

مُنْتَدَى الْأَقْتَصَادِيِّينَ الْعَرَبِ

Cercles des Economistes Arabes

NEO-CONTAINMENT

STRATIFIED COMPETITION
UNDER STRUCTURAL INTERDEPENDENCE

Joseph Jarrouche

October 2026



Political Economy and
Strategic Infrastructure Series

NEO-CONTAINMENT

or

STRATIFIED COMPETITION UNDER STRUCTURAL INTERDEPENDENCE

*Understanding the Architecture of International Relations
through the United States-China Rivalry and the Fate of American Hegemony*

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ABSTRACT

This article advances *neo-containment* as a theoretically distinct and empirically grounded category in International Relations, and offers a framework to understand the architecture of international relations in an increasingly reticular world, the American strategy of constraint against China, and the current trajectory of United States hegemony. Departing from the prevailing ‘*new Cold War*’ analogy and refining the recent scholarship on great-power competition for network centrality, the paper makes a single principal claim: ***the form a hegemon’s containment strategy takes is a function of two structural variables, the degree of its economic interdependence with the challenger, and the distribution of network centrality between them.*** Where the challenger is economically central rather than isolated, classical containment is structurally foreclosed, and the hegemon is driven toward selective constraint, or *neo-containment*. The paper recovers a forgotten intellectual lineage: that *neo-containment* is the descendant not of George Kennan’s militarized containment codified in NSC 68, but of Kennan’s earlier and subtler 1948 doctrine of ‘*political warfare*,’ independently rediscovered today by the French strategic school (Burkhard, Moinet, Chauvancy), the Chinese theory of ‘*unrestricted warfare*’ (Qiao and Wang), and the network-power scholarship of Farrell and Newman. From this recovery the paper develops its central contribution: a formal framework of ***Stratified Competition under Structural Interdependence*** (SCSI), defined by horizontal segmentation across functional domains, vertical gradation along a competition-contestation-confrontation spectrum, structural interdependence as both constraint and weapon, and gray-zone hybridization at domain interfaces. A corollary mechanism, the ***Dual Chokepoint Dilemma***, explains why *neo-containment* yields a permanently unstable competitive equilibrium rather than victory. The argument is tested against the dense 2023-2026 record: the war in Gaza; the China-U.S. semiconductor and rare-earth export-control escalation and its serial suspension at Busan, Beijing and Washington; the Iran war, the Strait of Hormuz crisis, and the energy-financial constraint layer; the collapse of the Islamabad Memorandum and the Houthi seizure of the Bab el-Mandeb littoral; Operation Sindoor and South Asian nuclear brinkmanship; and the operational paralysis of the India-Middle East-Europe Corridor since the 7th October 2023. In the proposed framework, a four-category typology of systemic swing states (autonomous balancers, revisionist disruptors, hedging arbitrageurs, latent swing states) replaces the binary alignment logic the period’s events have falsified. The paper concludes that American primacy faces erosion not through military defeat, foreclosed by the *nuclear-Thucydidean paradox*, but through the slow institutional disaggregation of the Western normative and financial architecture, with the binding constraint being the domestic political sustainability of the containment effort itself.

Keywords: neo-containment; political warfare; stratified competition; structural interdependence; reticular world; weaponized interdependence; network centrality; dual chokepoint dilemma; Thucydides trap; power transition; strategic autonomy; swing states; gray zone; IMEC; Belt and Road; Abraham Accords; Hormuz; Bab el-Mandeb; Makkah Joint Defense Agreement; rare-earth controls; American hegemony.

I. INTRODUCTION: THE TYRANNY OF THE FAMILIAR ANALOGY

When an established power confronts a rising one, the instinct of statesmen and scholars alike is to reach for *Thucydides' Trap*, or to fetch the nearest precedent and bend the frameworks of the past to the problems of the present. As the rivalry between Washington and Beijing grows, speculation as to the fate of American hegemony rises and falls with every deal, declaration, operation and war America wages, from Caracas to Tehran, to Taiwan or Havana and beyond. In Washington, Brussels, and the think-tank archipelago that operates between them, the nearest precedent is the *Cold War*, the infamous USA-USSR rivalry and the strategy summoned is *Containment*. The vocabulary is everywhere: a '*new Cold War*,' a '*second Cold War*,' a '*new containment*' of China and its authoritarian axis of allies. The appeal of the analogy is precisely its familiarity. It supplies a ready-made grammar of blocs and balances, of patient pressure and promised victory, a romanticized account of the triumph of the '*free world*,' which resonates with the memory of a contest the West is remembered to have won.

This article argues that the analogy is not merely imperfect but actively misleading, and that the misdirection carries consequences for theory, warfare and statecraft alike. The Cold War was a contest between two economically separate worlds. The contemporary rivalry is a contest waged inside a single, densely integrated one: a *reticular world*. The Soviet Union was a military colossus and an economic *cul-de-sac*, sealed behind an iron curtain of its own construction; on the other hand, China is the manufacturing powerhouse of the planet, the indispensable processor of its critical minerals, the largest trading partner, creditor, and supplier of most states, and a market woven into the metabolism of the very economies that fear its rise. To speak of '*containing*' such a power as Kennan's generation contained the USSR is to mistake the structure of the problem: ***structural interdependence in a reticular world***.

Schindler and his seventeen co-authors, in their widely cited account of the '*Second Cold War*,' argue that the United States and China no longer compete to incorporate territory into rival blocs, as in the first Cold War, but compete on a global scale for centrality in four interrelated networks (*infrastructure, digital, production and finance*) that each anticipates will underpin hegemony in the twenty-first century. They draw the sobering conclusion that this mode of competition makes it difficult for either side conclusively to win, and that most states will remain integrated with both.^[1]

This is an essential advance, but it is incomplete in three respects that this paper sets out to remedy. It identifies the ***horizontal field of competition, the networks***, without theorizing ***the vertical dimension of intensity*** along which competition in each network escalates from mere rivalry to tangible confrontation. It captures the ***spatial logic of connectivity*** without integrating the ***strategic logic*** of how states actually fight in this terrain, a logic the French and Chinese strategic schools have theorized with more precision than the Anglophone literature. Additionally, it was written before the events of the years 2024, 2025 and 2026, thus, it could not test its claims against the most consequential stress test the new competitive order has yet undergone.

This article supplies all three. It is organized around a clear proposition and a set of derived hypotheses, stated in Section II. Section III recovers the intellectual lineage of neo-containment, arguing that its true ancestor is not the militarized containment of NSC 68 but the '*political warfare*' doctrine Kennan himself authored in 1948, a recovery that reframes the entire debate. Section IV sets out the three-pillar theoretical framework. Section V develops the central contribution, the framework of ***Stratified Competition under Structural Interdependence***, with its governing mechanism, the ***Dual Chokepoint Dilemma***. Section VI tests the framework against the 2023, 2024, 2025 and 2026 record. Section VII refines the typology of the states whose alignments inflect the global contest for hegemony. Section VIII assesses the fate of American hegemony through three scenarios and a closing historical analogy. Section IX states the original contributions of this article, and Section X concludes.

II. RESEARCH DESIGN: EXPECTATION, VARIABLES, AND HYPOTHESES

This section states the paper's expectation, identifies its variables, derives testable hypotheses from theory and specifies the observable implications by which each could possibly fail against the test of geopolitical realities.

2.1 The Central Expectation

The paper's governing expectation is structural rather than ideological. It holds that the form a hegemon's strategy of constraint assumes is determined by two structural conditions of the rivalry, and not chiefly by the preferences of particular administrations or the character of particular leaders:

*The greater the **economic interdependence between hegemon and challenger**, and the more evenly distributed the **control of critical network nodes** between them, the less a hegemon can pursue **containment-as-isolation**, and the more it is driven toward **containment-as-selective-constraint**, a strategy that competes for the **commanding heights of networks** rather than for the partition of territory, and that accepts **permanent rivalry** and **continued integration** as its operating environment rather than seeking the rival's systemic collapse.*

2.2 Key Variables

The independent variables are two. The first is **structural interdependence**: the degree to which the economies of hegemon and challenger, and of the hegemon's essential partners, are mutually embedded in shared chains of production, finance and supply, such that the rival's isolation would impose grave costs on the isolating coalition itself. The second is the **distribution of network centrality**: the extent to which each side controls indispensable nodes, or chokepoints, in the infrastructural, productive, financial and digital networks through which the modern global economy and military power flow: the race to artificial intelligence, the semiconductor design-and-lithography chain, rare-earth refining, financial clearing and settlement, maritime corridors, and subsea data cables.

The dependent variable is the **form of the hegemon's strategy of constraint**, arrayed on a continuum from **classical containment** (comprehensive isolation aimed at the rival's systemic collapse), through **neo-containment** (selective, multi-domain constraint accepting integration and permanent rivalry), to **accommodation** (integration without strategic competition).

The intervening variables are the strategic doctrines through which constraint is operationalized (from deterrence by denial, to weaponized interdependence, alternative connectivity architectures, and mini-lateral coalition building) and the principal scope condition is the presence of nuclear weapons on both sides, which caps the rivalry's vertical escalation and is examined in Section IV.

2.3 Hypotheses

Five hypotheses follow from the central expectation, each grounded in an established research tradition.

H1 - Structural Non-Equivalence. Because the challenger is economically central rather than isolated, the hegemon will not pursue comprehensive decoupling but the selective targeting of narrowly defined strategic nodes. *Grounded in Waltz's structural realism and Farrell-Newman network theory, disconfirming evidence would be a sustained, economy-wide Western embargo of China comparable to the Cold War isolation of the USSR.*

H2 - The Dual Chokepoint Constraint. Where both sides control critical nodes, each round of mutual weaponization will generate not full deployment but negotiated, reciprocal de-escalation, because the costs of comprehensive use exceed the strategic gain. *Grounded in interdependence theory and the logic*

of mutual vulnerability, disconfirming evidence would be either side durably severing the other's access to a critical node it controls and absorbing the blowback.

H3 - Stratification. Competition will proceed simultaneously at different intensities across functionally distinct domains, from cooperative in one, to contested in another and near-confrontational in a third, rather than escalating or de-escalating as a single linear continuum. *Grounded in the French competition-contestation-confrontation doctrine and hybrid-warfare scholarship, disconfirming evidence would be uniform intensity across all domains, or strict military escalation.*

H4 - Swing-State Autonomy. A rising power possessing a doctrine of strategic autonomy (i.e. India) will decline incorporation into the hegemon's coalition even under a shared threat from the challenger, and will hedge rather than align. *Grounded in the strategic-autonomy literature and Tellis's critique of the 'India bet,' disconfirming evidence would be India's entry into a strict and binding anti-China alliance or its abandonment of multi-alignment.*

H5 - Hegemonic Trajectory. American primacy will erode, if it erodes, not through military defeat (foreclosed by the nuclear-Thucydidean paradox) but through institutional disaggregation, with the binding constraint being the domestic political sustainability of the containment architecture across a multi-decade horizon. *Grounded in hegemonic-stability and power-transition theory, disconfirming evidence would be either a decisive military resolution or the indefinite, low-friction persistence of unipolar institutional dominance.*

The remainder of the paper develops the framework these hypotheses require and tests them against the 2023-2026 record. The analysis is structured, focused, and comparative: it holds the Cold War case against the present one to isolate the effect of the independent variables, and it treats the events of 2023-2026 as a natural experiment in which neo-containment's premises were placed under maximum stress.

III. THE CONTAINMENT LINEAGE: KENNAN'S TWO DOCTRINES AND THE RECOVERY OF POLITICAL WARFARE

The contemporary international order is no longer structured in a unipolar, bipolar or even multipolar form in the classical sense; it is increasingly interconnected, strategically networked, and dangerously reticular, with power concentrated at critical nodes of linkage. While major powers may define rules, the actors controlling strategic flows across chokepoints, corridors, cables and energy networks often exercise greater operational influence over the global system. In this world, containment-as-isolation is a suicidal political strategy to adopt and implement.

To establish *neo-containment* as a structurally distinct category, and not a mere updating of an old one or a play on words, requires returning to the origins of containment itself and recovering a part of those origins that the subsequent militarization of the doctrine buried. The argument of this section is that *the contemporary strategy of constraint against China descends not from the containment the West remembers, but from a containment it has forgotten.*

3.1 Kennan's First Doctrine: Containment as Patient Political-Economic Pressure

George Kennan's 'Long Telegram' of February 1946 and his 'X Article,' 'The Sources of Soviet Conduct,' in Foreign Affairs of July 1947 furnished the intellectual architecture of containment. Kennan diagnosed Soviet conduct as the product of ideology and circumstance, a fluid stream that would fill every nook and cranny available to it but accommodate itself to unassailable barriers, and he prescribed the patient, vigilant, long-term application of counter-force at constantly shifting points.^[2] Crucially, in Kennan's original conception *containment was a political and economic enterprise*, not principally a military one. As Leffler's authoritative account documents, the early architects, concluding that they lacked the resources to contain communism everywhere, deliberately prioritized the economic reconstruction of Western Europe, West Germany, and Japan (the Marshall Plan of June 1947) over military rearmament, and sought to erode the appeal of communist parties in France, Italy and Greece by the tangible demonstration of prosperity rather than by force.^[3]

3.2 Kennan's Forgotten Doctrine: The 1948 Theory of Political Warfare

In May 1948, in a now-declassified Policy Planning Staff memorandum widely attributed to Kennan (who, as Director of Policy Planning, presented it to the National Security Council, though the source text itself carries no drafting attribution), the political character of the contest was made explicit, and with it the concept this paper identifies as the true progenitor of neo-containment. The memorandum defined '*political warfare*' as the employment of all the means at a nation's command, short of war, to achieve its national objectives, ranging from overt instruments such as political alliances, economic measures, and 'white' propaganda to covert operations such as clandestine support of friendly foreign elements, 'black' psychological warfare, and the encouragement of underground resistance in hostile states.^[4] This is a strikingly modern formulation: a continuous, multi-instrument contest waged below the threshold of armed conflict, integrating the economic, the informational, the diplomatic, and the covert into a single architecture of influence.

The French strategic tradition developed this concept where the Anglophone one largely abandoned it. As Moinet documents, the French general Jean Némou translated and operationalized Kennan's political warfare as the "*guerre dans le milieu social*," or war through the social milieu, and the contemporary theorist Raphaël Chauvancy extends it further: *a multi-domain architecture recognizing neither geographic nor temporal limit, escaping the classical friend-enemy binary to operate upon 'actors' and 'targets,' and working not upon the consequences of an adversary's action but upon the cognitive and relational mechanisms by which that action is conceived.*^{[5][14]} The recovery matters because it relocates neo-containment's genealogy. The strategy now directed against China is not the descendant of the tanks-and-treaties containment of the 1950s; it is the descendant of Kennan's political warfare, *the contest of all instruments short of war.*

3.3 The Militarization of Containment and Its Eclipse of the Original

The reason political warfare was forgotten is that containment was rapidly militarized. After the Soviet atomic test of August 1949 and the outbreak of the Korean War in June 1950, Paul Nitze's NSC 68 (National Security Council Report No. 68) recast containment as a doctrine of calculated coercion for which military rearmament was the indispensable backdrop. NSC 68 is a fifty-eight-page top-secret guidance document presented to Harry S. Truman on 7 April 1950; it is one of the structural documents of American foreign policy during the Cold War, establishing '*containment*' as the organizing priority in the contest against the global expansion of communism. Without superior military power, Nitze argued, containment was no more than a policy of bluff; accordingly, United States defense spending roughly tripled within three years, from about thirteen billion dollars in 1950, to some fifty billion by 1953.^[6] Containment thereafter assumed global, militarized dimensions, with Eisenhower's brinkmanship and covert interventions, Kennedy's flexible response and counterinsurgency, or Johnson's half-million troops in Indochina. The subtle political-economic containment of Kennan's first conception, and the explicit political warfare of his 1948 memorandum, were overlaid and obscured by the apparatus of forward deployment and nuclear deterrence. It is this militarized memory that the '*new Cold War*' analogy now summons, and it is precisely the wrong ancestor for the present contest.

3.4 The Three Structural Preconditions of Classical Containment, and Their Absence Today

Classical containment, in both its political-economic and its militarized forms, rested on three structural preconditions. The argument here is that none obtains in the China case, and that their absence is a difference not of degree but of kind.

The first precondition was *economic separability*. The Soviet Union operated a closed and autarkic economy with negligible integration into global trade, finance or production; it could be isolated because it was already substantially self-isolated. China, by contrast, is the central node of global manufacturing and trade and the dominant processor of the critical minerals on which advanced industry and defense depend today. Beijing controls an estimated 85 to 90 percent of global rare-earth refining and separation capacity (the International Energy Agency puts the figure near 87 percent), a dominance that ceased to be a mere statistic and became a non-negligible strategic data point in 2025, when China's export controls triggered shortages across Western defense, semiconductor, automotive and clean-energy supply chains.^[7] Beijing has since aimed the same instrument at a treaty ally of the hegemon: MOFCOM Announcement No. 1 of 2026 (6 January) banned all dual-use exports to Japan for military end uses, a market that sources roughly 60 percent of its rare earths from China, and Washington has objected repeatedly to the resulting ban.^[42] To isolate China is to sever one's own arteries in today's globalized world.

The second precondition was *technological separability* without prohibitive self-cost. Western technological superiority over the USSR could be sustained through export controls that cost the West relatively little, because the two economies were already disjoint. The recent clashes over semiconductors reveal the opposite condition: the supply chains are so deeply intertwined that the United States can deny China the most advanced computing nodes only by simultaneously constraining the revenues of its own and its allies' firms, while China retaliates through mineral controls that raise the cost of the very weapons intended to balance it. Interdependence has become the medium of coercion rather than its solvent.

The third precondition was *ideological bifurcation*, a fracture within the adversary camp the hegemon could exploit. The Sino-Soviet split, documented exhaustively by Lüthi and others, furnished exactly such a fracture, and Kissinger's triangular diplomacy of 1971-1972 exploited it to enlist China against the Soviet Union.^[8] There is no structural analogue today. The China-Russia alignment, though instrumentally asymmetric, with Russia increasingly the junior partner, has deepened rather than fractured under the common pressure of Western sanctions, and exhibits none of the doctrinal and personal antagonisms that divided Moscow and Beijing in the 1960s. The wedge that made triangular diplomacy possible is absent.

3.5 The False Promise of a Reverse Triangulation

It is precisely the memory of triangular diplomacy that tempts a contemporary error: the notion of a ‘*reverse Kissinger*,’ in which Washington would court Moscow to isolate Beijing. Fernández Aparicio is right to call this a strategic illusion.^[9] In the 1970s the Nixon administration exploited a genuine and bitter Sino-Soviet rupture; today Sino-Russian relations are characterized by strategic alignment and a shared rejection of Western primacy. The structural precondition that made the original maneuver effective, a pre-existing fracture, does not exist and cannot be manufactured by diplomacy. The same author observes the parallel temptation to cast India as the ‘*new China*’ of a reverse triangulation against Beijing; Section VII shows in detail why this too misreads the structure of the present, and why the events of 2023, 2024, 2025 and 2026 have falsified it.

The conclusion of this section is that the present contest cannot be understood through the militarized containment the West remembers victoriously. Its proper genealogy is Kennan’s political warfare; its structural conditions, deep interdependence, distributed network centrality, the absence of an exploitable fracture, are categorically distinct from those of 1947. What is required is a framework adequate to a strategy of constraint waged inside a single integrated system.

IV. THEORETICAL FRAMEWORK: THREE PILLARS OF NEO-CONTAINMENT

Neo-containment cannot be derived from any single tradition of International Relations theory. It sits at the intersection of three, each of which supplies a necessary element and none of which is sufficient alone. The framework set out here integrates *structural realism*, *power-transition* theory and *network-interdependence* theory into a unified account of how a hegemon constrains an interdependent rival, and specifies what each pillar contributes and where each reaches its limit.

4.1 Structural Realism: The Logic and Limits of Balancing

Structural realism supplies the baseline. In Waltz's formulation, the anarchic structure of the international system compels great powers to attend to the distribution of capabilities and to balance against concentrations of power that threaten their position; Mearsheimer's offensive variant sharpens the expectation that a regional hegemon will act to prevent the rise of a peer competitor in another region. China's material ascent, in gross product, military expenditure, naval tonnage, and technological capacity, generates, on this logic, a predictable balancing response from the United States and the region's second-tier powers. The Quad, the AUKUS submarine and advanced-technology partnership, and the expansion of United States access to Philippine bases under the Enhanced Defense Cooperation Agreement are textbook external balancing; and the Balikatan 2026 exercises of April-May 2026 are its operational expression (the largest iteration to date, drawing more than seventeen thousand troops from seven nations and featuring, for the first time since the Second World War, Japanese combat forces firing anti-ship missiles from northern Luzon, alongside United States HIMARS, NMESIS, and Typhon launchers and live counter-drone engagements in the Bashi Channel facing Taiwan).

Yet structural realism's explanatory reach ends precisely where neo-containment's distinctiveness begins, because the theory presumes a separability of the military and economic domains that the present rivalry does not honor. A state cannot simply balance militarily against a rival that refines the rare earths on which its missiles' guidance systems depend, or whose market absorbs a fifth of its essential partners' exports. The 2025 export-control cycle demonstrated that military balancing and economic interdependence are not parallel tracks to be pursued without friction but a single entangled field in which an advance on one front can open a vulnerability on another. Structural realism tells us why the United States balances; it cannot tell us how it can do so without disarming itself economically. For that, the second and third pillars are required.

4.2 Power Transition and the Nuclear-Thucydidean Paradox

Power-transition theory, from Organski through Gilpin to Allison, adds the temporal dimension that structural realism lacks: instability and the risk of systemic war rise as a dissatisfied challenger approaches parity with the dominant power. Graham Allison, in *Destined for War*, undertakes a detailed survey of five centuries of great-power transitions. Allison's study of sixteen historical transitions, twelve of which ended in war, remains the most arresting empirical regularity in the field, and his '*Thucydides trap*' has organized a decade of debate.^[10]

The core innovation of his analysis is not the mere presence of nuclear weapons, but how nuclear capabilities fundamentally alter state behavior and decision dynamics. Specifically, regarding the Cold War scenario, Allison explicitly states that the rivalry between the United States and the Soviet Union, despite conditions that could have precipitated war, was kept from escalating to actual conflict due in part to the threat posed by nuclear weapons. The reason is structural rather than contingent. *Nuclear weapons impose a ceiling on the vertical escalation of great-power rivalry*: the prospect of mutual annihilation produces what Glenn Snyder long ago named the *stability-instability paradox*, stability at the level of total war purchased at the price of permissiveness for competition and limited aggression below it.^[11] This paper's argument is that neo-containment is the strategic doctrine that corresponds exactly to this paradox. Because the kinetic, system-deciding war is foreclosed, the Thucydidean contest does not disappear; it is transposed downward and outward, into the economic, technological, informational and logistical domains where it can be waged without crossing the nuclear threshold. The trap is not sprung; it is relocated and redistributed horizontally to diffuse the vertical escalation into tangible warfare.

Two features of the 2023, 2024, 2025 and 2026 record refine the temporal claim. First, China's growth has decelerated to 4.3 percent in the second quarter of 2026, its slowest since the end of 2022, against an official target of 4.5 to 5 percent^[42], beneath the rates of the previous decade, and is shadowed by property-sector distress, demographic contraction and youth unemployment; Xi Jinping's October 2025 plenum injunction to seize '*the strategic initiative amid fierce international competition*' reads less as the serene confidence of an ascendant power than as the urgency of a leadership conscious of a narrowing window. The transition may be one in which the challenger fears its moment is passing rather than confidently awaiting it, a configuration that power-transition theory associates with elevated, not diminished, risk of probing behavior. Second, the operative threshold of the contest is not global parity but regional exclusion: whether China can secure sufficient dominance in the western Pacific to foreclose United States primacy there. That narrower objective, and the Taiwan flashpoint at its center, is where the stability-instability paradox bites hardest, and Section VI returns to it.

4.3 Network Interdependence: Centrality as the New Topography of Power

The third pillar is the one the prevailing scholarship has most clearly grasped and the one this paper most directly extends. Farrell and Newman's theory of weaponized interdependence established that the networks of the global economy (financial messaging and clearing, the semiconductor supply chain, fiber-optic infrastructure) are not open, flat and neutral, but hub-and-spoke structures, and that the states which sit astride the hubs can convert that position into coercive leverage through two mechanisms: a '*panopticon effect*' of surveillance and a '*chokepoint effect*' of denial.^[12] Their later account traces how the United States, from 2001 onward, built an '*underground empire*' upon these networks, first against adversaries and then against allies. Schindler and his colleagues generalize the spatial insight into a ***competition for centrality*** across infrastructure, digital, production and finance networks. This is the correct topography of contemporary power: ***the contest is for the commanding nodes of connectivity, not the partition of territory.***

The 2023-2026 record validates the framework and then extends it in a way its authors did not anticipate. What the period reveals is not simply the weaponization of interdependence by one dominant hub but the simultaneous, reciprocal weaponization of distinct chokepoints by both contenders. The United States wields the semiconductor design-and-lithography chokepoint, financial settlement and entity-listing; China wields the rare-earth refining chokepoint, with its October 2025 controls reaching, for the first time, extraterritorially to any product manufactured anywhere containing more than a minimal (0.1 percent) share of Chinese-origin rare-earth content.^[13] Neither hub is comprehensively dominant; each holds a knife at a different artery of the other. This condition of ***mutual asymmetric chokepoint control*** is the structural premise of the mechanism this paper names in Section V, and it is the precise point at which network theory must be supplemented by a theory of the equilibrium that mutual chokepoints produce.

4.4 The Synthesis

Neo-containment is the doctrine that integrates the three pillars. From structural realism it takes the imperative to balance a rising power through distributed military capability and coalition; from power-transition theory it takes the recognition that the kinetic resolution is foreclosed and the contest must therefore be waged below the nuclear threshold; from network theory it takes the insight that the decisive terrain is the control of chokepoints in the networks that underpin both prosperity and military power. What it adds and what no one pillar supplies is an account of how these logics combine into a single, stratified, permanently unstable competitive order. That account is the subject of the next section.

V. STRATIFIED COMPETITION UNDER STRUCTURAL INTERDEPENDENCE

This section sets out the paper's central theoretical contribution. The concept of *Stratified Competition under Structural Interdependence* (SCSI) is presented here as the analytical category adequate to understand the contemporary architecture of international relations, superseding both the familiarity of the 'new Cold War' analogy and the optimism of 'managed coexistence,' and extending the network-centrality scholarship by supplying the dimensions it omits. The section first states what existing frameworks miss, then offers a formal definition, then unravels its four constitutive properties, and finally specifies the governing mechanism that gives the order its characteristic dynamics.

5.1 What Three Existing Frameworks Each Miss

The three bodies of theory mobilized here enlighten part of the contemporary structure and each, alone, distort it. Classical strategic-competition theory captures the military-deterrence and power-transition dimensions but assumes a separability of security and economics that the rivalry violates, and it has no vocabulary for the coercive use of integration. Liberal-interdependence theory captures the constraining force of economic enmeshment but treats interdependence as a brake on conflict and cannot explain its conversion into a weapon. The network-centrality scholarship, certainly the most advanced of the three, maps the horizontal field of competition across networks but does not theorize the vertical dimension of intensity within each, nor the strategic grammar by which the competition is actually waged, nor the equilibrium that mutual chokepoint control produces. SCSI is constructed to hold all of these together.

5.2 The Definition

Stratified Competition under Structural Interdependence (SCSI) denotes a form of systemic great-power rivalry characterized by four properties. (a) **Horizontal segmentation**: competition proceeds across functionally distinct domains (military-deterrence, geoeconomic-network, technological-standard, and normative-institutional) each governed by its own competitive logic and threshold conditions. (b) **Vertical gradation**: within each domain, the rivalry occupies a position on a continuous spectrum from latent competition through active contestation to potential confrontation, and may occupy different positions in different domains at the same moment. (c) **Structural interdependence**: deep economic enmeshment operates simultaneously as the constraint that forecloses comprehensive decoupling and as the medium through which coercive leverage is exercised. (d) **Gray-zone hybridization**: at the interfaces between domains, competition is waged below thresholds of attribution and formal conflict, exploiting the ambiguity between war and peace to impose *faits accomplis* and to paralyze the adversary's situational awareness and decision-making.

5.3 Property One: Horizontal Segmentation across Four Domains

SCSI's first property is that the rivalry is not a single contest but multiple contests proceeding in parallel, each with a distinct logic, threshold and strategic grammar. This refines the network-centrality thesis by specifying the operative logic of each field rather than enumerating them as a flat list.

The *military-deterrence* domain runs on the logic of the security dilemma: capability is read as threat, and investment provokes counter-investment. Its threshold is the first island chain and the maritime approaches to the Asian littoral; its grammar is denial, not the seizure of territory but the imposition of prohibitive cost on an adversary's power projection. The dispersed anti-ship and counter-air postures rehearsed at Balikpapan 2026, and the doctrine of distributed lethality that the Ukraine war validated, are this grammar in practice.

The *geoeconomic-network* domain runs on the logic of weaponized interdependence: control of a node permits coercion through selective disruption. Its threshold is critical supply-chain dependency; its grammar is calibrated denial, the precise, licensing-based throttling of flows to an adversary's defense and high-technology

sectors while commercial flows continue, preserving deniability and limiting blowback. The Chinese rare-earth licensing regime, which by design approves civilian applications while delaying those tied to defense and advanced semiconductors, is the paradigmatic instrument; the United States entity-listing and foreign-affiliate rules are its mirror.

The **technological-standard** domain runs on the logic of innovation capture: decisive advantage in a transformative technology compounds across every other domain. Its threshold is the advanced-node frontier, such as the sub-fourteen-nanometer logic and high-layer memory boundaries written into both United States and Chinese control lists, and its grammar is targeted blockade at the frontier rather than comprehensive denial, intended to preserve a generational lead in artificial intelligence, quantum and advanced computing.

The **normative-institutional** domain runs on the logic of standards and legitimacy: the party whose technical specifications, certification regimes and legal frameworks govern emerging global infrastructure acquires structural power that outlasts any single transaction. Its threshold is critical mass of adoption; its grammar is embedding, the creation of switching costs through the early diffusion of one's own standards. China's export of port-management and surveillance platforms, alongside India's and Europe's promotion of interoperable, rights-compatible standards through the rival corridor architectures, all contest this domain directly, as does the Abraham Accords framework itself, a United States-sponsored normative architecture that, against expectation, expanded through the regional war (Kazakhstan acceding in November 2025, Somaliland pledged thereafter) even as the military domain reached open confrontation. The Gaza track shows the same domain advancing under fire: a ceasefire from October 2025, a Board of Peace of more than two dozen founding members, and on 30 July 2026 an agreement for the complete disarmament of Hamas, phased against Israeli withdrawal and an International Stabilization Force, whose implementation has been slow and whose troop contributions remain minimal.^[45]

5.4 Property Two: Vertical Gradation of The Competition-Contestation-Confrontation Spectrum

SCSI's second and most important refinement of the existing literature is the formal integration of a vertical dimension of intensity, drawn from a strategic tradition that Anglophone literature has underused. In June 2021 General Thierry Burkhard, then Chief of Staff of the French Army and weeks from becoming Chief of the Defense Staff, set out before the National Assembly, and French doctrine has since institutionalized, a **replacement of the linear peace-crisis-war continuum with a non-linear triptych: competition-contestation-confrontation**.

As Moinet explains, the conceptual shift is profound. In the old continuum the states change but, by implication, so may the actors; in the new triptych the actors remain constant while the states interpenetrate and coexist. Competition is permanent and is waged across every domain (economic, social, juridical, commercial, cultural and beyond). The three states correspond to three verbs: **to model, to dislocate, and to destroy**.^[14] Competition operates by modeling, with the insensible inoculation of an adversary with foreign criteria of legitimacy and foreign analytic grids, such that its perception of its own interests is reshaped without its knowledge. Contestation operates by dislocation, where the indirect and covert creation of dependencies and vulnerabilities through information operations, cyber action, economic subversion and proxy destabilization, conducted below the threshold of attribution. Confrontation operates by destruction, as the direct, kinetic engagement of major means, the state in which deterrence has failed and the dialectic of wills is settled by force.

SCSI incorporates this triptych as its vertical axis: **within each horizontal domain, the contest may simultaneously occupy a different point on the competition-contestation-confrontation spectrum**. The United States and China are, at one and the same moment, in guarded competition in the normative domain, in active contestation in the geoeconomic domain, and on the edge of confrontation in the military domain around Taiwan, not in sequence but concurrently. This is the precise sense in which the competition is 'stratified': it is layered both horizontally across domains and vertically across intensities, and the strategic art consists in managing the gradient in each domain so that contestation does not tip into confrontation while competition is pressed to advantage. The injunction that Burkhard borrowed from Sun Tzu, **to win the war before the war** or

to impose one's will in the phase of competition so that confrontation never arrives, is the operating principle of the entire structure.

It is striking, and theoretically significant, that the Chinese strategic tradition arrived at a homologous conclusion from the opposite direction. The 1999 doctrine of '*unrestricted warfare*,' authored by the People's Liberation Army colonels Qiao Liang and Wang Xiangsui, drew from the exhaustion of the Soviet Union the lesson that a rising power should *avoid a ruinous arms race and instead extend the field of conflict to every non-military domain* (economic, financial, juridical, ecological, informational), abolishing the boundary between war and non-war.^[15] That the French and Chinese strategic schools, along with the American network theorists, independently converged on the same structural description of contemporary conflict is the strongest available evidence that SCSi captures something real about the architecture of international relations rather than imposing a category upon it.

5.5 Property Three: Structural Interdependence as Constraint and Weapon

SCSi's third property is the dual character of interdependence, which is at once the binding constraint on the rivalry and the medium of its conduct. As constraint, deep enmeshment forecloses the comprehensive decoupling that classical containment presupposed: the United States and its partners cannot exclude China from their economic systems without inflicting grave costs upon themselves, because the most advanced manufacturing, the deepest consumer markets and the indispensable mineral-processing capacity are entangled across the divide. The containment architecture must therefore be selective rather than comprehensive, by targeting the narrow set of nodes where strategic advantage is most asymmetrically distributed. As weapon, that same enmeshment furnishes the chokepoints through which each side coerces the other. Interdependence is thus not the opposite of conflict, as the liberal tradition assumed, but its terrain.

5.6 Property Four: Gray-Zone Hybridization at Domain Interfaces

SCSi's fourth property is that the sharpest competition occurs not within domains but at their interfaces, where the ambiguity between categories permits effects that no single-domain response can counter. This is what Burkhard called action in the '*immaterial field*,' where all means are licit to weaken, destructure, divide, and delegitimize an adversary and to forestall its rapid decision-making. Chinese rare-earth controls are formally trade policy yet function as economic contestation that degrades military capability without crossing any conventional threshold. Iranian-enabled missile and drone operations against Red Sea shipping are legally attributable to a non-state actor yet generate confrontation-level economic effects. However, reports that China may have supplied man-portable air-defense systems used against United States aircraft during the 2026 Iran war, if borne out, would mark the challenger's material backing of a disruptor at precisely such an interface.^[35] Russian operations against the European periphery with the severing of subsea cables, the financing of front organizations and the targeting of civilian aircraft by fire-control radar, all inhabit the same interstitial space. The purest interface case of the period is the drone strikes of 10 to 11 September 2026 on Saudi Arabia's East-West pipeline, launched from Iraqi territory and blamed by Riyadh on Iranian-backed militias in Iraq, which Riyadh absorbed without retaliation while Baghdad removed the operations commander of Maysan, the governorate from which they were launched: dislocation, in Moinet's sense, at industrial scale.^[39] The gray zone is where SCSi is most dangerous, because it is where the gradations between competition, contestation and confrontation blur, and where miscalculation is most likely to carry the contest upward against the intentions of both parties.

5.7 The Governing Mechanism: The Dual Chokepoint Dilemma

From the conjunction of distributed network centrality and structural interdependence, SCSi generates a characteristic mechanism that determines the dynamics of the entire order. This paper names it *the Dual Chokepoint Dilemma*, and offers it as a corollary contribution alongside the framework itself.

The Dual Chokepoint Dilemma: in a system of structural interdependence in which both the hegemon and the challenger control indispensable but distinct network chokepoints, neither can fully deploy its chokepoint weapon without inflicting upon itself, and upon the partners whose support sustains its

competitive posture, costs that exceed the strategic benefit secured against the adversary. The system is therefore structurally biased toward managed and reciprocal escalation punctuated by negotiated suspension, neither resolving into accommodation nor proceeding to comprehensive rupture.

The dilemma binds in proportion to enmeshment. A chokepoint held by an actor already disconnected from the system it constrains carries no comparable self-cost, so full deployment becomes rational; the gray zone is therefore populated by disconnected chokepoint-holders acting on the challenger's behalf.

The dilemma explains the otherwise puzzling rhythm of the rivalry: the cycle of escalation and suspension rather than either settlement or decisive breach. It is the mechanism that produces SCSI's defining condition, ***a permanently unstable competitive equilibrium***. As the next section shows, the 2023, 2024, 2025 and 2026 record furnishes a near-laboratory demonstration of it.

VI. THE 2023-2026 RECORD: SCSI AND ITS HYPOTHESES UNDER STRESS

Theory that may not be tested remains mere decoration. The four years from 2023 to 2026, bracketed by the Ukrainian inflection of 2022 and put all together by the latest war in the Middle East, subjected neo-containment's premises to stress across every domain SCSI identifies, and in doing so functioned as an involuntary natural experiment. This section tests the framework and its five hypotheses against the arenas of that record: the ignition of 2023 and the chokepoint turn of 2024; the semiconductor and rare-earth cycle of 2025 and its suspension; the Iran war and its 2026 escalation-settlement-relapse cycle; and the paralysis of the IMEC corridor.

A word on periodization. The four years from 2023 to 2026 are treated here as a single natural experiment, because they are bound together by one cascading event, the war in the Middle East, that climbed the strata of the framework in sequence, and because they are bracketed at their opening by the prior inflection that first exposed the logic of the whole order. That inflection was 2022, with Russia's full-scale invasion of Ukraine, and the Western response to it (freezing of central-bank reserves, the expulsion of banks from financial-messaging systems, the weaponization of energy), demonstrated for the first time at great-power scale that interdependence had become the medium of coercion rather than its solvent; and the French command had adopted, the year before, the *competition-contestation-confrontation* triptych this paper takes as its vertical axis.

What 2022 revealed, 2023 to 2026 elaborated. The war in the Middle East, that began with the Hamas operation on the 7th October 2023, did not remain a regional conflict as it ascended the domains of the present framework one by one. In 2023, it struck the *normative-connectivity* domain, paralyzing within weeks the India-Middle East-Europe Corridor announced only the month before. In 2024, it activated the *geoeconomic-chokepoint* domain, as Houthi operations against Red Sea shipping forced roughly a third of container traffic onto the Cape route and turned the Bab el-Mandeb into a live instrument of contestation. In 2025, it reached the *military-deterrence* domain in the twelve-day Israeli-Iranian war, even as the parallel rare earth and semiconductor escalation brought the *dual-chokepoint* dynamic to its peak and Operation Sindoor tested the *nuclear ceiling* in South Asia. And in 2026, it produced the escalation-settlement-relapse cycle, from the Hormuz closure through the Islamabad Memorandum to its collapse and the extension of the war to the Bab el-Mandeb, that the scope-conditioned *Dual Chokepoint Dilemma* of Section 5.7 anticipates at the system's periphery. The same four years contained the rare earth competition cycle, the Maduro reordering, and the Indian hedging episode; but it is the Middle Eastern war that gives the period its spine, as a single conflict reshapes entirely the region, the world and our understanding of the architecture of international relations.

The conflict is currently observed and scrutinized by experts theatre by theatre, and it is still unfolding by the day, through every layer of the modern stratified order this paper attempts to demonstrate.

6.1 The Ignition: Stratification and Interdependence at the Moment of Onset (2023)

The examined period opens in 2023, and the opening is itself a test of the framework's claim that the rivalry is stratified rather than linear, in the structurally intertwined modern world order. Two events fall within a month of one another and pull in opposite directions. On the 9th September 2023, at the New Delhi G20 summit, the United States, India, Saudi Arabia, the United Arab Emirates, and the European Union unveiled the India-Middle East-Europe Economic Corridor, the most ambitious Western move in the *normative-connectivity* domain since the Belt and Road Initiative, an attempt to win the *standards-and-architecture* contest by binding the Gulf into a single high-trust artery. On the 7th October 2023, the Hamas attacks on Israel ignited a war that, within twenty-eight days of the corridor's announcement, rendered its Mediterranean hinge untenable. That a domain-leading initiative and the shock that paralyzed it arrived in the same season and the same region is the stratification thesis in miniature: the normative domain advanced precisely as the military domain ruptured, and the one did not wait upon the other. The year is the empirical birth of the paper's peace-premium critique, developed below, as the corridor was defeated not by a rival corridor but by the very instability its design presumed away.

6.2 The Chokepoint Turn with Gray-Zone Contestation on a Global Strait (2024)

The studied period's second year carried the Middle Eastern war upward into the *geoeconomic-chokepoint* domain and supplied the first full-scale test of the gray-zone hybridization the framework places at domain interfaces. From late 2023 and across 2024, the Houthi movement, an Iranian-enabled non-state actor in Yemen, attacked commercial shipping in the Red Sea and the Bab el-Mandeb strait, forcing roughly a third of global container traffic off the Suez route and around the Cape of Good Hope, lengthening voyages and lifting war-risk premiums across the maritime economy.^[22] The episode is doctrinally exact: a sub-threshold action, attributable to no state, generating confrontation-level economic effects on a global chokepoint without crossing into interstate war, with *contestation conducted through dislocation*, in Moinet's terms, *rather than destruction*. It demonstrated, a full year before the rare earth cycle crisis made the same point in the industrial domain, that in a *reticular economy* the decisive lever is the flow through a strait rather than the possession of territory; and it established the maritime-chokepoint vulnerability that the Iran wars of 2025-2026 would carry to the effective closure of Hormuz. Two years later the Houthis converted flow-control into territory: having declared a blockade of Saudi ports and shipping in the Bab el-Mandeb on the 20th July 2026, they launched an offensive on 3 September that took Mokha and the Hanish Islands and left the entire west coast of Yemen, except the Midi district, under Houthi control. The target was Saudi Arabia's bypass of Hormuz: between March and mid-July, Saudi seaborne crude exports through the Bab el-Mandeb had run eight times higher than a year earlier.^[39] The contrast with the Belt and Road Initiative, whose cargo rerouted onto the Trans-Caspian Middle Corridor under the same shock, is precisely the single-chain-fragility asymmetry discussed below.

6.3 The Semiconductor-Rare Earth Cycle and the Busan Suspension

The clearest demonstration of the *Dual Chokepoint Dilemma*, and the most direct test of hypotheses H1 and H2, is the export-control escalation of 2025 and its resolution. The sequence is instructive. Washington tightened semiconductor controls, extending them on the 29th September 2025 to the foreign affiliates of listed firms. Beijing retaliated ten days later, on the 9th October 2025, with Ministry of Commerce Notice No. 61, the most comprehensive rare-earth and permanent-magnet controls yet imposed. It added five further rare earths (holmium, erbium, thulium, europium, and ytterbium) to the seven already restricted since April 2025, bringing the total to twelve of the seventeen; for the first time it asserted extraterritorial jurisdiction over any product manufactured anywhere containing more than 0.1 percent Chinese-origin rare-earth content, and it paired this with a presumptive denial of licenses to foreign military end-users and case-by-case scrutiny of advanced-semiconductor applications.^[16] The escalation jolted global markets; the neodymium-praseodymium benchmark had reportedly risen by roughly forty percent in August 2025 on a single shipment disruption, and Western defense and semiconductor supply chains registered acute vulnerability.^[17]

The resolution is as theoretically significant as the escalation. At the Busan summit of 30 October 2025 (the first face-to-face Xi-Trump meeting in six years, convened only after Trump threatened an additional 100 percent tariff) the two sides agreed to a one-year mutual suspension: China's October controls (otherwise due to take effect on the 8th November) were paused until around the 10th November 2026, while the April 2025 licensing regime was conspicuously not dissolved.^[18] This is precisely the equilibrium the *Dual Chokepoint Dilemma* predicts. Neither side fully deployed its weapon; each recognized that comprehensive use would inflict intolerable self-harm; the result was *a negotiated, reciprocal and explicitly temporary de-escalation* that altered none of the underlying fundamentals. The pause quieted markets and changed nothing structural. Tellingly, even as the *geoeconomic* domain de-escalated, the *normative* domain did not: at the same summit, Xi used the APEC stage to propose a global body to govern artificial intelligence, a bid for standards leadership in the very domain where the technological contest is sharpest. H2 is corroborated here.

The suspension has held. Reaffirmed at Trump's state visit to Beijing of 13 to 15 May 2026 (itself postponed from late March because of the war on Iran), which announced Boards of Trade and of Investment and Chinese purchase pledges on aircraft and agriculture but produced no movement on Taiwan, the truce remained intact into mid-2026, even as China posted a record trade surplus of roughly 1.19 trillion dollars for 2025. Analysts were near unanimous that it represented not a reset but a tactical pause then scheduled to lapse on 10 November 2026. Xi's state visit to Washington of 23 to 25 September 2026, his first since 2015, extended the truce by only two months, to 10 January 2027, set up an AI dialogue and an incident channel without binding rules, and left

Taiwan unresolved. The brevity was itself the instrument; CSIS read it as a sign that Washington, unsatisfied with China's offers, wanted to keep up the pressure. Beijing's list of eight outcomes omitted rare earths entirely, while the White House spoke only of aiming to restore appropriate levels of supply, and a 14 billion dollar Taiwan arms package that Trump has held back for months as leverage remained frozen. The suspension holds, but now as a two-month lever priced by both sides.^[42] And the geoeconomic détente coexisted with intensified pressure in the military domain: after Busan, the People's Liberation Army deployed more than a hundred vessels inside the first island chain, Beijing sanctioned the Philippine defense secretary in June 2026, and Japanese and Philippine forces deepened a defense coalition aimed at the same waters, the clearest possible evidence that de-escalation in one stratum implies nothing whatever about the others.^[35]

H1 is corroborated by the same record. The United States did not pursue, and could not pursue, comprehensive decoupling. Its strategy was the *'small yard, high fence,'* a narrow, intense restriction at the advanced-technology frontier, combined with continued commerce elsewhere. The phrase is the Biden administration's, associated with national security adviser Jake Sullivan; the underlying turn to export controls as the signature instrument of the new economic statecraft has been analyzed by Bown and others.^[19] Indeed, the period revealed the convergence Schindler and colleagues anticipated: the United States itself adopted interventionist state-capitalist instruments, taking equity stakes in 2025 in Intel and in the rare-earth producer MP Materials, a development aptly termed *'capitalism with American characteristics.'*^[20] Selective constraint, not isolation; targeted nodes, not a curtain, all confirm H1's proposed framework.

6.4 The Iran War and the Energy-Financial Constraint Layer

The twelve-day Israeli-Iranian war of June 2025, the United States-Israeli *'major combat operations'* against Iranian nuclear infrastructure that began on the 28th February 2026 and the subsequent devastating Iran war, constitute the most consequential test of SCSI's claim that the ***rivalry is stratified across domains at differing intensities***, or hypothesis H3. The 2026 round widened into a Strait of Hormuz crisis. A Pakistan-brokered ceasefire took effect on 8 April, the Islamabad Talks failed, and the United States imposed a naval blockade, from 13 April to 18 June and again from 14 July. The ceasefire, repeatedly violated and extended, was converted into the Islamabad Memorandum of 17 June, which collapsed on 8 July, as examined below. The Middle Eastern theatre operated simultaneously at three distinct levels of the spectrum, and the simultaneity is the point.

In the ***military-deterrence*** domain, the contest reached ***confrontation***: open military operations, the destruction of Iranian nuclear and military infrastructure, the killing of senior commanders and nuclear scientists. In the ***geoeconomic-network*** domain, it opened at the level of ***contestation*** through chokepoint threat and rose to effective closure after the IRGC declared the strait closed on 27 March to any vessel going to or from the ports of the United States, Israel and their allies.^[37] Iran's asymmetric capacity to imperil the Straits of Hormuz and Bab el-Mandeb translated directly into elevated war-risk insurance premiums and oil-price pressure without itself crossing into general war, through naval mines, drone craft, coastal missiles, and the Houthi proxy whose earlier Red Sea campaign had forced roughly a third of container traffic onto the longer Cape route. In the ***normative-institutional*** domain, the contest moved most slowly but cut deepest: Iran's parliament suspended cooperation with the *International Atomic Energy Agency*; the three European signatories of the nuclear accord (Britain, France, and Germany) triggered the snapback of United Nations sanctions in August 2025, which came back into force at the end of September; the *Iranian rial* collapsed; and domestic protests and their repression ran into early 2026.^[21] A non-proliferation regime already weakened by the 2018 American withdrawal from that accord, the Joint Comprehensive Plan of Action, was now structurally compromised by the physical destruction of the very facilities it had been built to monitor.

The strategic insight the episode confirms is that the contest in this theatre was, at its deepest level, a contest in the capacity to bear economic shock rather than a simple test of military superiority, the very logic SCSI assigns to the geoeconomic stratum. ***American military dominance in the military domain was never in question; what Iran could contest was the price the global economy, and through it the domestic political economy of every energy-dependent democracy, would pay for that dominance.*** That three domains operated at three intensities at the same moment is precisely the stratification H3 predicts.

The settlement of June 2026 and its failure test the governing mechanism at its boundary. After five and a half weeks of open war and ten of a fragile, repeatedly violated ceasefire that together killed thousands, including Supreme Leader Ali Khamenei on 28 February and much of the senior command, and after the Assembly of Experts installed his son Mojtaba on 8 March, the two sides signed on 17 June a fourteen-point 'Islamabad Memorandum of Understanding', brokered by Pakistan with Qatar, Saudi Arabia, Turkey and Egypt, which Trump signed at Versailles during the Évian G7. It extended the ceasefire, reopened Hormuz toll-free for sixty days only, lifted the naval blockade, opened a sixty-day window on the nuclear file, and attached a pledged 300 billion dollar reconstruction fund; it was silent on missiles and proxies, and Israel, not a party, declared itself unbound and continued operations in Lebanon (under a de jure ceasefire since 16 April and with parts of southern Lebanon occupied, a war that Lebanese authorities say had killed at least 4,386 people and displaced more than a million by late September)^[48]. That silence is where it failed. Iran declared the strait closed on 20 June over Israeli strikes in Lebanon, US and Iranian strikes resumed on 26 to 28 June, and on 8 July the ceasefire collapsed after Iran attacked commercial vessels to assert sovereignty over the strait; Washington reimposed its blockade on 14 July. As of 28 September 2026 the war is in its seventh month. Strikes have largely paused, but Tehran says it is fully prepared for fighting to resume and Trump says he is open to new strikes. The blockade and Iran's obstruction of Hormuz persist: crude flows out of the strait reached 33.7 million barrels in the week starting 20 September, and Brent stood near 107 dollars on 28 September, up about 59 percent on a year earlier. The Federal Reserve raised rates on 16 September for the first time since 2023, seeking to contain the inflation the Iran war had sparked. At the UN General Assembly on 22 September, Trump framed his choice as a deal or the quick annihilation of the Islamic Republic, while Araghchi met Witkoff on the sidelines. On 26 September Trump rejected Iran's seven-day roadmap, whose conditions included lifting the blockade, releasing frozen assets, waiving oil sanctions and a regional ceasefire covering Lebanon and Yemen. Tehran has thus formally bound the two chokepoints into one negotiating package.^[38]

The structure is exactly that which SCSi predicts: *a contest decided not by military supremacy alone but by the capacity to bear the political and economic shocks*. It yielded a suspension that deferred rather than settled the core question; H3 holds. However, the dyad tested here is not hegemon and challenger. It is the hegemon and a state already excluded from the networks the hegemon controls, and for such an actor the self-cost that produces managed suspension between Washington and Beijing is absent. Iran has accordingly deployed its chokepoint to the point of its own economic ruin. The Dual Chokepoint Dilemma governs the hub-to-hub relationship; at the periphery, disconnected chokepoint-holders escalate where the hubs suspend. H2 thereby acquires the scope condition stated in Section 5.7.

The episode also confirms the durability of IMEC's vulnerability, analyzed below: the Iranian threat to Gulf shipping placed the United Arab Emirates' maritime infrastructure and India's western export lanes in exactly the danger zone that war-risk underwriters had identified as the corridor's existential weakness, and the deaths of three Indian sailors aboard a vessel struck off Oman in mid-June 2026 made the exposure tragically concrete.^[22]

6.5 Operation Sindoor and South Asian Brinkmanship

The most vivid illustration of the *stability-instability paradox* in the 2025 record came not from the Taiwan Strait, as many would have anticipated, but from the South Asian nuclear dyad, proving to be the decisive test of hypothesis H4. On the 7th May 2025, in response to the massacre of twenty-six civilians at Pahalgam on the 22nd April, India launched Operation Sindoor, an eighty-eight-hour campaign of precision strikes against terrorist infrastructure in Pakistan and Pakistan-administered Kashmir, the most serious conventional exchange between the two nuclear-armed states since the Kargil War of 1999 and a marked escalation beyond the comparatively contained Balakot episode of 2019. A ceasefire took effect on the 10th May.^[23]

The episode confirms the paradox precisely. India calculated, correctly, that precision strikes on non-military terrorist targets would not provoke Pakistani nuclear escalation; the nuclear ceiling held while conventional violence proceeded beneath it. The stability of the strategic level licensed instability at the operational one, exactly Snyder's mechanism, transposed to South Asia. The same logic governs the Taiwan contingency, where China's assurance of mutual nuclear vulnerability with the United States may embolden graduated coercion (exercises, quarantine, cyber and economic pressure) on the calculation that Washington will not escalate to the

nuclear level over the island, even as Washington must deter conventional action without generating escalatory dynamics it cannot control.

For hypothesis H4, the aftermath of Sindoor is decisive, and it falsifies the ‘*India as the new China*’ thesis comprehensively. The ceasefire was publicly claimed by President Trump as his mediation, a claim Pakistan amplified, nominating him for the Nobel Peace Prize, and that India pointedly refused to endorse, insisting the matter had been settled bilaterally. The episode cooled the Modi-Trump relationship and was followed by an extraordinary American pivot toward Pakistan’s leadership, including the reception of Field Marshal Asim Munir at the White House and Trump’s description of him as a favorite.^[24] The elevation proved durable and consequential: within a year Pakistan had become Washington’s chosen intermediary in the Iran crisis, co-brokering the April 2026 ceasefire, a striking reversal for a state that, twelve months earlier, had been the target of Indian strikes. The subsequent trajectory only sharpens the point. In February 2026 Washington and New Delhi reached a tariff understanding cutting the levy on Indian goods to eighteen percent, which President Trump paired with claims that India had agreed to halt its purchases of Russian oil and to commit some 500 billion dollars in American procurement, claims that Prime Minister Modi’s own statement pointedly declined to confirm, acknowledging only the tariff. When the two met in person at the Évian G7 in June 2026, their first such meeting in over a year, they called a trade pact ‘*very close*’ and directed officials to finalize it, even as New Delhi concluded its free trade agreement with the European Union in January 2026. To take the concession while withholding the alignment is not vacillation. New Delhi deepens ties with Brussels while hedging toward Washington and retaining Moscow; it is the autonomous balancer’s equilibrium performed in real time. As Tellis argued before these events, New Delhi will not side with Washington against Beijing in the manner the ‘*bet*’ on India presumes; it is a balancer pursuing its own rise, not a proxy to be deployed.^[25] On 18 September 2026 Trump signed the Lindsey O. Graham Sanctioning Russia and Iran Act, passed by the House 262 to 159, which gives the White House discretionary authority to impose tariffs of up to 100 percent on the five largest importers of Russian oil or gas. New Delhi’s answer was structural, not rhetorical. Russia’s share of India’s oil imports had reached a record 50.83 percent in July, and the Ministry of External Affairs replied that India would ensure energy security for its 1.4 billion people through diversified sourcing. Whether New Delhi absorbs the threat while retaining Russian crude is the cleanest test H4 has yet been offered. To date H4 is corroborated, and the *reverse-triangulation* temptation identified in Section III is empirically dead.^[41]

6.6 IMEC and the Limits of the Peace-Premium Corridor

The corridor contest furnishes the sharpest test of neo-containment’s *geoeconomic* pillar, and the most sobering result for its proponents. The India-Middle East-Europe Economic Corridor, unveiled at the New Delhi G20 of September 2023 as the West’s answer to the Belt and Road Initiative, was conceived to operate through a distinctive mechanism this paper terms the *peace-premium*: by binding India, the Gulf, Jordan, Israel, and Europe through infrastructure into a single high-trust, low-variance artery, it would convert regional stability into a commercially quantifiable asset and thereby manufacture a constituency of economic actors materially invested in preventing the conflicts that would interrupt it.

The corridor was erected upon a specific diplomatic foundation: the Abraham Accords of 2020, the United States-brokered normalization of relations between Israel and the United Arab Emirates, Bahrain, and Morocco, which for the first time since 1994 made commercially and politically conceivable an India-to-Europe artery whose Gulf and Israeli segments must interconnect.^[36] IMEC was, in this sense, the economic superstructure of the Accords. The peace-premium is the Accords’ own wager that interdependence stabilizes, carried over from diplomacy into rail, ports, and cable.

The mechanism has been tested and falsified by recent events, and the manner of its falsification is theoretically instructive. Less than a month after the corridor’s announcement, the Hamas assault of 7th October 2023 and the war it precipitated rendered Israel’s role as the corridor’s Mediterranean hinge untenable. By mid-2026 IMEC remained, in the Atlantic Council’s phrase, a ‘*day-after*’ project, its progress confined to envoy meetings on trade facilitation rather than construction, to the shortlisting of Kandla, Mundra and Nhava Sheva for trial runs to Jebel Ali, Fujairah and Abu Dhabi, and contingent on a Palestinian political settlement that no current trajectory reliably produces.^[26]

Three structural vulnerabilities account for the failure, and each carries a lesson for neo-containment's *geoeconomic* stratum.

The first is a sequencing problem that is close to circular: *the peace-premium presumes that the commercial constituency for stability will consolidate before the instability it is meant to prevent erupts, yet in volatile regions the instability arrives first*. IMEC required the completion of a Saudi-Israeli normalization, or the closing of the ring, with the accession of Saudi Arabia to the Abraham Accords, the long-sought capstone whose negotiation was reportedly near completion in the weeks before the 7th October 2023, and which the Gaza war then froze on the familiar rock of the Palestinian question, Riyadh declining to normalize absent a credible pathway to Palestinian statehood. The keystone was withdrawn before the arch could bear weight. The second is single-chain fragility: unlike the Belt and Road's redundant, reroutable lattice of corridors, which absorbed the Ukraine shock by shifting cargo to the Trans-Caspian Middle Corridor, and the Red Sea shock by rerouting around the Cape, *IMEC concentrates its entire value in one narrow chain through the world's most contested geography, so that the Iran war directly imperils it*. The third is a financing-architecture mismatch: nearly three years after its announcement IMEC still lacks a funding mechanism for its overland rail spine, because a consortium of democracies and private investors requires commercial returns incompatible with the political-risk premium of a corridor through a war zone, whereas the Belt and Road's state-bank concessional capital could be committed on strategic rather than commercial logic.^[27]

The corrected assessment is that IMEC retains real value as a *normative and architectural design*, as its European certification standards, its interoperable digital and energy layers and its rights-compatible governance model present a genuinely superior template for Eurasian connectivity. However, it is operationally stalled by precisely the instability its peace-premium was meant to dissolve. The practical implication for strategy is that IMEC's near-term progress must shift from the politically hostage Levantine land bridge toward the eastern maritime leg and Gulf-anchored digital and logistics infrastructure, where incremental steps, with the integration of Indian digital-payment rails across Gulf markets, and the broader flow of Gulf capital into regional ports (the UAE operator DP World's 800-million-dollar concession to rebuild Syria's Mediterranean port of Tartus, signed in 2025, being emblematic), can preserve institutional momentum during the political hiatus. The Belt and Road, meanwhile, demonstrates a second and more durable form of corridor power: its dominance of mineral processing is itself a chokepoint corridor, through which the world's critical materials must pass, and which confers strategic leverage independent of any physical project.

VII. THE DECISIVE MIDDLE: A REFINED TYPOLOGY OF SYSTEMIC SWING STATES

If neither contender can conclusively win in a reticular global landscape, as the *network-centrality* scholarship concludes and the *Dual Chokepoint Dilemma* explains, then the *contest is decided at the margins*, in the chokepoints, in the essential networks, in the strategic alignments of the states that belong fully to neither camp. The orthodox ‘Cold war’ analysis treats these states through a binary of alignment and non-alignment that the events of 2023, 2024, 2025 and 2026 have rendered inadequate.

Contemporary geopolitical and economic instability increasingly generates asymmetric opportunity structures for strategic actors capable of operating under conditions of uncertainty. Periods of systemic disruption frequently produce market distortions that can be leveraged for disproportionate gains. Currency collapses may facilitate the low-cost acquisition of strategic assets by foreign investors with stronger capital positions; sanctions regimes create arbitrage opportunities through alternative trade routes, intermediary markets, and parallel financial mechanisms; institutional weakening may accelerate privatization or distressed buyouts, allowing external actors to gain influence over critical sectors at discounted valuations. More broadly, the gradual fragmentation of global economic integration produces differentiated winners and losers, particularly in the context of industrial reshoring and supply-chain reconfiguration.

Contrary to deterministic narratives of deglobalization, globalization is not disappearing in the conventional sense; it is undergoing structural transformation. Instead of a simple retreat from interconnectedness, the international system is evolving toward a reconfigured form of globalization characterized by the emergence of competing yet interdependent blocs. Current developments illustrate the transition: the strategic decoupling between the United States and China, the regionalization of supply chains, the growing emphasis on technological and artificial-intelligence sovereignty, and renewed defense-industrial rearmament all point toward a new phase of global organization, not the end of globalization but its rearticulation along strategic, technological, and security-centered lines.

The contemporary international system can no longer be adequately described as multipolar in the classical Westphalian sense. It is increasingly intertwined and intentionally networked, or rather reticular, in structure. Within such a system, value creation and strategic power are concentrated at critical nodes of intersection rather than distributed solely according to traditional measures of state power. While major powers retain the ability to formulate rules and shape normative frameworks, the actors controlling the channels through which flows circulate often wield equally significant, if not greater, influence. In a global economy whose vital arteries are physical as much as digital (maritime chokepoints, logistics corridors, subsea cables, energy grids, and telecommunications infrastructure) the ability to mediate, redirect, or secure flows constitutes a major source of power.

Consequently, the most strategically consequential actors are not necessarily the conventional great powers. Increasingly, influence resides in pivot states, countries that have positioned themselves as indispensable intermediaries across multiple rival blocs without fully aligning with any single one. Their power derives not from hegemonic dominance but from strategic centrality and connective utility. For instance, India has leveraged discounted Russian energy under sanctions while strengthening defense cooperation with Western partners, including the acquisition of the French Rafale fighter jets. Saudi Arabia exemplifies the logic by simultaneously deepening trade relations with China, financing infrastructure in Africa through dollar-denominated capital, and procuring advanced military systems from the United States. Turkey maintains economic and logistical ties with Russia while remaining a key member of NATO. These cases illustrate the rise of connective powers whose strategic autonomy stems from their ability to engage multiple competing systems at once and to extract value from systemic fragmentation.

This section advances a four-category typology of systemic swing states. A systemic swing state is defined as one possessing sufficient material capability and geopolitical autonomy to influence the polarity of the system through selective alignment, without full incorporation into any bloc; what distinguishes it from a merely non-aligned state is that its posture is active, constantly rebalancing and rent-extracting rather than passive.

7.1 Type I: The Autonomous Balancer (India)

Autonomous balancers are states whose material weight and principled doctrine of strategic autonomy preclude full alignment with any bloc while permitting issue-specific cooperation across rival camps; their participation in any coalition is driven by convergent interest rather than dependence, which makes it durable but not reliably deployable on command. India is the paradigm, and the post-Sindoor record clarifies why the analogy to Cold War China fails on every structural dimension. There is no Sino-Soviet-style fracture for India to exploit by aligning with Washington; the economic asymmetry with China is far more unfavorable than China's with the USSR in 1971, China's product being several times India's and its manufacturing base larger still; and India's deepening dependence on Russian armaments and discounted Russian oil is structurally incompatible with the role of a committed American ally. India increases the friction against Chinese regional dominance and lends the Indo-Pacific coalition indispensable legitimacy, but it will not be a proxy. *Its autonomous-balancer status is not a fixed condition but a dynamic equilibrium that New Delhi actively manages*, and the American tariff pressure and the cultivation of Pakistan that followed Sindoor introduced precisely the friction that multi-alignment is designed to hedge against, friction that the partial trade repair of 2026 has managed but not dissolved.

7.2 Type II: The Revisionist Disruptor (Russia)

Revisionist disruptors are declining powers that pursue systemic disruption rather than systemic construction: lacking the economic and institutional capacity to build an alternative order, they impose costs on the hegemon's alliance cohesion and strategic attention through military escalation, energy coercion, and information operations. Russia is the type, and the 2022, 2023, 2024, 2025 and 2026 record confirms the categorization and exposes its limits. The Ukraine war has revealed Russia's conventional military ceiling with brutal clarity, with attrition levels severe enough to require North Korean munitions and Iranian drones to sustain, while its economy remains commodity-dependent and its demography contracting. Yet Russia retains sufficient nuclear weight, residual energy leverage and cyber and informational capacity to disrupt; and its alignment with China deepens into something close to strategic subordination: it supplies discounted energy and select military technology, and forces the division of American strategic attention between two theatres, in exchange for the manufactured goods, financial channels, and diplomatic cover that blunt Western sanctions. The 2026 record sharpens the point. After Witkoff and Kushner met Putin in Moscow and then Zelensky in Kyiv on 6 September, their first visit there since the full-scale invasion, Lavrov told the UN General Assembly that Europe was blocking peace, as Trump said he hoped Zelensky would settle with Putin. Meanwhile a Sino-Russian naval flotilla circumnavigated Japan in July and August.^[46] *Russia complicates the rivalry without determining its outcome; a disruptor, not a challenger.*

7.3 Type III: The Hedging Arbitrageur (Gulf, Turkey, ASEAN)

Hedging arbitrageurs are states whose positioning and assets allow them to extract investment, technology, and security guarantees from both contenders by maintaining credible optionality; their alignment is transactional rather than principled, following the incentive gradient and resisting all pressure toward binary choice. The Gulf states are the exemplars, and the recent record reveals the sophistication of the posture. Saudi Arabia's indispensability as IMEC's land bridge coexists with its deepening port relationship with Chinese operators and its retention of Chinese surveillance infrastructure; the United Arab Emirates and Bahrain, the original Abraham Accords signatories, likewise pair their normalization with Israel and their standing as Western technology partners with a deepening commercial dependence on China, while Saudi Arabia withholds the normalization capstone itself as its most valuable unspent chip, while signing with Turkey and Pakistan on 7 August 2026 the Makkah Joint Defense Agreement, an attack-on-one clause backed by some 8,000 Pakistani troops and a Chinese HQ-9 battery inside the kingdom (the three states' armed forces chiefs met in Riyadh on 25 September), a hedge against the very Israeli-American track the Accords embody^[40]; and during the Iran war the Gulf arbitrageurs extracted strategic recognition from both Washington and Tehran by positioning themselves as indispensable intermediaries, Qatar, with Pakistan, ultimately co-brokering the June 2026 ceasefire memorandum, and Doha and Riyadh underwriting the reconstruction architecture attached to it. The war has since exposed the posture's limit. Trump declined the crown prince's request for strikes on the Houthis, Washington has steered clear of the Yemen fight, and Riyadh's schools moved online after Saudi air defenses

intercepted Houthi drones launched toward the capital.^[39] Turkey merits recognition as an emergent arbitrageur of the first rank, a NATO member that nonetheless brokers between Washington and Tehran and sustains Eurasian economic ties with both Moscow and Beijing. ASEAN exhibits the type at the level of a bloc, maintaining economic centrality with China while hosting expanded American military access and absorbing the supply-chain diversion that Western de-risking generates. *The arbitrageurs are the prize over which the contest is largely fought, and their refusal to choose, or freedom not to strictly fall into one camp or another, is itself the structural fact that makes a clean bipolarity impossible.*

7.4 Type IV: The Latent Swing State (Venezuela, the BRICS+ Periphery)

Latent swing states are those whose present alignment is determined by force, by geoeconomic factors or structural dependence on a single power rather than by autonomous choice, but whose resources, position, or scale could make them consequential alignment variables as the competition for influence intensifies. The category is introduced to capture a dynamic the binary models miss: the slow accumulation of optionality among states currently embedded in one camp. Venezuela illustrates the volatility of the type. The United States military operation of the 3rd January 2026 that captured President Nicolás Maduro in Caracas and installed an interim government abruptly reconfigured a latent swing state's alignment and carried direct implications for Chinese energy security and Latin American Belt-and-Road exposure. It remains undeniably a unilateral reassertion of hemispheric primacy, condemned by Beijing as a 'clear violation of international law,' in the state holding the world's largest proven oil reserves, whose crude had been increasingly mortgaged to Chinese policy banks under commodity-for-loan arrangements.

The reordering deepened through 2026: the interim government of Delcy Rodríguez, retaining the Chavista state but pivoting toward Washington, enacted a law opening Venezuela's reserves to independent private operation, courted Chevron, ConocoPhillips and ExxonMobil, and was rewarded with the lifting of United States sanctions on its new president. Analysts noted that consolidating Venezuelan crude within Washington's orbit could place close to a third of global proven oil reserves under American influence. A state whose oil had been mortgaged to Chinese policy banks was, within months, being re-plumbed toward the hegemon, the latent-swing-state mechanism executing in compressed time. It completed in September 2026: a 25-year, renewable hydrocarbon agreement giving Washington majority control of 65 billion barrels of reserves, Chevron committing 7 billion dollars over five years, and an interim president declining to set an election date.^[47] More broadly, the enlargement of the BRICS grouping and its experiments with non-dollar settlement and alternative development finance represent the most organized institutional expression of latent-swing-state formation: not a principled rejection of the Western order, but a structural reduction of dependence on dollar-denominated systems that manufactures optionality for future realignment. It is in this category that the long-run erosion of American structural power is most likely to be incubated, quietly and cumulatively, beneath the threshold of any single dramatic defection or of any singular great war.

VIII. THE FATE OF AMERICAN HEGEMONY

The paper's final analytical task is to assess what neo-containment implies for the trajectory of United States primacy, as discussed in hypothesis H5. The answer turns on a distinction that the material balance-of-power literature tends to obscure: *American hegemony is not merely a quantity of capabilities but also a sediment of institutions*. As the hegemonic-stability tradition from Kindleberger through Keohane to Ikenberry argues, the provision of international public goods (open sea-lanes, a reserve currency, financial-clearing infrastructure, a rules-based trading system) creates a constituency for the provider's primacy, because states benefit from the goods even as they resent the power that supplies them. The dollar's reserve status, the alliance architecture, the dispute-settlement machinery and the development-finance institutions are structural power that reproduces itself independently of the military ledger. The decisive question is therefore not whether the United States can preserve the unipolar moment of the 1990s, but whether the institutional sediment can be sustained as that moment recedes.

8.1 Scenario One: Hegemonic Adaptation

The most probable trajectory on current evidence is adaptation: the United States retains structural primacy in the domains where its institutional and technological advantages are most durable, while ceding relative influence where Chinese entrenchment is irreversible. The durable advantages are real and were on display through 2023, 2024, 2025 and 2026. The dollar's share of disclosed official reserves, roughly seventy-two percent in 2001, stood at 57.13 percent in the first quarter of 2026, with about half of that quarter's gain due to valuation, against 20.03 percent for the euro and 1.99 percent for the renminbi; gold surpassed Treasuries as a share of official reserves in 2025, almost entirely on price effects.^[44] Yet the dollar remains far ahead of every rival and retains overwhelming dominance in trade invoicing and in the settlement plumbing that the weaponization of finance exploits. The semiconductor controls have, for now, held China below the advanced-node frontier, preserving a generational lead in artificial intelligence and the technologies that compound across every domain. And the alliance architecture (AUKUS, the widened Quad, expanded Pacific basing, a NATO that has held despite American friction, and a European Union that approved a 90 billion euro loan to Ukraine once Hungary lifted its veto after Péter Magyar's election win, together with its twentieth sanctions package against Russia^[46]) remains qualitatively superior to China's thin formal-alliance structure. Adaptation means competing hard where the advantage is defensible and conceding where it is not.

8.2 Scenario Two: Hegemonic Fragmentation

The more troubling trajectory becomes probable if the transactional turn in American statecraft dissolves the institutional sediment faster than any Chinese investment could erode it. The danger is not Chinese strength but American self-subtraction. If the pressure on European partners, the cultivation of Pakistan over India, and the implicit 'G2' framing of the Busan, Beijing and Washington summits, in which Trump held Taiwan arms sales in abeyance as 'a very good negotiating chip', progressively corrode allied confidence in American commitments; if dispute-settlement machinery atrophies and the development-finance field is ceded; if the BRICS+ payment architecture accelerates and reserve diversification compounds, then the competitive foundation of neo-containment erodes from within. In this scenario the hegemon is defeated not by the challenger but by the abdication of the role of order-provider that made its primacy reproducible. This is the precise content of hypothesis H5: the binding constraint on American primacy is the domestic political sustainability of the institutional and alliance investments that neo-containment requires across a multi-decade horizon that exceeds the electoral cycle.

In 2026 the constraint ceased to be hypothetical and operated through every branch. The Supreme Court struck down the sweeping tariffs on 20 February, forcing a 10 percent surcharge under Section 122 for 150 days, set to expire on 24 July, later replaced by Section 301 duties. The House passed war-powers resolutions against the war in June, by 215 to 208, and again in July, by 214 to 208, after hostilities resumed. A Republican congressman read articles of impeachment against the Defense Secretary on 15 September. The Federal Reserve defied the President's calls for lower rates. The President himself called rising gas prices an inexpensive price to pay for the war and predicted a deal after November's midterm elections. A hegemon whose containment

instruments are rebuilt by judicial, legislative and monetary veto, and whose war aims are timed to an electoral calendar, is the precise object H5 describes.^[43]

8.3 Scenario Three: Managed Competitive Coexistence

The third trajectory corresponds to the Busan dispensation generalized: both sides step back from full deployment of their chokepoint weapons, accept permanent rivalry as the structural condition of the relationship, and manage its domain-specific intensities through a combination of formal arrangement, mutual deterrence, and tacit understanding. This is neither hegemony preserved nor hegemony lost. It is the permanently unstable competitive equilibrium that SCSI identifies as the stable attractor of a system too interdependent for war and too competitive for genuine cooperation, the *Dual Chokepoint Dilemma* raised to the level of a settled order. On present evidence this is the order into which the rivalry is most likely to consolidate, with adaptation (scenario 1) and fragmentation (scenario 2) as the upside and downside deviations from it.

8.4 The Apposite Analogy: 1907, Not 1947

The more illuminating analogy is 1907, or the moment at which British primacy was being irreversibly challenged by German industrial and naval power, the trajectory of the rivalry still genuinely open, the outcome dependent on institutional choices, alliance alignments and the capacity of leaders to manage structural pressure without catastrophic miscalculation. The analogy is instructive precisely in its difference. The Anglo-German rivalry resolved into general war because no ceiling foreclosed that resolution. The American-Chinese rivalry possesses such a ceiling in the mutual nuclear deterrent, which removes general war from the menu of available outcomes and leaves only two: accommodation, which neither side's domestic politics presently permits, or prolonged competitive coexistence, which is the wager *neo-containment* represents. The lesson of 1907 is not that war is fated, as the nuclear revolution has seen to that, but that the outcome is not determined by structure alone; it is made, or unmade, by statecraft.

IX. CONTRIBUTIONS TO THE LITERATURE

This article advances five contributions intended to add value to the scholarship on great-power competition rather than to restate it.

1. The Recovery of the Political-Warfare Lineage

The paper relocates the genealogy of neo-containment from the militarized containment of NSC 68 to Kennan's 1948 doctrine of political warfare, and shows that the French strategic school, the Chinese theory of unrestricted warfare and the network-power scholarship of Farrell and Newman independently rediscovered the same structural reality. This reframing dissolves the '*new Cold War*' analogy at its root and supplies neo-containment with an authentic intellectual ancestor.

2. The SCSI Framework

The paper formalizes *Stratified Competition under Structural Interdependence* as a distinct analytical category, defined by horizontal domain segmentation, vertical gradation along the competition-contestation-confrontation spectrum, structural interdependence as constraint and weapon, and gray-zone hybridization. SCSI extends the network-centrality scholarship by supplying the vertical dimension and the strategic grammar it omits, and supersedes both '*new Cold War*' and '*managed coexistence*' framings in analytical precision.

3. The Dual Chokepoint Dilemma

The paper identifies the mechanism by which mutual, asymmetric chokepoint control under interdependence produces a permanently unstable competitive equilibrium, a structural bias toward managed, reciprocal escalation punctuated by negotiated suspension, and demonstrates it against the 2025 export-control cycle and its Busan resolution, and, in its scope-conditioned form, against the 2026 Iran war, whose settlement collapsed because the chokepoint-holder stood outside the system the dilemma governs.

4. The Four-Category Swing-State Typology

The paper replaces the binary of alignment and non-alignment with a typology distinguishing autonomous balancers, revisionist disruptors, hedging arbitrageurs, and latent swing states, each calibrated against the 2022, 2023, 2024, 2025 and 2026 record from the war in Ukraine to the war in Iran.

5. The Empirical Falsification of the Peace-Premium Corridor

The paper offers the first systematic stress test of IMEC's peace-premium logic, identifies its three structural vulnerabilities (the sequencing problem, single-chain fragility, and financing mismatch) and derives a corrected implementation strategy, while specifying the alternative chokepoint-corridor power that the Belt and Road derives from mineral-processing dominance.

X. CONCLUSION: THE STRUCTURAL IMPERATIVE OF WINNING THE WAR BEFORE THE WAR

The contest between the United States and China will not be settled in the manner the Cold War analogy leads its participants to expect. There will be no iron curtain, because the adversary is the workshop and the mineral refinery of the world rather than a sealed economic island; there will be no triangular maneuver, because the fracture that made the first one possible does not exist and cannot be conjured; and, in all likelihood, there will be no general war, because the nuclear revolution has removed that resolution from the table. ***What remains is a permanent, stratified competition waged across functional domains at differing intensities, inside a single integrated system, by every instrument short of war***, which is to say, the political warfare that Kennan described in 1948 and that the French and Chinese strategic traditions have theorized more candidly than the Anglophone one.

Neo-containment is the name of the strategy adequate to this condition, and SCSi the name of the order it produces. The framework advanced here makes a testable claim: that ***the form of constraint a hegemon adopts is a function of interdependence and the distribution of network centrality***; that mutual chokepoints generate a permanently unstable equilibrium rather than victory; that competition proceeds at differing intensities across domains simultaneously; that autonomous balancers will decline incorporation regardless of shared threat; and that American primacy faces erosion through institutional disaggregation rather than military defeat. Against the dense record of 2023, 2024, 2025 and 2026, the export-control cycle and its suspension, the Iran war, its memorandum and the memorandum's collapse, the India-Pakistan tensions, the corridor paralysis, each of these claims has, so far, survived its test. Indeed, within a single year the system produced four negotiated suspensions of acute crises. The Busan truce of October 2025 was renewed at Beijing and then at Washington, where it was extended only to 10 January 2027. The reordering of Venezuela in January 2026 was consolidated into a generation-long hydrocarbon concession. The Gaza disarmament agreement of July 2026 was signed and barely implemented. The Islamabad Memorandum of June 2026 was dead within three weeks, yet by late September Iran was calling on Washington to return to an interim deal resembling it. The distribution is the finding. The suspensions that held sat inside the hegemon-challenger dyad or within the hegemon's own hemisphere; the one that failed sat at a gray-zone interface, with a disconnected chokepoint-holder on one side and a non-party belligerent on the other. That is the permanently unstable equilibrium, and its boundary, observed in real time.

The deeper implication is that the trajectory of the rivalry is not written in the structure alone. The nuclear ceiling forecloses the worst outcome, but does not determine the one that remains. Whether the coming order is one of American adaptation, American fragmentation or managed coexistence will be decided in the granular and unglamorous places where SCSi is actually waged; in the licensing decisions on a rare-earth export, the underwriting of a corridor's freight, the allocation of bandwidth on a subsea cable, the technical specifications written into the standards bodies that will govern artificial intelligence and the next generation of communications, and, above all, in whether the institutions that reproduce American structural power can be sustained by a politics whose horizon is shorter than the contest. The summit communiqués will record the surface. The balance of power will be built, or lost, beneath it, deal by deal, train by train, cable by cable, ship by ship, license by license, and byte by byte. ***To grasp that is to understand that war, in this era, is to be won or lost before the war: in the permanent competition, that is now the structural condition of world politics, and to which the strategy of constraint, and the theory that explains it, must finally be adequate. Here resides precisely the role of neo-containment, or stratified competition under structural interdependence.***

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