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# CHINA'S VISION OF VICTORY

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Last week's Behind the Markets episode featured Dr. Jonathan Ward, founder of the Atlas Consulting Group and an expert on China. Dr. Ward authored the book *China's Vision of Victory* and has been consulting with U.S. policy experts on China's ambitions and strategic goals.

Dr. Ward studied China and India relations at Oxford University and spent 10 years in Asia before returning to Washington, DC, to consult with the Department of Defense and Fortune 500 companies on how to think about the long-term U.S.-China strategy.

Dr. Ward published Chinese Communist Party (CCP) documents that outline China's goals of a great rejuvenation. Ward believes China feels humiliated by foreign empires, but they desire to regain global supremacy and, in their view, their rightful place in dominating the international system. China's CCP wants to have the world's leading economy and top military and be the leading technological superpower. He also contends that China looks at the U.S. as the main obstacle to realizing their ambitions.

Increasingly, there is a view that China represents an adversarial relationship for the United States. Dr. Ward sees China being explicit in building out military power, and just recently, President Xi Jinping was talking to its marines about preparing for war. There were recent border skirmishes with India that signaled the first use of Chinese troops in the 21st century, but in the 20th century, China went to war with the USSR, India and Vietnam, and against the United Nations and United States in the Korean Peninsula.

Ultimately, Ward sees China trying to consolidate a new trading system with the Belt and Road Initiative, while expanding their manufacturing and industrial output via the "Made in China 2025" strategic plan.

Ward sees a civil-military fusion in China that ultimately connects all companies to military ambitions, and this is one of the reasons he believes it is dangerous to be investing in China. Ward points to logistic companies and technology companies being converted into military uses and says that investors are funding the buildup of a hostile power.

Ward thinks the bottom line is that the U.S. has to sanction China to cut down its ability to wield geopolitical power and that the next arrow in our quiver will be access to funding cut off by the [Treasury](#). What President Trump did with trade was just the start of tensions that may escalate further.

This was a really important conversation on the key relationships and risks for Chinese investments specifically and emerging market allocations more broadly.

This will be a topic we come back to on our podcast. You can listen to the full conversation below.

Behind The Markets Podcast: Jonathan Ward

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