The Waterfall’s Shadow in the Mekong Region

Insights on Water Programs and Infrastructure Competition in the Twenty-First Century

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THE ISSUE

- The United States and its network of democratic partners and allies increasingly find themselves struggling to safeguard the rule of law, free markets, civil liberties, and human security in countries most at risk from climate change and its impact on water security.

- A network of authoritarian states led by the Chinese Communist Party (CCP) are using infrastructure investment programs like the Belt and Road Initiative (BRI) alongside gray zone campaigns to gain access and influence, often in areas most at risk of further climate shock and water insecurity, particularly in the Mekong region.

- As a result, continuing to develop water strategies offers a viable means of integrating development and deterrence to address core human security challenges and deny further authoritarian access and influence across the world’s most climate-stressed societies.

Taiwan is not the only flash point in the growing contest between the United States and China. As the Chinese Communist Party (CCP) exports its authoritarian model for governance and development, it creates new arenas for competition beyond the military sphere. From the Belt and Road Initiative (BRI) and infrastructure investments to the use of political warfare, Beijing is creating a new sphere of influence. Through a combination of trade, diplomacy, development, and coercion, the CCP is securing key terrain in a new geopolitical race. This terrain is centered on critical transportation and trade corridors beyond the traditional focus on sea lines of communication vital for securing its trade and power projection. This logic extends beyond the sea to river and ground lines of communication. For decades, China has been using multiple instruments of power to gain access and influence in the Lower Mekong River Basin. Over 245 million people live in the Mekong region, and this population is projected to grow by as much as 100 percent by 2050. Trade between China and countries in the Lower Mekong has grown to over $400 billion, and Beijing uses its economic and diplomatic influence to gain military access, including increasing its regional force posture and building secret military bases.

The Lower Mekong region, which includes Vietnam, Thailand, Laos, Myanmar and Cambodia, is one of the most vulnerable to climate change, with an estimated 55 percent of the Mekong Delta population likely to be affected in the coming years. China funds dam projects in multiple countries that complicate water management and exacerbate environmental stress. The region is
sinking as sea levels rise, leading to increased salinity and flooding in areas that Southeast Asia relies on to feed its growing population. In Vietnam alone, 500 hectares are lost each year to erosion thanks to these twin forces. This combination of rising seas, changing weather patterns, and water management issues, including upstream dams in China, is threatening food security. The Mekong is thereby a portrait of how population growth, environmental degradation, and climate change coalesce to threaten human security.

The states along the Mekong River are also a focal point for a new era of great power competition. After decades of inattention, the United States is working with allies like Japan and a network of international institutions to make the region more resilient to Chinese influence. Since 2009, the United States has promoted a series of initiatives in the region, including the Lower Mekong Initiative and Mekong-U.S. Partnership, to promote projects ranging from food security and education to energy and water security. These initiatives are part of a larger regional strategy designed to outflank the growing influence of the CCP and related businesses with direct links to Beijing. As a result, water security—the ability of people to access clean, safe water for personal and agricultural use—is converging with national security.

Water programming can play a central role in U.S. infrastructure development initiatives and development assistance in the Lower Mekong River Basin, where water access and management issues collide with great power competition and climate fragility. The region is also a focal point for China’s BRI, which intensifies the dilemma. Southeast Asian states must balance the promise of economic development they need to support rising living standards and growing populations with the loss of autonomy that comes with debt trap diplomacy, corruption, and gray zone campaigns. This challenge makes water a key cross-cutting issue that connects multiple U.S. government and Group of Seven (G7) initiatives designed to counter the growth of authoritarian access and influence under the guise of development assistance.

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This brief reports on a series of tabletop exercises (TTXs) used to explore how water programming, in coordination with a broader infrastructure strategy, can address both human security and national security challenges. Like earlier CSIS TTXs on water security focused on the Sahel, this series, which focuses on the Lower Mekong River Basin, examines the interplay of economic development and climate change with water security. Unlike the earlier TTX on the Sahel, however, this installment addresses long-term competition and explores how development initiatives interact with broader national security priorities.

Based on the TTXs, the U.S. Agency for International Development (USAID) and the broader interagency network committed to development should use water as a focal point for competitive foreign policy. By combining development projects that address core human needs with ongoing infrastructure initiatives designed to create regional and global economic corridors using theater strategy, the United States can take a new approach to competition with China. This competition complements the pivot to integrated deterrence by reassuring partners and offering a viable alternative to the BRI. Seen in this light, making water projects a focal point for strategy better aligns resources both within the U.S. government and across its network of allies and private sector partners. This alignment will help overcome common pitfalls of water projects, which tend to be underfinanced and require multiyear implementation plans. More importantly, it can show how new infrastructure networks offer an alternative to debt trap diplomacy and authoritarian influence that flows through the BRI around the world.

CONTROL THE WATER, CONTROL THE REGION

China uses BRI infrastructure investments to connect the Mekong River Basin and further bind states to its
economy and geopolitical interests by focusing on water and trade. Through the Lancang-Mekong Cooperation (LMC) initiative, China seeks to gain leverage over water management while promoting economic development. Along these lines, China conducts “hydro-diplomacy” to build dams across the region. While these dams generate electricity, they also often create significant environmental strain that affects downstream water levels and food security. In addition to environmental stress, the projects often involve forcible displacement and uproot entire communities.

China also supports projects that increase trade along the Mekong. Beijing has funded the construction of multiple river ports, often expanding existing sites to handle larger cargo ships. These efforts include shadowy investment vehicles that combine the state with business figures, including a significant investment in a Laos river port by a sanctioned Chinese businessman linked to casinos and illicit trade. These port investments frequently accompany larger special economic zones where sovereign governments cede more extensive tracts of land to Chinese business interests. Some of these special zones have become magnets for illegal wildlife trade. Parallel to these ports, China invests in rail lines, including major projects in Thailand and Laos.

These projects bolster China’s centrality in the region. If nineteenth- and twentieth-century geopolitics are about ground and sea lines of communication connecting the world, then twenty-first-century strategy revolves around the infrastructure that enables modern trade. By connecting the Mekong region, China makes itself a principal node in the larger regional network and diminishes the influence of other states like the United States, Japan, and Australia. The CCP can also use a mix of subtle threats and espionage to turn otherwise independent nations into a new category of client states—a dependence compounded by upstream dams. Through the BRI, China has put itself in a position to dictate the terms of trade and the flow of water.

**USING WATER SECURITY AND INFRASTRUCTURE TO COUNTER THE CHINESE COMMUNIST PARTY**

Over the last 10 years, thought leaders in Congress, academia, and successive presidential administrations have begun to see the importance of using increased focus on water strategy and large-scale infrastructure projects to promote the interests of the United States and its democratic partners and allies globally. In 2017, USAID launched the **U.S. Global Water Strategy**, a five-year planning framework focused on increasing water security. The same year, water security made its way into the **National Security Strategy**. These efforts built on earlier initiatives across the U.S. government.

As a more recent example, the 2022 **U.S. Global Water Strategy** and supporting action plan approach water security as both a risk and an opportunity. Consistent with earlier USAID efforts, the strategy envisions using a mix of increased access to safe drinking water and sanitation (WASH), improved water resources management (WRM), and water productivity (WP) to reduce water-related conflict and fragility. The strategy envisions allocating additional resources to existing water security programs in an effort to increase access to safe WASH while addressing climate resilience and food security challenges associated with water skies like the Mekong River Basin.

These investments promote the Sustainable Development Goals (SDGs), advance U.S. foreign policy interests, and expand water access, which is a core human need. Building water projects that encourage better environmental stewardship and trade through a network of local governments, U.S. partners and treaty allies, nongovernmental organizations, and international institutions would offer a rival network to the BRI and authoritarian influence. Since modern geopolitics is more about networks than nations, any project that increases access to different political, economic, and human networks therefore creates a strategic advantage and offers a viable alternative to countries whose sovereignty is under threat from authoritarian states.

While interest in water strategy has been growing since 2008, a new development framework involves infrastructure projects that link democratic states and the private sector to promote trade and human security while offering an alternative to the BRI. Parallel to a domestic focus on infrastructure investment in 2021, the administration under U.S. president Joseph Biden announced the **Build Back Better World (B3W)** initiative, which became the Partnership for Global Infrastructure and Investment (PGII) in 2022. The
effort called for aligning foreign policy and sustainable development through projects that address climate change, health security, digital innovation and access, and gender equality. These pillars act as focal points for investments by G7 nations and create new opportunities for public-private partnerships.

In other words, to counter the $1 trillion China has invested in the BRI, the Biden administration would create a rival infrastructure network that links free states and private companies. This approach is consistent with the network theory of victory, articulated above, wherein power stems from greater participation in one network over another. In 2022 the G7 committed to investing $600 billion dollars in public-private sector initiatives by 2027. PGII investments, in addition to the B3W pillars, would be guided by transparency, good governance, and respect for human rights, thus providing an alternative to the BRI and authoritarian overreach.

These efforts reflect an increased focus on economic corridors as a central pillar of strategy in the Biden administration. These corridors combine public-private sector investments in transportation infrastructure (rail lines, riverine ports, and roads) with investments in clean energy and information and communication technology (ICT). The result is hubs that promote food security and access to healthcare as much as economic growth. For example, the Lobito corridor in southern Africa will link the Democratic Republic of Congo, Zambia, and Angola, creating the network of rail lines, economic hubs, and ports required to develop the region and ensure access to key minerals for a clean energy transition.

In many respects, the strategic vision articulated in both the PGII and 2022 Global Water Strategy builds on USAID and U.S. allied water programs in the Mekong River Basin. The U.S. International Development Finance Corporation (DFC) is investing in infrastructure projects, many of which also complement G7 partner initiatives. For example, the Japan-U.S.-Mekong Power Partnership (JUMPP) funds projects that combine regional trade integration with energy security.

From this perspective, the Mekong River offers an ideal regional case study for refining the complementary strategic initiatives envisioned by the Biden administration to counter the BRI. The challenge is to develop new policy playbooks that help visualize and describe a regional strategy for countering malign influence by the CCP while helping populations most affected by forces like climate change.

**USING TABLETOP EXERCISES TO REFINE WATER STRATEGY**

Because water and infrastructure projects are, by definition, interagency concerns, they create coordination challenges. These challenges are exacerbated by the focus on public-private partnerships in PGII and emphasis on combining diverse stakeholders specified in the 2022 Global Water Strategy. As a result, policymakers need creative forums to conduct stress tests and refine their strategy to bridge traditional governmental divides. Because strategy involves competing interests and uncertainty, these forums must include modeling how rival states like China and local spoilers might respond. Water strategy must find a way to combine development and deterrence, so PGII should complement broader theater campaign plans and efforts to deny malign Chinese influence. It is difficult to create a viable long-term strategy without illustrating how conflicting interests create alternative futures and shift the logic of programmatic investments over time. A TTX can help flesh out these types of programmatic uncertainties.

**Figure 1: Countries along the Mekong River**
TTXs, alongside crisis simulations and gaming in general, are tailor made for strategic problems like the challenge of advancing a water strategy that addresses human security and counters malign authoritarian influence. These forums allow expert players to simulate the fog, friction, and uncertainty at the heart of great power competition. This experience, in turn, promotes critical analysis and reflections on how to refine strategies that advance U.S. interests. Because strategy involves thinking about the clash of interests over time and space, it requires thinking about alternative futures and red teaming the different pathways to those futures.

To this end, CSIS constructed a series of water security TTXs that focused on WASH and WRM efforts in the face of great power competition. The first iteration explored the Sahel and how a mix of political and public health shocks interacted with climate stress in the region. Players aligned PGII investments and water security to counter these crisis events.

Based on the findings, CSIS built a second TTX that shifted the geographic focus to the Mekong River Basin and transformed the game design from crisis response to competitive strategy. The scenario explored how rival groups of players with a mix of military and development experience set strategic priorities and developed plans around water and infrastructure investments in the Mekong River Basin.

The TTX started with an orientation that helped players understand prevailing water security issues in the region. The purpose was to illustrate the convergence of infrastructure investments and environmental insecurity with great power competition in the Mekong River Basin. The orientation included the following data:

- whether the country is part of the Indo-Pacific Economic Framework for Prosperity (IPEF), a large U.S. trade initiative in the region
- existing USAID water-related needs score by country
- Freedom House trends for each country (2022 Global Freedom index)
- China’s trade and debt trap diplomacy metrics, including countries’ imports from China and debt held by Beijing
- U.S. foreign aid obligated and dispersed by country
- resilience indicators including the Fragile States Index and Notre Dame Global Adaptation Initiative (ND-GAIN) Index, which evaluates how well states can adapt to climate change

The scores helped participants understand water and infrastructure issues as they relate to foreign policy across the region. The USAID WASH Needs Index ranks countries in terms of their overall lack of access to clean water. The higher the score, the less access to reliable, safe water. In the Mekong, Thailand has the most reliable

Table 1: Country-Specific Data Provided to the TTX Players

<table>
<thead>
<tr>
<th>Country</th>
<th>USAID WASH Needs Index Score (Rank)</th>
<th>Freedom House 2022 Global Freedom</th>
<th>Chinese Imports as a % of GDP (Debt)</th>
<th>U.S. Foreign Aid Billions Obligated (Dispersed)</th>
<th>Fragile State Index (2023)</th>
<th>GAIN Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vietnam*</td>
<td>0.12 (102)</td>
<td>Not Free (19)</td>
<td>32.3% (0.5%)</td>
<td>.083 (.077)</td>
<td>58.3</td>
<td>.471</td>
</tr>
<tr>
<td>Laos</td>
<td>0.46 (48)</td>
<td>Not Free (13)</td>
<td>8.4% (19.7%)</td>
<td>.029 (.008)</td>
<td>74.7</td>
<td>40.1</td>
</tr>
<tr>
<td>Cambodia</td>
<td>0.49 (45)</td>
<td>Not Free (24)</td>
<td>21.7% (22.4%)</td>
<td>.100 (.068)</td>
<td>80.3</td>
<td>38.7</td>
</tr>
<tr>
<td>Myanmar</td>
<td>0.37 (58)</td>
<td>Not Free (24)</td>
<td>13.5% (5.2%)</td>
<td>.172 (.139)</td>
<td>100.2</td>
<td>37.6</td>
</tr>
<tr>
<td>Thailand*</td>
<td>0.03 (149)</td>
<td>Not Free (30)</td>
<td>8.4% (0.9%)</td>
<td>.037 (.034)</td>
<td>68.0</td>
<td>52.4</td>
</tr>
</tbody>
</table>

Note: (* = IPEF)
Source: CSIS
access to water, while Cambodia has the worst. By way of comparison, China ranks 61 with an index score of 0.31. Over 80 million people lack basic water access, and over 100 million lack basic sanitation. The score does not directly address issues related to climate change, such as growing salinity due to rising sea levels, changing weather patterns, and dam construction, and their combined effect on food security.

The ND-GAIN Index addresses vulnerability to climate change and how well prepared states are to respond in terms of institutional readiness. The higher the score, the more prepared states are to adapt to the reality of climate change. As Table 1 shows, multiple countries (red highlighted cells) along the Mekong River Basin are rated as highly vulnerable to future climate shocks. Combined with foreign aid and trade data, the orientation helped players understand the growing influence of China in the region alongside the deterioration of freedom and growing state fragility, such as due to climate-induced stress.

After the orientation, the U.S. team was briefed that additional funds were available to combine interagency efforts to counter BRI activities in Southeast Asia with a focus on the Mekong River Basin. The teams had to articulate a larger competitive strategy and three water security projects (WASH, WRM, WP) for the region as part of the larger PGII.

To frame this strategy, the U.S. team was briefed that the strategic end state, according to guidance developed through the National Security Council (NSC), was to sustain U.S. and partner nation access and influence in Southeast Asia, consistent with the vision of a rules-based international order. The two principal objectives to achieve this end state were (1) promote PGII initiatives focused on water security and (2) reassure U.S. partners and allies. In other words, the TTX asked U.S. players to think about how development merges with deterrence in modern great power competition. To that end, the U.S. players filled out Table 2 to prioritize water security investments. Players could nominate three water programs (WASH, WRM, WP); each had to align with at least one PGII pillar and country. Based on the enhancement, players rated the extent to which the new water program would increase the access of the United States and its democratic partners to the region while denying China access and influence. For example, a player could propose a WASH initiative in Vietnam to counter increased water salinity owing to climate change and its effect on food security as one of the three expanded water programs.

In other words, the TTX asked U.S. players to think about how development merges with deterrence in modern great power competition.

The U.S. team then revealed its plans and discussed its strengths, weaknesses, opportunities, and threats with a team playing the CCP. This action-reaction dynamic helped facilitate dialogue about the opportunity costs inherent in using water security programs and larger infrastructure projects to compete with China. Overall, players saw water

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**Table 2: Water Strategy Movement Matrix Used during the TTX**

<table>
<thead>
<tr>
<th>Country</th>
<th>PGII Focus</th>
<th>Competition Logic</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Digital Pillar</td>
<td>Health Pillar</td>
</tr>
<tr>
<td>Vietnam</td>
<td>WASH = water, sanitation, and hygiene</td>
<td>WRM = water resources management</td>
</tr>
<tr>
<td>Thailand</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Laos</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cambodia</td>
<td></td>
<td></td>
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</tbody>
</table>

Note: Myanmar was removed owing to the current military-led junta. Source: CSIS
strategy as a viable tool for countering the BRI but found that it required better integration with other instruments of power to support long-term competition.

U.S. players tended to take a mixed approach to the region with two major strategies and one minority opinion. Two teams focused on Thailand and Vietnam—the countries they thought the most accessible and open to countering the CCP. The third team focused its efforts on the countries with higher WASH needs scores: Cambodia and Laos.

The Thailand group proposed focusing on cultivating public-private partnerships to make Thailand the focal point for regional projects. These projects were concentrated in the digital and gender pillars of the PGII. The theory of competition was that creating new technical skills and increasing female employment in key sectors would benefit Thailand while creating a regional champion for water security projects.

Since Thailand had the best WASH scores in the region, the group proposed investing in water-related businesses based in Thailand that could access Cambodia and Laos, which are closer to Beijing. The idea was to promote a new cadre of local businesses, including increased opportunities for more diverse workplaces that could build water projects across the region. The U.S. players rated this approach as likely to draw both G7 interest and private sector capital.

The red team replicating the CCP noted that while Beijing would not challenge Thai businesses directly, China maintains indirect economic mechanisms it could use to counter a U.S.-led initiative. For example, one red player noted China could apply economic pressure by curtailing the number of tourists that travel to Thailand, a practice it used against South Korea in 2017. The red team also saw opportunities to use low-level cyber operations and propaganda, consistent with political warfare, to undermine trust and confidence in U.S.-backed businesses. In other words, U.S. efforts to work through a local partner to promote water security could be effective but would not remove all the ways and means Beijing has to apply pressure to states in the Mekong River Basin.

A separate strategy that emerged focused on combining water projects with food security efforts to build resilience to climate shocks. The focus was on the climate pillar. This group assessed the magnitude of the climate challenge confronting Vietnam. Countries critical to regional food supplies, like Thailand, justified the focus, as Thailand and Vietnam are two of the top three rice exporting countries in the world. The group also recommended a water-related project linked to agriculture and climate stress in Thailand. The focus of these efforts was more on mitigating future food security issues than on addressing current challenges. The team also assessed that these water programs could complement recent U.S. military outreach to Vietnam. Furthermore, given the size of the population and economic growth trends, the players rated projects in Vietnam as very attractive to both G7 and private sector partnerships.

The red team noted that while these issues would produce regional benefits in the long run, they were unlikely to shift the U.S.-Vietnam relationship to a strategic partnership in the short term. Beijing would still retain the ability to drive a wedge between Washington and Hanoi. China retains significant military, economic, and ideological instruments to influence Vietnam, despite long-standing differences between the two countries.

This discussion led to a debate about the balance of U.S. foreign assistance and how much should be linked to larger interagency strategies to counter China. Some saw addressing climate change and increasing water security as goals in themselves. The majority assessed that the United States, especially if its foreign assistance budgets increased, could integrate a focus on engaging local government and civil society, foreign assistance linked to poverty reduction and environmental growth, infrastructure-linked economic development, and governance programs with long-term competition without falling victim to the traps of the Cold War. These practitioners highlighted a need to refine interagency coordination along these lines and run periodic TTXs as a form of further calibrating regional strategies. These events would have to integrate multiple Biden administration strategies like the Indo-Pacific Strategy with PGII and the 2022 Global Water Strategy. In fact, the myriad of strategies published by the Biden administration led one player to express a need for more dynamic interagency coordination than traditional NSC meetings. Participants viewed the TTXs as a way of investigating opportunities to achieve the objectives in
multiple strategy documents and avoid policy fratricide. One participant noted that this effort would also need to include integrated country strategies to balance regional, functional, and country-specific aspects of foreign policy. Another participant noted that while there is an agency strategic planning process in the U.S. Department of State and USAID, as well as different interagency coordination processes, efforts tended to have too many objectives to easily prioritize. This participant saw the focus on water security, infrastructure, and integrating development with deterrence as a way to synchronize and prioritize objectives.

The third strategy to emerge from the TTX—and the minority perspective—was to focus on Cambodia and Laos, the countries with the worst WASH scores and projects linked to the health and digital pillars. Specifically, the players wanted to invest in low-cost internet of things (IoT) networks linked to local cellular service for remote monitoring—an opportunity to use ICT for WASH. The team assessed that they could address local needs in these countries in a way that offset some of the negative effects of Chinese dam construction on water and food security. One participant discussed how changing water flows were disrupting local economies and leading to migration. Another participant noted that despite Laos’s high dependence on China, the relationship between water governance and agriculture in Laos created a way to both address water security and show the population the negative effects of the Chinese authoritarian development model. Other players noted that this messaging could be enhanced by coordinating with elements like the Global Engagement Center (GEC). The player wanted to use the GEC’s data-driven approach to studying the information environment to tailor messages about the water security programs while monitoring for China’s efforts to undermine confidence in U.S. and allied water and infrastructure investments.

The red team responded that while the effort might increase WASH scores in both countries, it would not significantly alter the influence of the CCP. Cambodia and Laos depend heavily on the Chinese economy. Furthermore, China could use its own propaganda and concepts like “Three Warfares”—influence operations that combine psychological and legal warfare with traditional propaganda—to promote rival narratives about the importance of each country’s relationship to Beijing. One red team member even said China could use this construct to take credit for Western money invested in water security while pinning the negative effects of its dam construction on foreign (G7) business interests.

The discussion around the third strategy again highlighted the need to coordinate different agency planning processes with a focus on the information environment. One player suggested a need for an interagency competition manual similar to the recent U.S. Department of Defense Joint Concept for Competing. The group agreed the interagency collaboration needed a framework for conceptualizing long-term competition beyond deterrence and departmental interests. The challenge was how to develop this framework and balance military strategy with diplomacy and development. One player asked bluntly, “Who owns competition?” While the U.S. Department of State has processes to advance U.S. foreign policy objectives at the country and regional levels, it was not clear these formed critical components of major U.S. Department of Defense campaign plans that focus on competition. This insight brought some of the players back to recommending additional interagency TTXs to visualize and describe how to synchronize and prioritize objectives across multiple government agencies oriented toward long-term competition.

The discussion led one player to note the missing role of the U.S. Congress in the debate. Congressional action led to prioritization of water security, and Congress must be brought into any discussion about increasing the foreign assistance budget. The participant noted increasing signs that Congress was interested in TTXs and creative forums for analyzing policy, though the initial forays focused on military matters. The player proposed designing the TTXs on long-term competition in a manner that allowed congressional staffers—and, if possible, entire committees—to play, building on recent efforts by the House Select Committee on Strategic Competition between the United States and the Chinese Communist Party. The player advocated starting a new series of congressional games that touch multiple committees, including the House Committee on Foreign Affairs and House Armed Services Committee.
CONNECT THE WORLD TO COMPETE WITH CHINA

Modern competition is about more than military balances. It extends to development projects and building a network that connects people and creates conditions for solving collective action problems plaguing the twenty-first century: climate change, water access, food insecurity, and poverty. In the process, it also creates a new positional advantage that prevents authoritarian states from co-opting economic corridors. It is a new great game that must be played with a different set of rules than the cold wars of old.

The more the Biden administration can synchronize its development and diplomacy with theater strategy, the more likely it will be to gain an enduring advantage in long-term competition with China. This advantage starts with visualizing and describing regions in terms of people’s needs, likely environmental shocks, and transportation corridors to identify clusters of projects that offset authoritarian overreach while helping local communities address core human security challenges.

- **Calibrate regional strategies.** The United States should look for opportunities to better align foreign assistance and defense budgets. Unfortunately, aid budgets are unlikely to grow in the near term based on the budget deal and election cycle. As a result, USAID—along with the Millennium Challenge Corporation and the DFC—will need to work with Congress and interagency partners to identify how best to align existing programs and resources. Based on standing legislation, USAID will continue to spend on water projects. These efforts could be coordinated with less confrontational defense dollars linked to efforts like the Pacific Deterrence Initiative and ongoing theater campaigns. The net results would be a two-level prioritization framework that better aligns ends, ways, and means. USAID should prioritize projects likely to draw the most traction across agencies as a means of making each development dollar go further and extend U.S. strategic interests.

- **Conduct stress tests and refine regional strategies through TTXs.** USAID and other interagency partners will need to augment traditional approaches to long-term planning to embrace more dynamic methods aligned with understanding the new era of competition. Turning traditional war games into peace games and TTXs is the first step and will help leaders analyze complex interactions almost certain to accompany water and broader infrastructure projects. These games should occur at three levels. First, they should be part of program design and help identify opportunities for interagency as well as private sector partnerships. Second, they should be conducted through existing interagency processes and evaluate how guidance ranging from the Indo-Pacific Strategy to integrated country strategies align with PGII and the 2022 Global Water Strategy. Third, the games must involve Congress and bring a mix of staffers and elected representatives into the dialogue. Too often, U.S. strategy—whether defense or development—has been stovepiped and segmented by branch and agencies, producing unhealthy tension and friction. Games offer a means to overcome these self-imposed barriers that help different stakeholders develop a common understanding of modern competition. These congressional games should also focus not just on optimal resourcing but also on authorities and how best to tailor the interagency framework to support long-term competition. If twenty-first-century competition is as much as about development as deterrence, the United States needs to ensure it has both the ways and means to gain an enduring advantage.

- **Amplify regional strategies.** In a connected world, the message matters as much as the facts. Efforts to better integrate water projects with public-private sector infrastructure initiatives and theater strategy require global messaging that counters authoritarian influence campaigns. This messaging campaign should be integrated with existing initiatives like the GEC and embassy-level outreach and should be built into programmatic requirements for the network of vendors that support modern development. The messages should be tailored to audiences across diverse regions and retain the ability to counter malign foreign influence campaigns. The result is not propaganda but ensuring affected populations can cut through the noise to understand why the U.S. government, alongside its partners and the private sector, is investing in water infrastructure.
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ENDNOTES

1 Each program had a budget of $100 million dollars per year over three years for a total of $900 million per program and $2.7 billion in increased water security initiatives for the region.