The U.S. Global South Soft Power Tool Kit Needs to Outcompete China

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At the moment, the United States is playing from behind in the Global South. Given the uneven terms of the competition, it must pursue an overhaul of its tool kit and approach.

The United States has a problem in the Global South: China does not follow traditional rules of development, commercial diplomacy, or debt diplomacy. Compounding the problem is the lack of a positive, forward-looking U.S. agenda that speaks to the hopes and aspirations of countries in the region that would offer a clear advantage over China in the eyes of these bustling economies. Many of the offers the Chinese Communist Party (CCP) provides are appealing, quickly deployed, and relevant to the interests of partners in the Global South. Conversely, the tool kit the United States set up after World War II for soft power, or economic and cultural influence, needs an update. The U.S. approach today is marked by excessive caution and indecisiveness, which stands to benefit the United States’ greatest competitor by driving developing countries to take their partnerships, allegiances (including UN votes and alliances in the multilateral system), technology standards, and commercial ties to China and like-minded countries.

China’s lack of standards and rules has created an uneven playing field, allowing the country to take actions it could not imagine a decade ago: it can develop Covid-19 vaccines, offer price- and quality-competitive tech solutions through Huawei, and build roads and provide power through the Belt and Road Initiative. As a result, China has become the number one trading partner to more than 100 countries and is often the number one creditor to developing countries. All of these areas and more are the building blocks of a system of rules, commerce, and finance. China and its illiberal partners, including Russia and Iran, would like to create an alternative to the system that the United States has led and built for the past eight decades. The United States and the West need to make changes or they could lose to China and other authoritarian regimes that seek to further their goal of overturning this rules-based system and, in turn, dictating the global geopolitical landscape.

The following are a few examples of how the United States should recalibrate its soft power strategy to counter China’s aggressive power grab in the Global South.
Cheap and High-Quality Tech Offering

As the CCP spreads its digital wings across the Global South, the security and artificial intelligence (AI) implications are profound. Huawei, ZTE, and AliPay are the “unholy trinity” of the CCP’s tech backbone for the Global South. They pose serious threats to the democratic world as they create a high risk of unauthorized data collection, which, in turn, leads to major security challenges, including espionage and public opinion meddling. The bad news for the United States is that what China offers is good enough in terms of quality and price. As the United States confronts this challenge, it is not enough to say, “Don’t take the Huawei offer.” Instead, U.S. leaders must enable an alternative coalition of Western countries to provide a competitive price and quality solution.

Building a Mineral and Mining Strategy

Mining and minerals will be the “new oil” under a carbon transition. At the same time, the United States and the West are not going to move from partial dependence on a series of countries that control large amounts of oil and gas to dependence on China, which controls the majority of mines and mineral processing globally. Many of the world’s minerals are located in the Global South: for example, the Democratic Republic of the Congo accounts for around 70 percent of the world’s cobalt, and Indonesia has close to 40 percent of the world’s nickel. Importantly, critical minerals are almost completely processed in China, and the supply chains are heavily concentrated in China as well. While, China is making investments to control 30-40 percent of the global supply of rare earth element production. All of this significantly complicates the West’s efforts in its energy transition from hydrocarbons and its ability to exert geopolitical influence in this realm as these minerals are critical for the production of electric vehicles and other green energy technologies.

Removing Bureaucratic Barriers to Success

Building lasting partnerships in the Global South

Restructuring the Aid Approach for the Pacific Islands

The United States is not adequately engaging the Pacific Islands—a region the size of Africa with many geostrategic implications. In July 2022, the United States agreed to triple aid for the region to $60 million a year for the next 10 years. In 2023, the White House announced it was working with Congress to commit more than $8 billion to the region. The financing would help with maritime security, climate change issues, and illegal fishing. Still, as the United States has been neglecting the region for decades, the financing is too little, too late. Due to decades of U.S. disengagement, some Pacific Island leaders have pivoted to China, allowing it to fill security and trade voids within the region. China tried to sign a sweeping security and trade deal with 10 nations within the Pacific, though it was unsuccessful.

The United States urgently needs to do more, including providing more flexibility for government bodies such as the U.S. Agency for International Development (USAID) or the Department of Defense to tackle grant financing or fund critical infrastructure projects.

Building a Strategy for Undersea Cable Networks

The United States has not played effectively in building and financing undersea cables—the primary network for voice, data, and internet connectivity—or determining which government agency should take the lead. The United States and China have been waging a soft power underwater cable war as both nations have been fighting for networks and contracts. In 2020 China almost successfully landed a deal with three Pacific nations—Nauru, Kiribati, and Micronesia—to build the East Micronesia Cable, but the plan was eventually upended as Washington warned of security risks. The United States, Australia, and Japan eventually took over the project and agreed to revive it. Although the United States will see more of these challenges, it does not have a complete answer to the war of submarine cable systems.
demands a positive, forward-looking agenda that adjusts the U.S. way of operating in the region to meet the moment.

A good start is for the United States to streamline its bureaucracy to a decisive strategy and remove any red tape. The petty bureaucratic infighting adds to the indecision and costs time. China knows this and uses internal U.S. tensions as an effective weapon. The United States should not be doing business as usual with China, and this means it does not have the luxury of time. Instead, the United States should be on a war footing: the CCP clearly understands this, so why doesn’t the United States?

The United States also needs to provide “one-stop shopping” by clearly marketing to countries in the Global South a palette of services free of bureaucratic formalities. Perhaps a way to unclog this financing is for the U.S. government to remove interagency barriers and streamline interagency work so that, for example, the U.S. International Development Finance Corporation, USAID, and the U.S. Trade and Development Agency all work in a more unified way.

At the moment, the United States is playing from behind in the Global South. Given the uneven terms of the competition, it must pursue an overhaul of its tool kit and approach. The steps outlined here should be at the forefront of U.S. and Western strategy for enhancing competitiveness in a region that will be a primary factor for prosperity and security in the twenty-first century.