T his issue of *Philanthropy* magazine is an extended look at little versus big, at aid versus arm-twisting, at inspiration versus intimidation. It asks whether lots of helpful little mice can fend off huge scary sharks. And it does all this within an unusual philanthropic niche—charities that support foreign-policy and national-defense goals.

Begin by examining the photograph on the opposite page. I shot it a couple months ago in the heart of the Caucasus—a strategic crossroads ringed by Russia, Ukraine, Turkey, Iran, Iraq, and other hot-button nations. As this picture was taken, there were separatist boundary lines, gun trucks, propaganda broadcasters, foreign-funded madrassahs, ethnic extremists, and armed forces of all stripes looming over the horizon.

What you are looking at is one of the hundreds of work camps organized and paid for by China through its so-called “Belt and Road Initiative”—a vast play for influence across the low-income world. In scores of frail countries, the Chinese are laying down rail lines, bridges, highways, and docks. They are building telecom networks, shipping hubs, and ports. They are creating facial-recognition networks and other police infrastructure. They are snatching up manufacturing plants, pipelines, and refineries. In the first 11 months of 2019, Chinese entities signed 6,055 contracts in 61 countries for Belt and Road projects costing $128 billion.

During a half-day drive across the tiny but strategic country of Georgia I peered down into half a dozen camps like the one pictured here, where Chinese laborers, engineers, and equipment were digging, blasting, and pouring concrete. I asked my traveling companions if we could pull into one of the facilities and grab a few moments to look around and take photos until we got kicked out. The man at the wheel, a former Special Forces soldier, was instantly game, and steered our SUV off the highway and down a gravel road to one of the Chinese camps.

I jumped out and strode quickly down a tidy row of spartan offices marked “Payroll,” “Engineering,” “Contracts,” and such. I reached a sign marking the “Commissary,” and then a series of large buildings labeled “Dorm 1, 2, 3, 4” and so forth. This is a major operation. Hortatory placards in Chinese and broken English urge that “Proper behavior lead a better future,” and trumpet “The Belt and Road: Building Prosperity Together.”

Very soon, large unsmilng Chinese men appeared and told us we could not take photos and must leave immediately. The Special Warfare and PsyOps backgrounds of my two ex-military colleagues immediately kicked in. They explained in a mix of languages and pantomime that we needed to get off the highway because the human bladder has a mind of its own. That all these big signs covered with red kanji got us hoping we might find a good Chinese buffet down this gravel road. That it sure did feel nice to stretch our legs and breathe the mountain air. A burly Chinese officer took a picture of our license plate as we pulled away.

Two weeks later in Serbia I saw more Belt and Road projects: A bridge across the Danube in Belgrade. The new A2 motorway. Tunnels. Rail lines. Huge tire and steel plants taken over by Chinese state-owned firms. All representing large investments of labor, expenditure, and effort.

And in the Balkans, China’s interventions are unfolding cheek-by-jowl with major manipulations by the Russians. Russia runs extensive propaganda, intelligence, and military operations in the region. Russians have captured control of the major energy companies in Serbia. In the southern part of that country they recently built a large secure facility labeled in one-foot letters, “Russian-Serbian Humanitarian Center.” Experts, however, say that the windowless gray building next to an airport is a lightly disguised intelligence and military base. When I try to visit, a soldier tells me I cannot enter or take pictures.

In Iraq, where I also traveled on this trip, the Chinese very recently clinched a 20-year oil-for-infrastructure deal that will send more than 100,000 barrels of petroleum to China every day. Beijing gets the simultaneous right to build factories, railways, and other facilities in Iraq that will be overseen by Chinese managers and use Chinese materials and operating systems, making them a seamless extension of China’s domestic operations. All of this financed by loans from the Chinese government. Meanwhile, the state-owned Russian oil company Rosneft, operating as a tool of the Kremlin, has provided the Kurdistan government with $4 billion over the last couple years to gain effective control over the large oil and gas resources in Iraq’s north.

And it’s not just countries I visited like Georgia, Serbia, and Iraq. Across the globe, Russians are newly assertive in their foreign policy, and hundreds of thousands of Chinese are toiling in Belt and Road work camps. The
Chinese are building thousands of miles of road and rail, 42 seaports, and plan to spend $900 billion in 70 countries over the foreseeable future—drawing many strategic, resource-rich, contested countries into their orbit.

Does the U.S. government need its own mega programs to mirror these aggressive Chinese and Russian moves? A new Marshall Plan for the information era? An infrastructure blitz for huddled masses all around the world?

Or maybe we need our version of the Chinese military mobilization that has dredged fresh islands in the South China Sea and then armed them? Is their system of high-tech personal monitoring and dissent-suppression the way of the future? Must we organize a counterpart to the disinformation and commando operations the Russians have used to seize territory in Ukraine, Georgia, Syria, and elsewhere?

Lord save us! Those strong-arm tactics are not American methods. And the notion that Washington might employ big industrial policies to curry favor with poor citizens abroad just makes us giggle. Our bureaucratic agencies can't run a reliable health service for Native Americans or veterans, oversee efficient train or postal operations, or keep homeless encampments from blocking commuter traffic.

Building edifice complexes across the developing world is not something our federal government could pull off. The Chinese send thousands of workers to remote regions for multi-year stints, where they sleep in dormitory bunk beds and live on cafeteria food. Our nation lacks the social regimentation to accomplish that. At American levels of wages, worker protection, capital expense, and environmental care, the costs for us to complete similar projects would be many multiples of what the Chinese are spending. We can't beat them at that game.

So are we powerless to respond? Have we been checkmated by today's savvy, if sometimes brutal, exercises in power politics by the Chinese and Russian regimes? Must we just sit on our hands and watch contested parts of the globe turn sullen toward us and indebted to our opponents?

In a word: No.

First of all, most of the Chinese investments will have less ultimate value to the recipient nations than might appear. Belt and Road contracts stipulate that most work be carried out by Chinese workers, that

Mega projects sometimes create mega problems. Human-to-human contact can be a good counter measure.
machinery must be bought from Chinese firms, that capital goods will be imported from China tax exempt. All of the trucks and machines in the adjoining photo were brought in from the People’s Republic. Same with materials. With little local sourcing, this kind of construction doesn’t offer much economic boost to the recipient nation.

To make these transactions easy for host countries, the Chinese offer massive loans. But of course loans must eventually be paid back. Experts accuse the Chinese of hiding the fact that a large fraction of the public-works projects they sponsor will never return their investment, requiring either permanent subsidies or forfeiture.

When the Sri Lankan government recently found it couldn’t meet the payments on a new port, it had to give China a 99-year lease on the facility plus 15,000 acres of surrounding land in exchange for debt forgiveness. Indian and U.S. intelligence have long warned the Chinese want a naval base there. A highway the Chinese are now building in Montenegro (despite E.U. warnings it was uneconomic) has sent debt soaring so high in that small nation that a freeze on wages, an end to family supports, and a tax increase have been necessary. Even so the road is likely to end up as an incomplete highway leading nowhere.

Many countries—Pakistan, Mongolia, Uganda, Sierra Leone, Djibouti, the Maldives, Laos, Tajikistan, Kyrgyzstan, Nepal, and others—are similarly drowning under their Belt and Road obligations to China. The Center for Global Development estimates that 31 countries already have debt problems linked to B&R work. “China never cares how and if a country is able to pay its loans,” says European Union Commissioner Johannes Hahn. There is simply “pressure that things are transferred into their ownership” if a beneficiary can’t repay.

Even as China expands its Belt and Road initiative, some countries are beginning to object. Big construction efforts in Pakistan, Malaysia, Nepal, Sierra Leone, Myanmar, and other places have been put on hold. Critics are expressing concern about “debt-trap diplomacy,” an attempt to create “tribute states” that kowtow to Beijing, and a “new colonialism.”

B&R projects often bring environmental damage. As the treatment of the mountain river in my photo hints, little care is taken on that front, and there are complaints of deteriorated land, water, and air quality. There are also objections to safety and job conditions from those working in Chinese-managed facilities.

So the sharkish megalodon strategies of China and Russia aren’t invincible. They have weaknesses, can be overbearing, and have inflamed some recipient nations. Mega projects sometimes create mega problems. This creates openings for U.S. countermeasures, if we will act.

The story suggests one of the best ways we can win friends and influence enemies around the world is through decentralized human-to-human philanthropy—taking advantage of grassroots American inventiveness and the capacity of our values to inspire others. This narrative documents a practical working model, not a theory. It suggests that the classic mechanisms of U.S. charitable action are a realistic way of building international trust and cooperation.

While our sprawling, multi-viewpoint, individual-centered free society will never be good at ten-year plans and big-hammer, heavy-power, central-investment strategies, we don’t need to be. We have our own secret weapons. Very different ones from what the Chinese and Russians wield. Our secret weapons can be seen in the photos just to the right.

Overseas power plays are endangering peace and freedom. America needs to draw on the generosity and good faith of our people, and the allure of our liberty-based culture, in responding.
Thousands of small, personal, transparent, humane transactions, offering others a hand in heartfelt ways—these are our strength. Such interventions often require only modest amounts of money, channeled quickly to the right person in the heart of a community in need. We can provide that kind of grassroots aid in myriad places, to people of every sort. More than a million charities do that kind of work across our country every day, changing lives without central orchestration, without coercion, without squashing individual or cultural dignity. U.S. philanthropy can work the same magic in conflict zones overseas.

Of course, small-scale, rapid-response aid works only if it is executed with careful discernment, genuine kindness, prudent judgment, and respect for local conditions. But American charitable groups have been learning how to do this well for more than three centuries. We are now expert at translating individual aid and encouragement into effective social change, and are able to do this internationally as well as domestically.

And by the way, philanthropic action can be especially effective against threats that are more limited than our competitions with Russia and China. Both in our long feature article and in Ashley May’s story on page 38, we touch on ways that donor-funded efforts are reducing dangers from terror attacks, and “irregular” warfare.

Deft micro-actions can make the difference between hatred and trust, suspicion and reassurance, war and peace. America already makes many friends around the globe this way; it has the potential to do much more. Donors and social entrepreneurs merely need to recognize that they can play a role in national security just as they do in every other sector of society.

Readers of Philanthropy magazine and our Almanac of American Philanthropy know that small charitable acts don’t necessarily mean small results. We’ve illustrated over and over how localized deeds of civil society can accumulate, as small streams join into mighty rivers, to create major transformation. There is nothing automatic about this, though. We need to work at it, to reach out to freedom-loving allies in other countries, to take national-security philanthropy seriously.

Of course a huge volume of American charitable activity already takes place in foreign lands. In fact, we give a lot more to struggling people abroad every year acting as individuals, through philanthropic mechanisms, than we do as a national government. But the activities described in this issue’s two feature stories are different from what our purely humanitarian charities do overseas.

Hardly any of today’s charitable gifts made to foreigners by Americans are oriented toward explicit security and diplomatic goals. We give aid simply to battle disease, shelter disaster victims, feed the hungry, provide pure water, etc. Those are marvelous causes where we can be proud of our leadership. These gifts have no expedient aim, they just come out of religious feeling, gratitude for our economic good fortune, and desires to reduce human suffering.

But there is nothing illegitimate about also providing charity in support of U.S. military and diplomatic goals: More freedom and individual self-determination. More prosperity. Rule of law. Reduced bullying and domination of weak persons, minority groups, or states. And stability across regions so that everyday people can live unthreatened, build families, and pursue their dreams without the intrusion of ideological clashes or calamitous violence.

Will the prevailing international norm 20 years from now be a USA-inflected system of liberty? Or will shadowy mixes of surveillance, manipulation, and subordination of individual rights to state power predominate across the globe? How safe will it be for U.S. travelers to walk foreign streets? Will our companies be welcomed? Will the world be friendly to American values?

The answers to those questions will have something to do with whether we make more room in our philanthropic universe for groups that support U.S. servicemembers and diplomats—through person-to-person generosity and small-scale community action—as they battle tumult over the next generation.