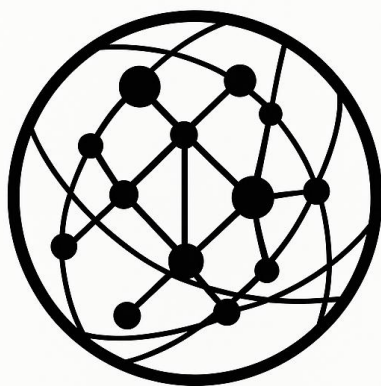


Policy Brief

Series Information:
This policy brief is part of the EPINOVA Policy Brief Series on Strategic Competition, AI-Enabled Warfare, and Information Conflict.

Recommended Citation:
Wu, Shaoyuan (2026), *Operational Control versus Systemic Connectivity: The Emerging Structure of U.S.–China Competition under Networked Warfare*, Policy Brief No. EPINOVA–2026–PB–65, Global AI Governance and Policy Research Center, EPINOVA LLC. <https://doi.org/10.67037/epinova.pb.2026.065>

Disclaimer:
This policy brief is an institutional publication of EPINOVA, prepared by Dr. Shaoyuan Wu in his capacity as Director of the Global AI Governance and Policy Research Center, EPINOVA LLC. The analysis is based on publicly available information and scenario-based analytical estimates and does not represent the official position of any government. The publication is intended solely for research and policy discussion purposes and does not constitute legal, military, operational, or sanctions-compliance advice.



GLOBAL AI
GOVERNANCE
RESEARCH CENTER



Operational Control versus Systemic Connectivity:
The Emerging Structure of U.S.–China Competition under Networked Warfare

Author: Shaoyuan Wu
Affiliation: Global AI Governance and Policy Research Center, EPINOVA LLC
Date: July 30, 2026

Key Judgments

- **U.S.–China competition under networked warfare is becoming functional as well as geographic.** The two powers can shape the same cross-theater conflict environment without acting as opposing belligerents in the same war.
- **The United States remains the principal operational-control center: it can integrate alliances, intelligence, bases, logistics, targeting, and scarce high-end forces across theaters.** The same architecture creates exposure to inventory pressure, long logistics, alliance divergence, and competing regional commitments.
- **China is becoming a major systemic-connectivity node rather than an equivalent military command center.** Its influence rests on industrial depth, energy and trade relationships, logistics alternatives, and diplomatic access across partially aligned actors.
- **The central competition is not simply U.S. technology versus Chinese manufacturing.** It is a contest between the capacity to organize high-end military action and the capacity to sustain, reroute, repair, and regenerate the wider system under prolonged disruption.
- **Neither form of power is sufficient by itself.** Washington must add affordable scale, repair depth, and replenishment to high-end capability; Beijing must convert industrial and commercial centrality into reliable, interoperable, and politically usable influence without overextending into unwanted security obligations.
- **The policy challenge differs across actors.** The United States must make operational control more sustainable; China must make systemic connectivity more credible, resilient, and bounded; and middle powers exposed to both systems must reduce the vulnerabilities created by concentrated dependence on either.

Executive Summary

U.S.–China strategic competition is commonly framed through the Indo-Pacific or through bilateral comparisons of military platforms, technology, and economic scale. That framing is increasingly incomplete. The Russia–Ukraine war, the U.S.–Israel–Iran conflict, Red Sea instability, Caspian insecurity, and Indo-Pacific deterrence remain distinct, but they increasingly draw on overlapping stocks, tanker and surveillance fleets, transport networks, industrial inputs, energy routes, and political attention. The two powers are therefore being drawn into the same wider conflict environment even when they are not confronting one another directly.

Policy Brief

This brief argues that the emerging structure is best understood through two different forms of functional centrality. The United States operates primarily as an operational-control center: it organizes high-end military action through alliances, intelligence, bases, logistics, targeting networks, and cross-theater allocation. China functions increasingly as a systemic-connectivity node: it affects how production, trade, energy, logistics, and diplomatic access adjust to disruption across actors that do not form a coherent bloc.

The distinction is analytical, not absolute. The United States remains an industrial and financial power; China possesses advanced military capabilities and an expanding security presence. “Versus” in the title therefore denotes contrasting sources of centrality, not mutually exclusive national models. The long-war question is which actor or coalition can more effectively combine both forms of power.

Recent events illustrate the distinction. The July 2026 U.S. pause after thirteen nights of strikes on Iran did not amount to operational incapacity. Reporting linked the pause to diplomacy as well as concerns over target availability and munitions expenditure; the subsequent resumption of strikes showed that significant strike capacity remained, while leaving the longer-term inventory question unresolved (Reuters, 2026c, 2026e). At the same time, Gulf governments tested whether Beijing could use its economic ties with Iran to support de-escalation and protect key trade routes. China’s access was real, but its willingness and ability to compel restraint remained limited (Reuters, 2026a).

The policy implications differ by actor. The United States must make high-end operational control more sustainable through production, repair, allied capacity, and cross-theater allocation discipline. China must convert systemic connectivity into credible but bounded influence without assuming security obligations it cannot enforce. Middle powers exposed to both systems should reduce concentrated vulnerabilities through diversified suppliers, routes, repair capacity, and clearly defined alignment thresholds.

Why This Matters

Regional wars can become strategically connected before they acquire unified command, common war aims, or a continuous front. Shared interceptors, tanker aircraft, naval deployments, industrial bottlenecks, shipping routes, and political attention can transmit pressure across theaters.

This creates different policy problems for Washington and Beijing. The United States must manage a global security portfolio in which action in one theater can reduce readiness or alliance confidence elsewhere. China must protect trade and energy flows while deciding how much diplomatic or material involvement it can sustain without assuming open-ended security obligations.

Misreading the structure creates two risks: exaggerating Chinese strategic control by treating commercial connectivity as alliance leadership, and understating U.S. vulnerability by assuming military superiority is unconstrained by production, replacement, and cross-theater opportunity costs.

Policy Brief

Analytical Note and Core Definitions

This brief separates confirmed deployments, contracts, official statements, and reported diplomacy from unverified claims about covert transfers, operational causality, or future alignment. It does not assume a China–Russia–Iran military bloc, does not classify commercial traffic as military supply without evidence, and does not infer U.S. operational collapse from a temporary pause.

Networked warfare, as used here, refers to conflict conducted through interconnected military, industrial, logistical, economic, and informational systems. It is broader than network-centric warfare, which conventionally emphasizes the integration of sensors, command systems, and weapons within the battlespace (Wu, 2026d).

A networked wartime system is a cross-theater structure in which military operations, industrial capacity, logistics, energy, information, and diplomatic access become mutually constraining even in the absence of unified command or common war aims.

An operational-control center is an actor capable of organizing military action across an integrated security network. Operational control is used here as an analytical concept; it does not refer to the formal doctrinal authority of operational control, or OPCON, under U.S. military command terminology. A systemic-connectivity node is an actor whose industrial, commercial, logistical, and diplomatic position materially affects how the wider system absorbs and adjusts to disruption. “Center” and “node” are intentionally asymmetric terms: U.S. military centrality includes command and allocation functions; Chinese connectivity centrality does not imply hierarchical control.

1. From Battlefield-Centered Rivalry to Wartime System Competition

Most analysis of U.S.–China military competition begins with a specific theater—usually the Taiwan Strait, the South China Sea, or the Western Pacific. That approach remains indispensable for operational planning, but it is increasingly insufficient for explaining how a major-power contest would unfold in an environment already burdened by simultaneous conflicts elsewhere (Wu, 2026a, 2026b, 2026d).

Networked warfare connects theaters through enabling systems rather than continuous front lines. Air-defense interceptors used in the Middle East cannot simultaneously be held for Europe or the Indo-Pacific. Tankers, surveillance aircraft, naval platforms, and long-range munitions are similarly finite. Industrial inputs, shipping capacity, cyber infrastructure, and political attention also move across regional boundaries (Wu, 2026a, 2026d).

Under these conditions, competition becomes systemic before it becomes directly military. States affect one another through production, allocation, sanctions, shipping, access agreements, and the protection or disruption of shared nodes. The relevant unit of analysis shifts from the isolated battlefield toward the architecture that sustains several battlefields at once (Wu, 2026a, 2026d).

EPINOVA’s earlier assessment identified advanced cross-theater coupling without unified command: Ukrainian personnel and operational experience entered Middle Eastern air-defense networks; Caspian incidents linked Iran and Ukraine; European support facilities entered Iran’s threat discourse; and U.S. resource allocation increasingly connected otherwise distinct wars. The present brief extends that logic to the different functions performed by the United States and China (Wu, 2026a).

Policy Brief**2. The United States as an Operational-Control Center****2.1 What Operational Control Means**

Operational control, as used analytically in this brief, is the capacity to organize and sustain military action across theaters through command, access, intelligence, surveillance, and reconnaissance (ISR), targeting, logistics, alliance coordination, and the allocation of scarce high-end capabilities. It is distinct from formal U.S. military OPCON authority and does not imply complete political control over allies or guaranteed success. It refers to the ability to connect sensors, decision-makers, bases, platforms, and weapons into a functioning operational system (Wu, 2026d).

The United States retains an unusually broad global architecture of alliances, access arrangements, intelligence networks, aerial refueling, forward deployment, naval presence, precision strike, and integrated air and missile defense. These capabilities allow Washington to alter local military balances quickly and coordinate action among partners with different levels of capacity (U.S. Department of Defense, 2025; Wu, 2026d).

2.2 Control Creates Allocation Exposure

The same network that gives the United States reach also exposes it to cross-theater allocation pressure. A globally committed system must decide not only whether it can act, but where, for how long, and at what opportunity cost (Wu, 2026a, 2026b).

The July 2026 pause in U.S. strikes against Iran illustrates the distinction. The pause followed thirteen nights of operations. Public explanations emphasized diplomatic space, while subsequent Reuters reporting cited military advice concerning declining target availability and pressure on U.S. ammunition inventories (Reuters, 2026c, 2026d). The subsequent resumption of strikes confirmed that the pause did not amount to operational incapacity, although it did not resolve the underlying question of long-term inventory sustainability (Reuters, 2026e).

An offensive operation can also generate a future defensive bill. Additional strikes may prompt missile or drone retaliation against U.S. forces and partners, increasing demand for Patriot, THAAD, naval interceptors, surveillance, maintenance, and force protection. The full system cost of offense therefore includes the defensive expenditure it is expected to trigger (Reuters, 2026c; Wu, 2026b).

This mechanism can be summarized as operational option compression: Washington can still act, but fewer options remain simultaneously affordable, sustainable, and compatible with commitments elsewhere (Wu, 2026b, 2026d).

2.3 Industrial Adaptation Is Underway but Incomplete

Washington has begun responding. The FY2026 defense request emphasized munitions, supply-chain resilience, industrial facilities, and production expansion (U.S. Department of Defense, 2025). In July 2026, the Army converted PAC-3 MSE procurement into a seven-year arrangement intended to expand production, while separate initiatives pursued a European PAC-3 maintenance facility and explored additional allied production arrangements (Reuters, 2026f, 2026g).

Policy Brief

These measures matter because production commitments shape deterrence before conflict begins. Yet industrial expansion requires time, skilled labor, energetics, machine tools, qualified suppliers, and predictable demand. A contract creates a pathway to capacity; it does not instantly create stockpiles (McGinn & Dilts, 2026; U.S. Department of Defense, 2025).

The U.S. structural challenge is not the disappearance of high-end superiority. It is the conversion of that superiority into sustainable scale.

3. China as a Systemic-Connectivity Node

3.1 Connectivity as a Form of Strategic Power

Systemic connectivity is the capacity to preserve, redirect, and regenerate relationships and flows across actors that are politically divided but economically interdependent. It includes production, energy demand, trade, transport corridors, communications, and diplomatic access (Wu, 2026c, 2026d).

China is increasingly central to these functions. It is a major commercial and energy partner across the Gulf, the principal destination for Iranian crude exports, an important actor in Eurasian logistics, and a country with exceptional commercial shipbuilding scale and substantial production depth in transport equipment, electrical machinery, and computer and communications equipment (Funairole, 2026; National Bureau of Statistics of China, 2026; Reuters, 2026a).

This position matters because networked conflict spreads pressure beyond military targets. When shipping, energy, industrial inputs, or transit routes are disrupted, an actor able to preserve or redirect flows can affect strategic endurance even without commanding military operations (Wu, 2026c, 2026d).

3.2 Access Is Not Control

China's position should not be exaggerated. Economic relations with Iran do not give Beijing command authority over Tehran. Trade with Gulf monarchies does not make China their security guarantor. Diplomatic access can open channels and reduce transaction costs, but it cannot compel compliance without political willingness and enforcement capacity (Reuters, 2026a).

Reuters reporting on July 30 showed Gulf states testing whether Beijing could restrain Iran and help protect major trade routes. China maintained active diplomacy while avoiding public confrontation with Tehran and binding security commitments. The episode demonstrated both the breadth of Chinese access and the limits of its leverage (Reuters, 2026a).

China's reported direct coordination with the Houthis to facilitate the passage of Chinese tankers through Bab el-Mandeb further illustrates connectivity-based influence: Beijing could secure selective access without assuming responsibility for general maritime security (Reuters, 2026b).

China's role is therefore best understood as conditional systemic leverage: influence that grows as crises become more economic, logistical, and diplomatic, but weakens when outcomes depend on direct military protection or coercive enforcement.

Policy Brief

3.3 Industrial And Logistics Depth

China’s manufacturing scale strengthens connectivity-based centrality. Commercial shipbuilding is the clearest documented example. Its wider industrial base also provides supplier density and potential redundancy across transport equipment, electrical machinery, and computer and communications equipment, although commercial output cannot be treated as immediately deployable military capacity (Funaiole, 2026; Jones & Palmer, 2024; National Bureau of Statistics of China, 2026).

EPINOVA’s July 2026 logistics assessment found increased use of China–Central Asia rail and elevated Caspian activity, while emphasizing that the evidence did not establish that all additional traffic was conflict-driven or Iran-bound. The significance lies in route diversification and institutional learning rather than in replacing Persian Gulf maritime scale (Wu, 2026c).

Repeated use of alternative corridors can improve scheduling, customs coordination, inventory placement, and modal substitution. Over time, these adjustments can reduce the coercive effect of disruption at a single chokepoint, subject to the capacity, security, and political accessibility of the networks involved (Wu, 2026c).

Indicators of Systemic Connectivity:

- **Flow Centrality:** The degree to which an actor occupies a consequential position in energy, trade, logistics, and critical-product flows.
- **Route Substitutability:** The capacity to provide or activate alternative transport, transit, or sourcing pathways when existing routes are disrupted.
- **Supplier Density:** The availability of multiple producers, qualified suppliers, and replaceable components across strategically relevant sectors.
- **Cross-Alignment Access:** The ability to sustain economic, logistical, and diplomatic relations with actors positioned on different sides of a conflict.
- **Adjustment Capacity:** The speed and effectiveness with which production, inventories, and flows can be rerouted, substituted, or reconfigured after disruption.
- **Enforcement Deficit:** The gap between possessing economic or diplomatic access and being able to translate that access into reliable policy compliance.

4. Control versus Connectivity: A Functional Comparison

The comparison does not divide the countries into fixed categories. The United States possesses deep commercial and financial networks; China has increasingly sophisticated military forces. The table identifies their current functional centrality within the emerging conflict environment.

Operational control shapes the immediate conduct of war: who can detect, decide, deploy, strike, and defend. Systemic connectivity shapes how effectively the wider environment can adjust to prolonged disruption, subject to the security, capacity, and political accessibility of the networks involved (Wu, 2026c, 2026d).

The two forms of power can reinforce or undermine one another. Operational control without replenishment can become brittle. Connectivity without protection can remain exposed. Long-war advantage will belong to the actor or coalition that can combine both.

Table 1. Functional Comparison of Operational Control and Systemic Connectivity

Dimension	United States	China
Primary System Role	Operational control and cross-theater allocation	Industrial, commercial, logistical, and diplomatic connectivity
Core Instruments	Alliances, bases, intelligence, surveillance, and reconnaissance (ISR), long-range strike, missile defense, and naval and air power	Trade, energy demand, infrastructure, production, logistics corridors, and diplomatic access
Main Advantage	Rapid high-end integration and force projection	Scale, supplier density, route diversity, and cross-alignment access
Main Vulnerability	Finite inventories, long logistics, alliance divergence, and multi-theater overextension	Limited enforcement capacity, maritime exposure, and constraints on conversion and coordination
Predominant Early-Conflict Effect	Direct and operational	Indirect and system-adjustive
Long-War Requirement	Add affordable scale, repair capacity, and replenishment to high-end capability	Convert industrial scale into integrated, reliable, and politically usable influence

Note: The comparison identifies the predominant form of functional centrality associated with each country in the current networked conflict environment. It does not imply that the United States lacks industrial and commercial connectivity or that China lacks advanced military and operational capabilities. “Operational control” is used as an analytical concept and does not refer to formal U.S. military OPCON authority. “Systemic connectivity” refers to the capacity to preserve, redirect, and regenerate industrial, commercial, logistical, and diplomatic relationships and flows under conditions of disruption.

Sources: Author’s analytical synthesis based on Funaiole (2026), Jones and Palmer (2024), McGinn and Dilts (2026), National Bureau of Statistics of China (2026), Reuters (2026a–g), U.S. Department of Defense (2025), and Wu (2026a–d). Supporting evidence and analytical qualifications are detailed in Sections 2–3 and the References.

5. Five Emerging Tendencies of Long-War Competition

The following tendencies are analytical propositions derived from recent conflicts and prior research; they are not presented as universal laws of war.

- **Tendency 1: Initial superiority is not the same as durable advantage.** High-end integration can dominate the opening phase, but duration raises the relative importance of production, repair, replacement, logistics, and political endurance (McGinn & Dilts, 2026; Wu, 2026b).
- **Tendency 2: Flows become more important as stocks decline.** Initial inventories shape early options; sustained production and delivery determine whether those options remain available (U.S. Department of Defense, 2025; Wu, 2026b).
- **Tendency 3: Defensive success can mean changing the exchange ratio.** A defense need not achieve perfect interception if it forces repeated attacks, additional suppression, higher uncertainty, or a slower operational tempo (Wu, 2026b).
- **Tendency 4: Recovery is a form of combat power.** The ability to restore a function, substitute a node, or reroute a supply chain can matter more than the physical survival of a specific asset (Wu, 2026c, 2026d).
- **Tendency 5: Cross-theater opportunity cost can become a strategic weapon.** An adversary can constrain a globally deployed power without defeating it directly by compelling repeated expenditure across several theaters (Wu, 2026a, 2026b).

Policy Brief

6. Three Strategic Trajectories

6.1 Managed Differentiation

The United States remains the principal security provider within its alliance and partner networks, China protects trade and energy interests, and both avoid linking regional crises to direct bilateral confrontation. Competition remains indirect and can coexist with limited crisis coordination.

- **Principal Trigger:** both powers continue to compartmentalize regional crises.
- **Principal Constraint:** repeated shocks may still create accidental cross-theater linkage.
- **Observable Indicator:** practical coordination on shipping or de-escalation without common enforcement arrangements.

6.2 Competitive Stabilization

Washington and Beijing both seek de-escalation but promote different settlement architectures. The United States emphasizes freedom of navigation, alliance credibility, enforcement, and deterrence. China emphasizes sovereignty, negotiated restraint, trade continuity, and nonalignment. Stabilization itself becomes an arena of strategic competition.

- **Principal Trigger:** both powers begin actively shaping the rules and institutions of de-escalation rather than merely protecting separate interests.
- **Principal Constraint:** incompatible views of enforcement, sanctions, and alliance commitments.
- **Observable Indicator:** parallel diplomatic initiatives, competing monitoring proposals, or rival corridor-security arrangements.

6.3 Adversarial System Alignment

The highest-risk pathway would emerge if China shifted from commercial and diplomatic engagement toward direct military-industrial sustainment of active belligerents, while the United States treated Chinese logistics and supply relationships as part of a hostile war network. Current public evidence does not establish this condition.

- **Principal Trigger:** sustained military support or direct interdiction links previously separate systems.
- **Principal Constraint:** both sides retain strong incentives to avoid general war.
- **Observable Indicator:** operational planning, targeting support, or interdiction explicitly connecting European, Middle Eastern, and Indo-Pacific theaters.

Prospective indicators of movement toward systemic confrontation

- Sustained Chinese military resupply to a belligerent in direct conflict with U.S. forces;
- Explicit U.S. linkage of Middle Eastern or European conflict planning to Indo-Pacific coercion;
- Coordinated Russia–China–Iran operational planning or targeting support;
- Interdiction or attack against China-linked transport nodes on the basis of belligerent support;

Policy Brief

- Open integration of U.S. and allied allocation plans against a combined Eurasian challenge.

Note: These are prospective indicators, not observed conditions. As of the analytical cutoff, public evidence did not establish an integrated China–Russia–Iran operational mechanism (Wu, 2026a).

7. Policy Implications

The distinction between operational control and systemic connectivity has different implications for the United States, China, and middle powers. The objective is not to prescribe identical policies to actors with different capabilities, but to identify how each can reduce the vulnerabilities created by its own form of strategic centrality.

7.1 Implications for the United States

The United States’ principal challenge is to preserve the advantages of operational control while reducing the allocation, replenishment, and infrastructure vulnerabilities created by global commitments. Its alliance network, intelligence architecture, forward access, and high-end military capabilities provide exceptional operational reach, but they also generate recurring demands across theaters that compete for the same inventories, production capacity, logistics, and political attention. Washington therefore needs to make operational control more sustainable rather than merely more expansive.

A. Immediate Priorities

a. Conduct an Integrated Theater and Inventory Review

Assess European, Middle Eastern, and Indo-Pacific requirements as competing claims on a common force and production base. The review should identify theater-essential systems, substitution options, minimum strategic reserves, and the defensive obligations likely to result from additional offensive operations.

b. Preserve Crisis Communication with China

Maintain communication with China on commercial shipping, dual-use logistics, sanctions enforcement, infrastructure protection, and material support to active belligerents. Clarify the thresholds at which commercial adaptation, logistical assistance, or sanctions evasion could be interpreted as belligerent support, while reducing the risk that coercive enforcement is misread as preparation for wider conflict.

B. Medium-Term Priorities

a. Build a Sustainable High–Low Force Architecture

Preserve premium platforms and interceptors while expanding lower-cost air defense, decoys, unmanned systems, distributed sensors, mobile communications, and modular payloads. Scarce systems should be reserved for threats and targets that justify their strategic and replacement costs.

Policy Brief

b. Expand Allied Production, Repair, and Inventory Coordination

Treat allies as co-producers and recovery partners rather than only purchasers, hosts, or recipients of U.S. protection. Common standards, licensed production, regional maintenance centers, shared component inventories, and protected mechanisms for exchanging aggregate information on stockpiles, repair capacity, and replenishment timelines can distribute the burden of prolonged operations without disclosing operationally sensitive details.

C. Long-Term Priorities

a. Rebuild Industrial Mobilization and Enabling Infrastructure

Invest in skilled labor, energetics, machine tools, qualified suppliers, reserve production lines, ports, electricity networks, communications, cloud infrastructure, and critical-material supply. Mobilization capacity and infrastructure resilience should be treated as standing components of deterrence.

b. Make Endurance a Primary Measure of Deterrence

Evaluate not only whether the joint force can prevail in an initial campaign, but whether it can sustain operations while another theater remains active. Deterrence assessments should include production, repair, transport, alliance cohesion, and political tolerance for prolonged expenditure.

7.2 Implications for China

China's principal challenge is to convert systemic connectivity into credible and bounded strategic influence. Its industrial scale, trade relationships, logistics links, and diplomatic access provide influence across politically divided environments, but economic access does not automatically generate political compliance, military protection, or crisis-management authority. Beijing therefore needs to strengthen the resilience and usability of its connectivity without assuming security obligations it cannot enforce.

A. Immediate Priorities

a. Clarify the Limits of Chinese Security Commitments

Distinguish among commercial protection, diplomatic engagement, evacuation assistance, maritime coordination, military support, and formal security guarantees. Ambiguity may preserve short-term flexibility, but it can also create expectations that China is unwilling or unable to meet.

b. Separate Commercial Connectivity from Belligerent Support

Establish clearer criteria for distinguishing legitimate trade, humanitarian supply, dual-use commerce, and material support to active belligerents. Greater clarity would reduce the risk that China-linked shipping, infrastructure, or logistics networks become targets of interdiction or secondary sanctions.

Policy Brief

B. Medium-Term Priorities

a. Strengthen Alternative Logistics and Recovery Networks

Improve customs coordination, multimodal transfer capacity, insurance arrangements, maintenance support, emergency scheduling, and inventory placement across Central Asian rail and Caspian multimodal corridors. The objective should be redundancy rather than the unrealistic replacement of maritime trade at full scale.

b. Improve the Conversion of Industrial Capacity into Strategic Usability

Industrial scale becomes strategically meaningful only when products can be standardized, secured, repaired, transported, and integrated into emergency or operational systems. China should emphasize interoperability, quality assurance, secure communications, maintenance networks, and rapid reconfiguration rather than aggregate output alone.

C. Long-Term Priorities

a. Reduce Maritime and Chokepoint Exposure

Diversify energy sources, transport routes, strategic reserves, port access, and emergency import arrangements. Greater redundancy would reduce the tension between China's expanding continental logistics networks and its continuing dependence on vulnerable maritime routes.

b. Build Credible but Bounded Crisis-Mediation Capacity

Develop clearer monitoring procedures, defined commitments, technical verification, and follow-up mechanisms while avoiding open-ended security guarantees. China's systemic influence will be more credible when it produces measurable outcomes without creating obligations it cannot enforce.

7.3 Implications for Middle Powers

For middle powers exposed to both systems, the principal challenge is to preserve strategic autonomy while remaining dependent on partially overlapping U.S.-linked security networks and China-linked production, trade, and infrastructure networks. Their objective should not be passive neutrality or complete self-sufficiency, but diversified dependence: reducing exposure to any single supplier, route, security provider, or political alignment while retaining access to multiple systems.

A. Immediate Priorities

a. Map Dual Dependencies and Alignment Risks

Identify where national security depends on U.S. intelligence, weapons, logistics, and diplomatic support, and where economic continuity depends on Chinese trade, infrastructure, industrial inputs, and energy demand. Governments should also clarify which forms of basing, transit, sanctions participation, military supply, or commercial support would constitute alignment during a major-power crisis.

Policy Brief

b. Establish Emergency Procurement and Communication Mechanisms

Prepare legal authorities for rapid procurement, supplier substitution, emergency stock release, temporary export controls, and infrastructure protection. Maintain political and technical channels with both Washington and Beijing on shipping, sanctions, dual-use trade, evacuation, and infrastructure security.

B. Medium-Term Priorities

a. Diversify Suppliers, Routes, and Maintenance Capacity

Diversify not only suppliers but also transport routes, payment channels, energy sources, communications providers, spare-parts stocks, and maintenance facilities. Domestic repair capacity may be more valuable during prolonged disruption than additional ownership of high-end platforms.

b. Build Selective Strategic Autonomy through Regional Cooperation

Identify a limited number of functions that must remain nationally controllable, including energy continuity, military communications, cyber recovery, port operations, and emergency logistics. Regional institutions can pool stockpiles, maritime awareness, maintenance hubs, insurance arrangements, and emergency procurement.

C. Long-Term Priorities

a. Avoid Exclusive Dependence on a Single Strategic Network

Reliance on one security provider or one economic system may create efficiency in peacetime but vulnerability during systemic conflict. Middle powers should diversify partnerships while avoiding incompatible commitments that would undermine their credibility.

b. Invest in Recovery Capacity

Infrastructure protection should be complemented by the ability to restore electricity, communications, transport, data, ports, and industrial functions after disruption. Recovery capacity is increasingly a core component of strategic autonomy and national power.

The policy challenge is not identical for all actors. The United States must make operational control more sustainable; China must make systemic connectivity more credible, resilient, and bounded; and middle powers exposed to both systems must reduce the vulnerabilities created by concentrated dependence on either. Reducing escalation risk within an increasingly networked conflict environment will depend on whether each actor recognizes not only the advantages of its position, but also the costs, limits, and obligations that accompany strategic centrality.

Policy Brief

8. Limitations

First, open-source reporting provides uneven visibility into stockpiles, production rates, military planning, and covert transfers. The analysis therefore identifies structural tendencies rather than precise balance estimates.

Second, commercial industrial capacity cannot be converted directly into military capability. Quality standards, secure software, trained personnel, command integration, logistics, and operational learning remain essential.

Third, the current conflicts are illustrative rather than determinative. They reveal mechanisms of cross-theater coupling but do not reproduce the scale, geography, or intensity of a direct U.S.–China war.

Fourth, the operational-control/systemic-connectivity distinction is not a permanent national typology. Both countries can adapt, and the balance between the two forms of power will change with policy, alliances, technology, and conflict duration.

Conclusion

U.S.–China competition under networked warfare is moving beyond a battlefield-centered model. The two countries increasingly influence the same wider conflict environment through different structural functions.

The United States remains the more capable operational-control center. It can organize alliances, integrate intelligence, allocate high-end military power, and alter the immediate balance in distant theaters. China is becoming a more consequential systemic-connectivity node. Its industrial scale, trade relationships, energy demand, logistics links, and diplomatic access affect how the wider system absorbs and adjusts to prolonged disruption.

Neither role guarantees strategic success. The United States can act decisively but faces cross-theater allocation and replenishment pressures. China can remain connected to multiple sides but has limited ability to compel restraint or provide security. The future balance will turn on whether Washington can add sustainable scale to high-end control and whether Beijing can translate connectivity into reliable flows, stabilization, and partner influence without assuming obligations it cannot enforce.

The defining competition is therefore not operational control against systemic connectivity as mutually exclusive alternatives. It is a race to combine them. The actor that can fight, sustain, recover, reroute, and adapt without losing political freedom of action will occupy the stronger position in the emerging networked wartime system.

Policy Brief

References

- Funairole, M. P. (2026, July 22). Charting a new course: Countering China’s dominance in global shipbuilding. Center for Strategic and International Studies. <https://www.csis.org/analysis/charting-new-course-countering-chinas-dominance-global-shipbuilding>
- Jones, S. G., & Palmer, A. (2024, March 6). China outpacing U.S. defense industrial base. Center for Strategic and International Studies. <https://www.csis.org/analysis/china-outpacing-us-defense-industrial-base>
- McGinn, J., & Dilts, A. J. (2026, July 6). Is the industrial base on a wartime footing? A progress report. Center for Strategic and International Studies. <https://www.csis.org/analysis/industrial-base-wartime-footing-progress-report>
- National Bureau of Statistics of China. (2026, July 17). Industrial production operation in June 2026. https://www.stats.gov.cn/english/PressRelease/202607/t20260717_1964159.html
- Reuters. (2026a, July 30). Can China restrain Iran? Gulf states test Beijing’s influence. <https://www.reuters.com/world/china/can-china-restrain-iran-gulf-states-test-beijings-influence-2026-07-30/>
- Reuters. (2026b, July 28). China in touch with Yemen’s Houthis to allow ships to sail through Red Sea, sources say. <https://www.reuters.com/world/china/china-touch-with-yemens-houthis-allow-ships-sail-through-red-sea-sources-say-2026-07-28/>
- Reuters. (2026c, July 26). Iran says it will halt strikes as long as US bombing pause holds. <https://www.reuters.com/world/asia-pacific/iran-will-halt-attacks-long-us-maintains-pause-iranian-source-says-after-trump-2026-07-26/>
- Reuters. (2026d, July 27). US-Iran pause, fast fashion and Rohingya schools [Audio podcast episode]. <https://www.reuters.com/podcasts/us-iran-pause-fast-fashion-rohingya-schools-2026-07-27/>
- Reuters. (2026e, July 30). US military says latest strikes on Iran last two hours, hitting dozens of targets. <https://www.reuters.com/world/middle-east/us-carries-out-fresh-iran-strikes-centcom-says-2026-07-30/>
- Reuters. (2026f, July 7). US plans PAC-3 missile maintenance facility in Europe. <https://www.reuters.com/business/aerospace-defense/us-talks-europe-missile-co-production-source-says-2026-07-07/>
- Reuters. (2026g, July 29). US strikes \$58.6 billion Patriot missile deal amid rising stockpile concerns. <https://www.reuters.com/business/aerospace-defense/army-awards-lockheed-martin-586-billion-largest-ever-pac-3-patriot-missile-deal-2026-07-29/>
- U.S. Department of Defense. (2025, July). Defense budget overview: Fiscal year 2026 budget request. Office of the Under Secretary of Defense (Comptroller). https://comptroller.defense.gov/Portals/45/Documents/defbudget/FY2026/FY2026_Budget_Request_Overview_Book.pdf
- Wu, S. (2026a). From separate wars to linked battlefields: The emerging risk of continentalized conflict (EPINOVA Policy Brief No. EPINOVA–2026–PB–64). Global AI Governance and Policy Research Center, EPINOVA LLC. <https://doi.org/10.67037/epinova.pb.2026.064>
- Wu, S. (2026b). Industrial war and network war: Operational logics in the Russia–Ukraine war and the U.S.–Israel–Iran conflict (EPINOVA Working Paper No. EPINOVA–WP–F–2026–06). Global AI Governance and Policy Research Center, EPINOVA LLC. <https://doi.org/10.5281/zenodo.18972327>
- Wu, S. (2026c). A preliminary assessment of eastward and northward logistics alternatives under Hormuz pressure: The China–Russia–Central Asia–Caspian network (EPINOVA Policy Brief No. EPINOVA–2026–PB–63). Global AI Governance and Policy Research Center, EPINOVA LLC. <https://doi.org/10.67037/epinova.pb.2026.063>
- Wu, S. (2026d). Systemic warfare in the networked age: Operational systems, information competition, and cumulative pressure (EPINOVA Working Paper No. EPINOVA–WP–F–2026–07). Global AI Governance and Policy Research Center, EPINOVA LLC. <https://doi.org/10.5281/zenodo.19078936>