of the Cold War, "We must have courage and self-confidence to cling to our own methods and conceptions of human society. After all, the greatest danger that can befall us in coping with this problem of Soviet communism is that we shall allow ourselves to become like those with whom we are coping."²⁹ Instead, the United States should embrace the sources of its strength by capitalizing on the open, transparent, and vibrant civil society and economy that have enabled Americans to innovate and prosper for hundreds of years. Doubling down on these values and asserting their universality will help resolve domestic challenges while strengthening resilience against authoritarian interference.

The Democratic Opportunity

Competition is ultimately about the pursuit and use of advantages. Successful competitors seek to enhance and play to their strengths while managing their weaknesses and preventing their opponents from doing the same. Democracies have advantages in all major domains of this competition. In the political domain, the rule of law facilitates responsive governance and prevents corruption, while robust civil society and independent journalism help governments maintain the consent of their people. In the economic domain, properly governed markets incentivize healthy competition and efficiently direct resources. In the technological domain, economic dynamism attracts global talent and spurs innovation. In the information domain, the competition of ideas fosters creative and productive public debates. If properly governed and thoughtfully leveraged, these attributes represent lasting strategic assets.

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Democracies need to reset the competitive landscape on terms favorable to them, while articulating an affirmative and forward-looking vision fit for today's purpose. Competing with authoritarian systems requires new ways of thinking, including an understanding of the increasingly blurred distinctions between offense and defense, and among domestic, economic, and foreign policies. Democracies should resist the temptation to look outward for policy solutions and start by looking inward instead, taking meaningful steps to reinvest in themselves. Competition with authoritarian systems will increasingly require that democracies demonstrate they can deliver on their promises. They must uphold the rights and interests of their citizens both at home and abroad. Democracies' success depends not just on governments, but on the people that empower them. That requires ensuring an engaged citizenry, including through a renewed commitment to and investment in civic education. Democracies cannot just respond to or counter authoritarian challengers. To succeed they must remake themselves and the international system that supports liberalism. The coronavirus is doing immense economic and social damage on top of its devastating human toll. As we emerge from this crisis, the United States and other democracies have an opportunity to rebuild, reshape, and reprioritize both domestic and international institutions.³⁰

The prescriptions offered in these pages are aimed at the United States in particular but have relevance to liberal democracies elsewhere. Learning from and cooperating with one another is an important component of this agenda for democratic resilience. To that end, the pages that follow explore how the United States can regain the initiative in the emerging competition with authoritarianism. The next section describes democracies' advantages and disadvantages in competition with autocracies across the political, economic, technological, and information domains. The final section outlines a strategy for resetting the terms of the competition, including by protecting and strengthening U.S. democracy and competitiveness; adapting and updating structures, resources, processes, and norms; and leveraging and prioritizing democratic advantages. Such a strategy will position the United States and its democratic allies and partners for long-term success.

Leveraging Assymetries in the Domains of Competition

Despite their vulnerabilities, democratic societies maintain many long-term advantages that, if properly harnessed, will drive success in the competition with authoritarians. Democracies have strong alliance networks and have built multilateral institutions to shape global norms and standards. Well-regulated markets promote innovation and progress, while building leading companies and attracting global talent. Institutional oversight and the rule of law underpin stability and prevent corruption, while robust civil societies make populaces more resilient and governments more responsive. Yet ineffective governance has too often squandered these benefits and prevented democracies from marshalling these advantages for strategic effect.

Although authoritarian powers have proven adept at exploiting democratic vulnerabilities, they do so from a position of comparative weakness. Autocrats struggle with political legitimacy and resort to strategies like "digital authoritarianism"—the use of information technology to surveil, repress, and manipulate domestic and foreign populations-to preserve their grip on power.³¹ They also rely on short-term, transactional, and often exploitative arrangements with other states.³² Meanwhile, extensive government control of economies undermines innovation, as do endemic corruption, cronyism, and weak economic feedback mechanisms. Authoritarians have often offset their weaknesses by exploiting the permissive nature of democratic politics, the openness of free market systems, and the vulnerabilities of academic and research communities.

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Reasserting democratic values as strengths is critical to preserving and re-imagining a liberal order that reflects the realities of today's geopolitical landscape. This section examines the competitive landscape in four interconnected domains—politics, economics, technology, and information. The following pages describe the key competitions between democracies and authoritarians in each domain and highlight the advantages that democracies must leverage if they are to prevail.

Political Competition: Responsiveness vs. Repression

The political struggle between democracies and authoritarians ultimately hinges on the question of whether governments will respond to or repress their people. Successful democratic governments evolve as societies change; people determine the government's agenda, not the other way around. Conversely, authoritarian leaders maintain strict control over their own domestic political institutions, recognizing that free and open discussion is a potential threat. Perversely, digital advances may present new opportunities for autocrats to create the impression that they are listening to their people, while they simultaneously use these tools for surveillance and suppression.

Authoritarians and their proxies exploit the openness of democratic systems to control and manipulate information, turning an inherent strength of democracies against them. They use permissive political influence regimes to undermine democratic governance, covertly influence policy, and engage in "strategic corruption."33 Frequent targets of these campaigns include democratic citizens, civil society organizations, media outlets, global businesses, and academic institutions. As Shanthi Kalathil describes, "modern authoritarianism now harnesses the features once chiefly thought to empower democracies," turning those assets into vulnerabilities.³⁴In particular, the visibility of democracies' internal divisions enables authoritarian regimes to weaponize racism, anti-immigrant rhetoric, corruption, and polarization to divide citizens from one another. Politicization of foreign interference also prevents effective responses to it, as interference typically plays on partisan fissures.35

Although some malign financial activity is illegal— Russian money-laundering efforts for example—much of it is not, instead exploiting legal loopholes in democratic societies. The United States has emerged as a particularly vulnerable target given its weak transparency laws, lightly regulated political influence marketplace, internal divisions, and lagging government responsiveness. Authoritarians take advantage of narrow definitions of political contributions, a permissive framework for anonymous shell companies, and insufficient disclosure requirements to influence political, non-profit, and media groups.³⁶ In some cases, domestic actors enable these authoritarian efforts, including by acting as straw donors to allow foreign money into democratic elections, which has accelerated exploitation of these loopholes over the past decade.³⁷

Improve Democratic Responsiveness to Build Resilience Against Foreign Interference

Investing in the core values of democracy will not only help address domestic challenges, but also serve as a foundation to push back against authoritarian interference. This requires strengthening the institutions that underpin democratic practice and facilitate responsiveness, including our civic infrastructure, free press, financial transparency regime, and election systems. Strong democratic institutions help ensure citizens' faith in the system. As Ganesh Sitaraman has written, "A more equal and more just nation is a more resilient one."38 Responsiveness is central to disproving narratives that sow doubt about democratic institutions and their effectiveness. Robust democratic practice, including in civil society, is also vital to ensuring that governance is representative and responsive. Cultivating such practices, including through investment in civic education and initiatives that encourage national service, can enable a virtuous cycle.

Showcase and Counter Political Repression in Autocracies

Democracies must fix their problems at home, and as they do so, they should demonstrate the advantages of democratic responsiveness over authoritarian repression. To date, authoritarians have largely played an "away game," targeting democratic fissures while enjoying sanctuary at home. This must change. Authoritarian states are weakened by their lack of commitment to rule of law, which is often the root of endemic corruption and major policy missteps. With little accountability for senior officials, autocracies frequently devolve into inefficient kleptocracies, undermining their own stability and long-term economic success. Additionally, strict information controls, punishments for whistle-blowers, and poor internal transparency lead to flawed feedback and reporting mechanisms, undermining potential progress.³⁹ China's silencing of early reports of the novel coronavirus' emergence in Wuhan is an example of how "authoritarian blindness" can turn potentially manageable issues into major crises with lasting consequences. The United States should actively support efforts to showcase and counter political repression by authoritarians.⁴⁰ Dan Twining and Patrick Quirk have described how "accountable and responsive governance is not just something nice to have; it's a core contributor to American national security and prosperity."41 To maximize this advantage, the United States should work with like-minded partners to demonstrate that responsive democracies have a winning hand to play, if they can get their houses in order.

Economic Competition: Rule of Law vs. Corruption and Coercion

Strategic economic competition between democracies and authoritarians has changed dramatically since the Cold War, reflecting an important way in which authoritarian regimes have changed over the past generation. No longer primarily held together by communist ideology, these regimes tend to be highly corrupt kleptocracies that fill the pockets of loyalists with plunder.⁴² These kleptocracies weaponize and export corruption as a pathway for malign influence and leverage private assets for the purpose of the state.43 Authoritarian governments also tend to use monopolies, state subsidies, market restrictions, and unwritten regulations to direct economic activity toward their commercial and strategic ends. China, in particular, is seeking dominance in several key strategic industries, including 5G telecommunications infrastructure, future Internet applications, artificial intelligence, smart cities, surveillance technology, and quantum information.

To compete against these approaches, the United States must adapt its own economic policies for this new and different competitive landscape. Sanctions on individual cronies and their international assets and companies can be quite powerful in applying pressure on kleptocracies.⁴⁴ Yet, the United States also needs a positive economic strategy to drive investment and innovation both at home and abroad. Competing against corrupt and coercive practices is not just a private sector endeavor—it requires cooperation between governments and businesses to promote fair and equitable growth. Democracies will have to make strategic investments to address their internal economic challenges and drive innovation and growth. This also necessitates efforts to promote the rule of law, carefully apply targeted sanctions, and level the international economic playing field.

Protect Against Authoritarian Corruption and Unfair Economic Practices

To shield democracies against corrupt and coercive authoritarian economic activities, the United States should rededicate itself to upholding the rule of law and acting as a global anti-corruption powerhouse. This starts at home, by mandating transparency of corporate ownership and expanding anti-money laundering regulations to cover enablers of corruption. Washington should also prioritize anti-corruption efforts as a component of U.S. democracy promotion activities, partnering with civil society groups on the front lines of the battle with kleptocracy. Meanwhile, the United States should use its tremendous leverage over global markets and financial systems to incentivize authoritarian governments and companies to compete fairly.45 Autocrats limit access to markets and manipulate their domestic private sectors to pursue state interests, so fair competition will require additional regulation of foreign businesses, state-owned enterprises, and their support mechanisms in authoritarian governments. Establishing a baseline for competition will require more transparency about these practices, from more stringent disclosure requirements to limits on state subsidies and penalties for continuing unfair behavior. When states or their proxies use coercive economic practices, those activities must be showcased. Democracies will have to work together to develop greater resilience and a common set of transparency requirements in the face of these practices. Ultimately, the U.S. government needs to integrate economic policy with national security policy, reflecting that economic strength is core to national security.⁴⁶

Renew and Deploy the United States' Economic Power Strategically

In the wake of the coronavirus crisis, the United States has an opportunity to re-invest in the sources of its economic strength, including education, infrastructure, basic research, and emerging technologies. This is a moonshot moment that calls for national leadership to inspire and enable the United States to compete effectively. The United States should invest in a transformation of its transportation and energy infrastructure to become a global leader in environmentally-friendly industries. Meanwhile, the United States should embrace a smart immigration policy that welcomes foreign-born talent to build innovative enterprises in the country. Policymakers should also put forward concrete proposals to address growing inequality. This would not only address domestic problems, but also diminish the appeal of illiberalism by boosting confidence in the ability of democracies to deliver on their promise. Efforts to renew the U.S. economy should start with stimulating growth and innovation through strategic investments in key industries, such as artificial intelligence, quantum computing, and biotechnology. Whereas the U.S. government has developed proficiency in designing financial sanctions calibrated to impose a cost without destabilizing the U.S. or global financial systems, it has not yet become similarly adept at analyzing the implications of sanctions and restrictions on the technology sector.⁴⁷ The U.S. government should work closely with allies and partners to improve its ability to assess how joint efforts to provide economic security can contribute to, rather than detract from, growth and prosperity.

Technological Competition: Bottom-Up Innovation vs. Top-Down Direction

Technology may be the most intense domain of global competition today, and it has particular salience in the contest between democratic and authoritarian systems. Competition over technology intersects with the political, economic, and information domains, but is also a competitive space in its own right. Technological competition has implications for the U.S. military's capability edge over its competitors, which is increasingly at risk.48 While the United States has historically facilitated rapid innovation, the U.S. government has fallen far behind in investing in basic science and in efforts to regulate, govern, protect, and support the technology industry. Eric Schmidt notes, "Americans-Silicon Valley leaders included—have put too much faith in the private sector to ensure U.S. global leadership in new technology," and as a result, the United States' technical edge is eroding.49 When it comes to artificial intelligence, biotechnology, and quantum computing, the United States and its allies are at risk of falling behind. This failure, combined with "surveillance capitalism," the commodification of personal data, and an unreconciled gap in government-industry perspectives, present a major opening for adversaries to exploit.⁵⁰

Maintaining a competitive technological edge is important for both economic and military purposes. For this reason, China is heavily subsidizing the development and deployment of advanced technologies, including through its Digital Silk Road initiative, which is providing new tools for repression as well as additional pathways for power and influence.⁵¹ Beijing uses state control over key players in China's technology industry to shape new hardware and software to facilitate surveillance and undermine privacy.⁵² By one estimate, more than 100 countries already purchase surveillance and censorship gear from China or Russia, receive training on these technologies, or simply imitate methods of surveillance and censorship that are designed to control public opinion.⁵³ That is at least in part because the United States has left technology development largely to the private sector, while China has integrated technology objectives into its national strategy and promoted civil-military fusion.54 Meanwhile, the United States and Europe have begun to diverge in their approaches to technology regulation, making it difficult to leverage alliance networks for competitive advantage. Losing the edge in technological innovation would threaten U.S. economic competitiveness and national security, as well as democratic freedoms globally.

Protect Democracy-Affirming Technology and Attract Innovators

Democracies hold the foundation for a decisive technological advantage over their authoritarian counterparts. Countries with higher standards of living, high-quality universities, and strong civil liberties protections attract talent from around the world, including in advanced technology industries. The United States holds a more than five-to-one advantage in top artificial intelligence experts over China.⁵⁵ Within the United States, more than two-thirds of graduate students and half of those working in computer science and electrical engineering are foreign-born.⁵⁶ Most students-including those from authoritarian nationsstay in the United States when given the opportunity. One estimate suggests that from 2014 to 2018, over 90 percent of Chinese graduate students in artificial intelligence doctoral programs remained in the United States after graduating.⁵⁷ These and other innovators in private companies and institutions build knowledge and value and attract additional talent. To retain this advantage, the United States must ensure it remains an attractive destination for foreign talent. At the same

time, democracies need to address legitimate counter-intelligence concerns posed by authoritarian regimes that coerce or otherwise use foreign workers and students to steal intellectual property—and must do so without engaging in ethnic or racial profiling. This challenge is most serious in security-related technologies and industries, where the United States should adopt a "small yard, high fence" approach to protecting the most sensitive technologies.

Challenge Techno-Authoritarianism and Advance a Democratic Alternative

Democracies need to advance their own technology models and standards. This should include investing in technologies and fundamental methods like explainable and low-data artificial intelligence, which put civil liberties, privacy, transparency, and openness at their core. Investing in strategic research in the private sector through collaborative grants and competitive funding opportunities can help spur innovation and drive private enterprise. These efforts also enable the U.S. government to establish standards and foster technological innovations that support democracy. Enacting guardrails on technology applications that undermine democratic values, such as facial recognition, mass-data collection, and surveillance technologies, can help mitigate damage they might otherwise cause. The U.S. government should also work with technology companies to help them "think adversarially in every process, product, and engineering decision," as Alex Stamos has suggested.⁵⁸ The United States and its allies should promote technological standards and tools that protect privacy and expression as a means of supporting champions of democracy. Innovators in the private sector too often ignore broader social impacts of innovations and overlook national strategic needs. A hands-off approach to technology governance has made it easier for autocracies to shape standards and norms. U.S. technology companies and research institutions with partners in China must be careful not to unwittingly develop technology used in the Communist Party's surveillance programs, or provide the Party with eyes and ears into economic, social, and critical infrastructure.59 Washington will need to prevent over-dependence on authoritarian powers in certain strategic industries, including in critical supply chains.

"The information dimension of government actions should be considered in advance, rather than as an afterthought.

Information Competition: Transparency and Openness vs. Control and Manipulation

Democratic and authoritarian governments hold fundamentally different views of the information space. Authoritarian powers often see information as a threat to their power at home and a component of unconventional warfare abroad, requiring manipulation and control. Democracies rely on a healthy and open information environment, which has become increasingly easy to disrupt, particularly given the rise of online information platforms. To compete, the United States and other democracies will need to develop the capacity to counter authoritarian efforts to control narratives, shape digital architecture, misuse data, and set global norms conducive to their worldview.⁶⁰

This contested domain intersects with, but goes beyond, technology itself. Andrew Imbrie notes that, "As the digital and physical environments become intertwined, authoritarian practices in one domain will increasingly encroach upon the other. At stake are the core values of liberty, equality, and justice that underpin free and open societies."61 The technologies, architectures, laws, and institutions that will govern the Information Age are still in flux. Digital platforms provide authoritarian regimes the ability to target democratic citizens at scale, exploiting the very information flows that can serve as liberalizing forces. These operations are supercharged by platform algorithms intended to boost user engagement and illicit emotional responses. Authoritarian state-sponsored news outlets often exploit weak transparency laws and low public awareness to mimic independent media while injecting regime-approved narratives into democratic public discussions. The atrophy of traditional, independent, and local media in many democratic countries has created space for these outlets. Furthermore, financial challenges have compelled traditional media to look for other sources of revenue, including paid inserts and other content from state-sponsored media outlets.

Democracies have been slower than authoritarians to recognize the information space as a key domain of competition and conflict. Autocracies like Russia and China have prioritized the information contest in their national security strategies. They see the cyber and information spaces "as two sides of the same coin, an approach that enables the control and manipulation of information at multiple levels."⁶² They also view

cyber and information operations as part of a broader suite of tools with which to weaken or defeat adversaries without resorting to kinetic actions.⁶³ Although Russian information operations targeting the 2016 election awoke the U.S. government to one element of this contest, democracies have been slow to appreciate authoritarian efforts to shape the global information space and to collect and manipulate data. For example, China's information strategy involves a powerful blend of: overt, overseas propaganda; control of content delivery systems outside of China; and the suppression of critical news coverage abroad through the purchase, cooption, and intimidation of foreign media outlets.64 China's vast data holdings-obtained through theft, purchase, joint ventures, and influence over consumer platforms like WeChat and TikTok-provide many potential pathways for malign influence and coercion.65 Authoritarian regimes have also used cyber tools to steal or manipulate data and information, and to cripple institutions. Some of these attacks fall within the boundaries of traditional espionage, but many target the private sector and civil society.

Fortunately, the United States has sophisticated cyber tools that it can deploy to its advantage. Going forward, it will be important for democracies in general, and the United States in particular, to develop the means to better protect their networks, including through enhanced coordination across sectors. These efforts should place a premium on resilience, carefully wielding U.S. offensive capabilities to challenge autocrats who have the ability and intent to weaponize cyberspace. Narrowly scoped cyber norms are important to this effort to establish rules of conduct to shape adversaries' behavior and decision calculus, reduce risks of inadvertent escalation, and preserve the free flow of information and commerce.⁶⁶

Empower People by Increasing Information Transparency

Transparency strengthens democracies and weakens autocrats by empowering individuals. Robust civil societies and independent news ecosystems hold governments accountable for failures and missteps. Civic infrastructure is key to citizen participation in governance, serving as an important feedback mechanism for policy and boosting the stability and legitimacy of democratic institutions. Independent and investigative journalism complements civil society, providing external oversight of government and keeping citizens aware and informed. In democratic societies, these institutions speak truth to power, helping to root out corruption and correct policy mistakes. Yet openness also enables foreign surveillance and political interference that can exacerbate divisions within free societies. At present, autocracies are setting the terms of competition in the information space, creating conditions favorable to their strategies. Democracies must flip the framework for competition in this space to one more favorable to them by doubling down on truthfulness and transparency as principles and investing in policy tools that harness those strengths. Reinvesting in a healthy media ecosystem will be critical to this effort. The weaponization of information, including the use of falsehoods and hate speech for political advantage, has degraded civic discourse. Fixing these problems will require empowering civil society to help shape policy in the information space, educating citizens on information manipulation tactics, and ensuring that information architecture does not undermine democratic values.⁶⁷ These efforts are also critical abroad. The information dimension of government actions-particularly at the State Department-should be considered in advance, rather than as an afterthought.⁶⁸ The U.S. government should improve its capacity for public communication and education on malign activity.⁶⁹ At the same time, recognizing limitations on its ability to communicate, government should support credible independent voices to advance accurate and fair reporting.

Challenge Autocracies' Control of Global Data and Information

At the core of competition in the information domain are questions of data governance. Maintaining a free and open Internet that is protected from authoritarian weaponization depends in large part on developing an information infrastructure and data governance model that is both inclusive and rooted in democratic values and principles. China, Russia, and others have sought to advance their domestic models of cyber and information sovereignty internationally. This alternative governance framework for cyberspace would put governments at the center of deciding what citizens can do online, as well as what data can transit networks in their countries-erecting virtual borders on the Internet.⁷⁰ Much of this struggle is playing out in third countries, including those that researchers at New America have called the "digital deciders," in which Beijing and Moscow are seeking to extend their legal model and gain support in multilateral bodies.⁷¹ Challenging these autocratic information models will require democracies to wrestle with tensions between two competing interests—securing data and technology from authoritarian exploitation and promoting the unfettered exchange of information. As they tackle this challenge, democracies should recognize that this competition is, in part, a contest for the "hearts and minds" of citizens of both democratic and authoritarian systems. An open Internet does not just force autocrats to respond to the needs and desires of their citizens and societies, it can also attract individuals to the principles of democracy and increase democratic soft power.

Winning A Multidimensional Contest

As this discussion demonstrates, the nature of the contest between forces of democracy and of autocracy is multidimensional. The political, economic, technological, and information competitions each require different approaches. Yet they share one common characteristic: democracies must reinvest in their values to prevail. Democracies have tremendous inherent advantages and authoritarians have significant unresolvable vulnerabilities. But as recent experiences have shown, these asymmetries will not leverage themselves. Democratic leaders must urgently adapt a new set of strategies and policies to stem the advance of authoritarianism and effectively compete in these spaces.

This struggle will play out in a competition for influence over the partners, norms, standards, and systems that will constitute the future global order. In particular, key contested spaces include international institutions, industries, and countries with particular strategic significance. It will require greater attention to illiberal practices—such as political interference, information manipulation, malign finance, and economic coercion-that are natural strengths for authoritarian regimes. Prevailing in this contest will require rapid adaptation. And it will necessitate close cooperation with allies and partners. Democracies will need to evolve their domestic policies, foreign policies, and institutions quickly in order to maintain an edge in each domain. To this end, the next section describes specific policies that will help democracies—and the United States in particular—succeed in the competition with authoritarians.

Regaining the United States' Competitive Edge

To offset autocratic advances in the political, economic, technological, and information domains, democracies need to protect their most critical assets and leverage their greatest advantages. At present, autocracies are defining the competitive landscape—and democracies have largely focused on responding on the autocrats' terrain. To succeed, democracies need to shift the competition onto more favorable terms, while developing new approaches to protect the democratic norms and institutions that undergird their strength. Democratic values are core to the United States' advantages across all four domains. For this reason, the United States needs to put its values at the center of its strategy.

A strategy for successful competition with autocracies will require the United States to protect and strengthen the democratic institutions and economic vitality that are its greatest sources of strength; adapt and update institutions, structures, processes, and norms to reflect changes in technology; and leverage and prioritize its leading advantages, including to take the battle to authoritarians. This will require new structures and mechanisms to integrate efforts across the government, develop new modes of public-private cooperation, and engage with civil society. It also demands a renewed focus on strengthening democratic principles of transparency, openness, and accountability while investing in competitiveness at home. As Mira Rapp-Hooper and Rebecca Friedman Lissner have written, "the United States should make the defense of openness the overarching goal of its global strategy."72 This necessitates renewed engagement with like-minded countries, civil society, the private sector, and multilateral institutions to ensure that global standards and norms are consistent with self-governance and related values, and to push back on authoritarians. This is an ambitious set of tasks, but the United States and other democracies are capable of accomplishing them.

Protect and Strengthen: U.S. Democracy and Competitiveness

The United States' greatest strengths in this competition are its democratic institutions and dynamic economy. These are the most important areas for the United States to protect, but also those most jeopardized by ongoing domestic frictions. A strategy for offsetting autocratic advantages needs to start by recognizing where the United States' democracy and economy are falling short and urgently addressing those challenges to put the United States on the strongest possible footing.

Reinforce the United States' Democratic Foundations

The United States should capitalize on the openness, transparency, and vibrant civil society that have allowed it to prosper. A number of democratic principles should serve as a foundation for tackling domestic challenges, including civil rights and liberties, transparency, civic engagement, market-based competition, inclusivity, and equality. By remaining true to these values, the United States can steer the competition back toward democratic strengths.

Strengthen and Build Resilience in Civil Society

Democracies rely on civic engagement to shape policy and adapt institutions to a constantly changing environment. As Hahrie Han notes, "democracy is a muscle" that must be developed and strengthened by civic participation.73 Cultivating a robust civil society is therefore key to democratic resilience against authoritarian interference. In the past, congressionally chartered organizations, such as the National Conference of Citizenship, helped fill this role, but these institutions have decayed. One way to support more robust civic institutions, as proposed by the Commission on the Practice of Democratic Citizenship, is to establish a National Trust for Civic Infrastructure that could support the growth of institutions that facilitate healthy social and civic interaction.⁷⁴ As part of this effort, Congress should support civic education and service learning programs across the country both for children and adults.⁷⁵ Establishing a universal national service program would also foster a sense of civic duty and enable citizens from a broad range of backgrounds to interact with one another, and thereby cultivate deeper community ties.⁷⁶ In addition to these efforts, Congress should appropriate robust funding to support digital and media literacy programs that help citizens learn basic skills for navigating the online information space.77

Reinvigorate Free Press

U.S. leaders should work with private philanthropists to encourage substantial renewed investment in local and investigative media. U.S. government efforts should double down on supporting free press in closed spaces beyond our borders, as the U.S. Agency for Global Media and its predecessors have traditionally done.⁷⁸ Doing so would help protect and sustain democracy in fragile states and call attention to authoritarian attempts to undermine institutions and seed corruption, demonstrating the value and sustainability of democracy as a governance model.⁷⁹

Enact Guardrails Around Online Platforms

The United States should develop a legal framework for regulating technology deployment without stifling innovation. This effort must balance competing imperatives: competition, free expression, privacy, and protections from online information manipulation. This effort should focus on empowering and protecting online users through transparency requirements, expanded user control, and privacy protections, as well as through policies that promote accountability and competition.⁸⁰ These measures should address structural characteristics of the platforms.⁸¹ Strengthening disclosure requirements for online ads could be an important first step. Platforms should be required to maintain public databases of all ad purchases and implement stronger verification procedures to verify the identity of ad purchasers.⁸² Platforms should also be required to provide more specific and transparent information about take downs and to build an accountable appeals process. To empower users, Congress could also consider requiring platforms to enable users to shape their own newsfeeds and recommendations and to port their data to other platforms.83

"Today's competition has shifted the spaces in which power and influence are exercised.

Enhance Financial Transparency

In response to the rise of political warfare waged in part through covert use of foreign money, the United States should lead the democracies of the world to promote an open, transparent, and secure arena for political finance. The first step is for the United States to get its own house in order by requiring companies to report beneficial ownership to the U.S. Treasury, while U.S. subsidiaries of foreign parent companies should face tighter restrictions around their U.S. political activity. Non-profits and media outlets should be required to disclose foreign funding in order to help information consumers understand potential conflicts of interest and build confidence in their work.⁸⁴ The United States should encourage other jurisdictions to follow suit.

Improve Political Transparency

The current U.S. definition of in-kind political contributions—which is vague, and thus, poorly enforced—should be clarified.⁸⁵ The United States should tighten its legal framework to mandate that campaigns report offers of assistance from foreign powers, ensuring that authoritarian attempts to coordinate influence via proxies are revealed while Americans' rights are protected. Congress should also update campaign finance laws to prevent foreign manipulation of online donation platforms by restricting political contributions using cryptocurrency, given that they are non-transparent, and requiring campaigns and committees to report the identities of small donors to the Federal Election Commission.⁸⁶

Fortify Election Infrastructure

Elections are a fundamental institution of democracies and thus a major target for authoritarian attacks, which often aim to undermine confidence in processes and influence outcomes. Securing voting infrastructure can increase public confidence in the integrity of our elections. To that end, Congress should adopt the recommendations of the bipartisan Cyberspace Solarium Commission and resource the Election Assistance Commission to provide cybersecurity assistance to state and local jurisdictions and to ensure broad implementation of auditable, paper-based voting systems.⁸⁷ In keeping with these recommendations, Congress should also amend the Federal Election Campaign Act to allow corporations to provide free or reduced-cost cybersecurity assistance to political campaigns.⁸⁸

Revitalize the United States' Economic Competitiveness

Competing with unfair authoritarian economic practices and technological developments will require a rededication to U.S. economic competitiveness. It is imperative that the U.S. government make needed strategic investments as it emerges from the coronavirus crisis.

Invest in Strategic Technologies and Critical Infrastructure

The United States should invest in the development and deployment of digital infrastructure, including broadband in rural areas. The United States should also invest in transforming its transportation and energy infrastructure in support of environmentally-friendly industry. As it does, Washington should substantially increase its investment in basic research and development while using federal funding to incentivize private sector investment in critical technology areas, such as artificial intelligence, 5G, and quantum information science. To protect critical infrastructure, the Department of Homeland Security should identify and provide support to private entities that are responsible for "systemically important critical infrastructure," as recommended by the Cyberspace Solarium Commission.89

Attract and Retain Innovators

The U.S. government should create scholarships to train and educate the next generation of scientists, engineers, and technologists. It should also embrace an immigration policy that prioritizes immigration as an essential comparative advantage against authoritarian adversaries and seeks to leverage it. Washington should welcome foreign-born talent and encourage individuals to stay and build innovative enterprises here in the United States. To this end, the United States should expand and build-on initiatives like the Optional Training Program, which helps foreign students in high-priority fields stay and work in the country after graduating.⁹⁰ The next administration should also ensure adequate allocation of H1-B visas for foreign workers in key strategic industries to ensure that U.S. companies can recruit and employ the best global talent.91

Protect Critical Technologies

Updates to the Committee on Foreign Investment in the United States have helped to protect critical technologies from being acquired by foreign competitors, but there is more to do. As the National Security Commission on Artificial Intelligence has recommended, Congress should strengthen this process by requiring mandatory disclosure for countries of special concern, which would allow the Treasury Department to mandate filings for investments in sensitive technologies from China and Russia.⁹² The next administration should make it a priority to combat intellectual property theft by the Chinese government, which continues to drain the U.S. economy. In particular, it should impose costs on companies involved in intellectual property infringement and individuals committing economic espionage, including by placing tariffs or outright sales bans on their products and limits on their ability to raise capital in U.S. financial markets.⁹³ Because multilateral efforts will have more impact than unilateral ones, the United States should work with like-minded countries to raise awareness of and respond to China's intellectual property theft.⁹⁴ Washington should also coordinate export controls on technologies for surveillance, facial and gait recognition, and genetic analysis.

Adapt and Update: Democratic Structures, Resources, Authorities, and Norms

Today's competition has shifted the spaces in which power and influence are exercised and challenged U.S. policy processes and bureaucratic structures. The United States must develop new structures to manage these challenges, build capacity to compete in new areas, reallocate resources to priority areas, update authorities to enable fair competition, and shape the norms and governance of emerging spaces in ways that affirm and advance democracy.

Update Structures

In its current form, the U.S. government is not properly structured or adequately resourced to counter or compete with authoritarian powers in the non-military domains that will be central to this contest. Reforms are necessary to improve the U.S. government's ability to coordinate across domestic, economic, technology, and foreign policy; to better leverage the private sector while respecting the free market; and to expose and respond to authoritarian activities.

Integrate Technology Policy

The U.S. government does not have a mechanism to sufficiently integrate technology policy into domestic, economic, national security, or foreign policy deliberations. This needs to change. The Executive Office of the President should establish an integrated structure with a senior official coordinating technology policy across these areas. Technology policy also needs to be better integrated and coordinated across relevant departments and agencies. A technology directorate at the National Security Council, with directors jointly appointed by the Office of Science and Technology Policy, would facilitate interagency technology policy coordination.⁹⁵

"Democracies need to develop and advance a common model of data governance to support a free and open Internet.

Build Technical Expertise in Government

The U.S. government should prioritize efforts to attract and cultivate technical expertise. As the Partnership for Public Service recommends, it should draw on best practices from the private sector to recruit and hire tech talent.96 Another idea is to establish flexible, shortterm exchanges with private sector companies to bring technical expertise into the policy domain, and vice versa.97 This could include programs for public servants to rotate through parts of the technology industry to foster cross-sector relationships. The U.S. government should also consider expanding technology scholarship for service programs or creating a national digital service academy.98 State and local governments should also integrate technical experts into their policymaking processes. Finally, Congress should bring back the Office of Technology Assessment, which once served as a non-partisan research agency to advise members of Congress on technology and inform legislative efforts on emerging technologies.99

Construct New Connective Tissue Across Sectors

Successful engagement in today's competitive domains requires democracies to facilitate productive cooperation between the public and private sectors. As Chris Kirchhoff has argued, "Unlike past eras where the U.S. federal research and development (R&D) base had a virtual monopoly on advanced technology, today's \$25 trillion global commercial technology economy drives a much greater share of global innovation."100 Arduous and lengthy government procurement processes are out of alignment with the speed of global technology development, and many in the private sector remain hesitant to cooperate with government.¹⁰¹ To fix this, U.S. agencies should reform their acquisitions culture to allow for more agile investments, building on the success of bodies like the Defense Innovation Unit.¹⁰² More broadly, the U.S. government should specify where its responsibilities end and develop mechanisms that enable the private sector and civil society to lead

where government should not. For example, in addressing research theft and other counterintelligence risks facing universities, the United States should bring government and university officials together to develop principles and processes for protecting sensitive research, as Australia has done.¹⁰³ Finally, the U.S. government should consider establishing interagency outposts in key innovation centers, including in Silicon Valley, to build closer relationships with relevant companies and investors.¹⁰⁴

Streamline Jurisdiction and Improve Oversight and Coordination Efforts

Authoritarian challenges cut across the jurisdiction of numerous federal departments and agencies, as well as congressional committees. Meanwhile, legal and political hurdles complicate and slow executive branch responses. The U.S. government should develop a national strategy for countering foreign interference in the United States and other democracies. The Office of the Director of National Intelligence should also establish a Foreign Malign Influence Center, as authorized by the FY20 National Defense Authorization Act, to coordinate analysis across the intelligence community and across the domains of competition.¹⁰⁵ This new entity should coordinate with global messaging capabilities elsewhere in government, including those at the Departments of State and Defense, including the U.S. Agency for Global Media. Congress should follow Australia's lead by establishing a Select Committee with cross-cutting responsibility for technology development and platform regulation.

Modernize Resources and Authorities

Non-military domains of competition are increasingly important in this contest, so the Defense Department will not be the lead entity on most challenges. Other parts of the government must be resourced appropriately, and the private sector and civil society should be empowered.

Resource Non-Military Tools and Approach Bud geting Holistically

To compete effectively the U.S. government needs to resource efforts across the political, economic, technological, and information domains. As former Secretary of Defense Robert Gates has argued, the United States has "seriously neglected its nonmilitary instruments of power, which have withered and weakened as a result."¹⁰⁶ It can do so no longer. Budgeting should be approached holistically, rather than in stovepipes. Ideally, budgeting should be linked to a National Security Budget that looks across the government's capabilities.¹⁰⁷

Expose Malign Activity

Malign activity in democracies frequently relies on secrecy and deception and targets the private sector and civil society. To build resilience, the U.S. government should equip itself to share information on threats with those targeted. The Treasury Department should also prioritize countering foreign malign financial influence, including by implementing a new executive order to expose and target agents and facilitators that seek to undermine democratic institutions and disrupt civil society. Drawing from the post-9/11 playbook, Treasury should lead multilateral fora such as the Financial Action Task Force and other partners to develop and adopt international standards to counter malign influence. Clear congressional reporting requirements are also necessary to depoliticize the exposure of foreign interference, and to ensure consistent information flows and long-term commitment to transparency. They can also contribute to exposing the criminality and corruption of authoritarian regimes. The U.S. government should also undertake a review of current authorities and determine if additional, narrowly tailored authorities are required to enable the intelligence community to better understand authoritarian interference while protecting Americans' privacy and speech.

Facilitate Information Sharing Between Government and Platforms

Mindful of privacy and civil liberties, the government should facilitate information sharing with the private sector and civil society to defend against foreign interference in the information space. Although coordination between government and online platforms has improved since 2016, standing mechanisms would help ensure that foreign information operations are identified and taken down before they can spread. Including independent researchers in this process, as appropriate, would allow for additional analysis and public exposure, boosting resilience. Establishing and funding an independent Social Media Data and Threat Analysis Center, as authorized in the 2020 National Defense Authorization Act, would be a key first step toward facilitating stronger public, private, and civil society coordination.¹⁰⁸

Revitalize the State Department's Technology Capacity

Success in this competition will require a State Department that is equipped to meet the moment. U.S. diplomatic efforts should aim to organize and lead coalitions of like-minded countries to shape global norms around technology and to develop best practices and unified responses to authoritarian interference. As part of this effort, the State Department must significantly boost its technological expertise. A first step will be establishing and resourcing a Bureau of Cyberspace Security and Emerging Technology to help coordinate cyber and technology policy across the department and inform diplomatic efforts in this domain.¹⁰⁹ That entity should guide the department's efforts to engage in norm and standards-setting, and work with like-minded nations to maintain a secure and open online information space.

"The United States' alliance network is one of its greatest assets.

Update Norms and Governance Frameworks

To preserve a free and open Internet, the United States should marshal its democratic partners to push back on authoritarian efforts to promote a model of cyber sovereignty both at the United Nations and with national governments. At the same time, democracies should advance an updated model of Internet governance that reflects liberal principles that support free societies.

Develop New Data Governance Frameworks

Data is at the heart of each domain of competition. Democracies urgently need to contest autocracies' determination to advance models of sovereignty and state control, while also challenging efforts to leverage the data of citizens outside their own borders. The United States has taken a hands-off approach to data, allowing the private sector to construct its own data-based systems for profit. Europe has begun developing its own frameworks for digital sovereignty, but its approach is at risk of diverging from Washington's, and its emphasis on sovereignty risks confusion with the authoritarian approach. Democracies need to develop and advance a common model of data governance to support a free and open Internet. This model will need to balance an interest in enabling free and open data flows with the imperative to protect data from being

used by authoritarian regimes for malign ends.

Reimagine Cyber and Internet Governance

The United States previously led an Internet freedom agenda, establishing global norms and governance frameworks for the cyber and information spaces. More recently, authoritarian powers have taken the lead in shaping global frameworks for cyber and Internet governance. This has included advancing their domestic models of cyber and information sovereignty on a global scale. In addition to censorship and web monitoring, which authoritarian powers have conducted for decades, Russia, China, and Iran have experimented with establishing domestic alternatives to the global Internet, erecting national borders in cyberspace.¹¹⁰ To counter this, Washington should again take a leadership role in promoting an open, transparent, and accessible Internet.¹¹¹

Leverage and Prioritize: the United States' Leading Advantages

A competitive U.S. strategy should focus on advantages related to soft power and in the technological and economic domains, while exploiting authoritarian weaknesses in the political and information domains. One risk in a systems confrontation is to see everything as a threat. But if democracies do that, they will lose. Democracies need to differentiate between top threats with systemic implications and lesser threats that can be managed through resilience. This requires constant assessment and attention. Being drawn into unnecessary battles takes energy away from competitive spaces where democracies have the greatest advantage or the most at stake. If the United States invests in strengthening its democratic institutions and economic competitiveness, particularly in emerging technologies, it should have confidence that it can succeed in this competition.

Exploit Authoritarians' Information Fragility

Information flows and transparency pose threats to autocrats, who depend on strict sovereignty and control. As Laura Rosenberger and Lindsay Gorman have written, democracies should "harness open and truthful information to proactively contest the information space and promote and defend a global information commons."¹¹²

Seize the Initiative in the Information Competition

The United States should expand the doctrine of persistent engagement from cyberspace to the information space, recognizing that competition in this domain is ongoing, and that there is a first-mover advantage in setting the terms of debate. As part of this effort, the State Department should execute a global campaign, grounded in truthful and credible messaging, to expose the failures and false promises of autocracies.¹¹³ The United States should also uphold the freedom of information worldwide—not simply because it is consistent with democratic values, but because it puts autocrats at a strategic disadvantage. This includes redoubling support for independent and objective media in closed spaces, and empowering citizens to circumvent authoritarian information controls.

Recommit to Alliances and Multilateralism

The United States' alliance network is one of its greatest assets. Although shared democratic values are the bedrock of these alliances, most formal alliance cooperation has focused on the military domain. This should change. Cooperation can offset authoritarian attempts to weaponize dependencies and practice coercion. Because of the increasingly multifaceted nature of geopolitics, the United States will need to build separate, overlapping coalitions to deal with the strategic, technological, economic, and governance aspects of the challenge.¹¹⁴ Embracing these relationships, and taking an active role in the international community, including in international institutions in which authoritarian competitors are wielding power and influence, will be key to preserving a system that is conducive to democratic values.

Reinvest in Alliances and Multilateral Institutions

Autocracies may have few formal allies, but they have a growing number of like-minded supporters. At the United Nations, Russia has successfully advanced a cybercrime treaty that poses challenges for supporters of a free and open Internet. Earlier this year, at the United Nations Human Rights Council, 53 countries backed China's repressive crack-down on Hong Kong.¹¹⁵ To marshal the strength of democratic alliances, the United States needs to make them both broader and more flexible, particularly outside the military domain. The nascent D10 framework—which would build on the G7 by adding Australia, India, and South Korea—provides a potential mechanism for enhancing strategic coordination among democracies. Such coalitions will be key to constructing global norms and frameworks for digital governance that reflect democratic values rather than authoritarian interests.¹¹⁶ Embracing multilateral democratic engagement is also key to framing the current geostrategic contest not as a choice between the United States and China, but between democracy and autocracy.¹¹⁷

Leverage Technology Alliances

At present, the United States and other democracies are separately competing with China's technological development drive and remain dependent on supply chains that provide China with coercive leverage. But if their resources are pooled, they would both enhance their competitive advantages and reduce their dependencies. As Jared Cohen and Richard Fontaine have argued, this would allow them to promote democratic norms and values around new technologies and enable them to build common responses to arguably the most pressing challenge to the liberal international order.¹¹⁸ In particular, democracies should coordinate to better leverage their advantages with respect to artificial intelligence and other critical technologies. As Andrew Imbrie has argued, "an alliance-centric strategy provides a competitive advantage over any single country that attempts to develop a robust AI ecosystem on its own."119 When it comes to hardware, data, talent, innovation, and rule-setting, democratic nations have the edge-and that edge can be sharpened.¹²⁰ An international alliance of democracies could create a multilateral "Trusted Internet" or "Trusted Cyber" standard for 5G and 6G infrastructure systems. This group could also develop sustainable off-ramps for countries that currently use high-risk vendors and establish joint centers of excellence to align investments and values on future Internet infrastructure, applications, and governance.¹²¹ The United States should also work with allies and partners to develop foreign investment screening mechanisms to secure technologies and potentially also exploit key hardware chokepoints.¹²²

Prioritize Engagement in Standards Bodies

International technical organizations that shape the rules and norms of the future Internet and other technologies are playing a growing governance role. Technical decisions made by these bodies affect hardware and software design for years to come, with potentially enormous implications for how technologies impact the rights and freedoms of billions of people. Engagement on these issues on a purely technocratic level is unlikely to be effective in advancing democratic values. The U.S. government should facilitate coordination among the companies attending these meetings and with democratic partners and allies.¹²³ Robust funding of the National Institute of Standards and Technology can help facilitate this work.¹²⁴ The federal government will also need to recognize which standards-setting priorities should continue to be set by industry, and which call for government leadership.¹²⁵

Coordinate on Malign Authoritarian Influence

The U.S. government should work through bilateral relationships and multilateral institutions to share as much information as possible on malign authoritarian activity and to educate vulnerable states on the nature and goals of authoritarian competitors. The U.S. Intelligence Community should work to declassify material on these efforts to help democracies organize and lead collective responses to malign authoritarian behavior, as the British government did in response to the Skripal poisoning. This demonstrates unity and raises the expected cost of malign activity for adversaries. Washington should work with like-minded countries to build consensus on authoritarian interference efforts and to preemptively commit to unified responses.¹²⁶ These efforts could build on nascent coordination through multilateral mechanisms including the G7 and D10.

"To succeed in this contest, democracies must reinvest in these essential sources of their strength.

Conclusion

Democracies are engaged in a strategic competition with authoritarian challengers that aim to uproot the global rules-based order that has provided peace, security, and prosperity for more than seven decades. This competition has sweeping implications for the future of geopolitics, as well as the security, privacy, and prosperity of citizens around the world. Autocrats have seized the initiative in this contest, strengthening their resilience at home while undermining democratic institutions and alliances abroad. Around the world, democratic leadership and values appear to be in retreat.¹²⁷ Fortunately, democracies maintain essential advantages in each domain of this competition, including responsive political systems, innovative economies, and open approaches toward information. To succeed in this contest, democracies generally, and the United States in particular, must reinvest in these essential sources of their strength, while exposing the weaknesses of their authoritarian challengers. By embracing a national strategy to offset autocrats' recent advances, the United States can reassert the superiority of the democratic model and repel authoritarian efforts to distort the future world order.

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