China and the U.S.: Cooperation, Competition and/or Conflict
An Experimental Assessment

PART ONE: CHINA’S NATIONAL STRATEGY
Declared Strategy vs. Actions

Working Draft
Revised October 1, 2019
Nations publish broad statements about their national strategy more as forms of strategic communication than as actual statements about their true strategy, goals and the ways they intend to achieve them. They also use them to signal major shifts in broad policy objectives, although those objectives are generally stated in diplomatic terms and ways designed more to influence other states than provide an accurate picture of a nation’s policies.

China is no more an exception than is the United States. What China actually does in shaping its economy, military forces, and interactions with other states often differs sharply from its declared official foreign policy and strategy. China’s actions consistently provide a better picture of its goals and intentions than the words in its public White Papers and policy statements. Nevertheless, its China’s Defense White Papers are well worth reading, as are its other major policy statements, and its 2019 defense white paper—*China’s National Defense in the New Era*—provides a particularly useful introduction to the summary analyses and graphics provided in the various sections of this report.

At the same time, the following sections of this report reveal a mix of trends and actions that highlight eight other aspects of China’s strategic position that should also be considered in evaluating China’s statements of its strategy and U.S. strategy for dealing with China:

- China has already emerged as a global economic superpower and regional Pacific military superpower.
- Only China can stop China from becoming a global military superpower by 2030.
- In spite of this military progress, China’s progress in achieving strategic parity with the U.S. will probably be determined more by China’s relative political, economic, and military development and influence than by Chinese military or warfighting capability.
- Important as comparing China and the U.S. may be, Russia and regional power clusters will be key wild cards. (Central/South Asia, MENA)
- Military competition alone is highly expensive for both states. U.S. and Chinese competition already costs each power several percent of its GDP each year. Peak Cold War competition with the the USSR cost the U.S. some 5-9% of its GDP per year.
• Sun Tzu’s doctrine of winning without fighting, and hybrid civil-military operations, offer China the greatest potential advantage – but only in successful political/economic operations and carefully contained lower levels of conflict.

• Escalating to any form of serious Anti-Access-Area Denial (A2D2) or (AAD2) presents a key “land war in Asia” challenge to the U.S. – how do you actually “win” anything relative to the cost of fighting?

• Serious warfighting of any kind between China and the U.S. will probably cost the winner more than victory is worth, and both nations already have the capability to inflict devastating nuclear countervalue damage on the other state. “The only way to win is not to play.”

American’s also need to understand that China approaches its competition with the United States, and its reemergence as a global superpower, from a unique historical background. The following chronology provides a brief outline of some of the major events in the “dark years” that saw China shift from a global superpower in the 1700s to becoming the subject of foreign exploitation and occupation from the 1840s to the end of World War II. It also serves as a reminder of the major convulsions that transformed China from an aging empire to a Maoist form of Communism, and then to its present form of one-party state capitalism.

• Opium Wars: 1839-1842 and 1856-60
• Foreign Concessions/Unequal Treaties: Hong Kong 1842-1997
• Taiping Rebellion: 1850-1864
• Sino-Japanese War: 1884-1895
• Boxer Rebellion 1899 and Siege of Beijing: 1900
• Revolution and Warlords: 1911-1937 (Sun dies in 1925)
• Canton Coup - Chiang Kai Shek - Red Purge/Civil War, Nanjing Decade 1926/8-1937
• Manchurian Incident/Japanese Invasion: 1931
Outside exploitation of China ended with World War II, and the impact of China’s “dark years” on its development as a world power ended with the rise of China after Deng Xiaoping became its leader. It is still important to note, however, that China’s current strategy is shaped by the fact that the later years in this chronology saw major shifts from U.S. support of China during World War II to Russian support of the Maoist regime, then saw a Chinese shift back to cooperation with the U.S. in containing the Soviet Union, and have now seen another reversal as China has emerged as a serious competitor to the U.S. and tilted back to ties with Russia.

China’s current strategy and goals look towards its future and not its past. Both foreign and Chinese experts also disagree over the impact of China’s “dark years” on its present strategic view of the world and outside states. However, China’s 2019 Defense White Paper does make brief mention of this history, and China has unique reasons to distrust outside and fear foreign pressure. This history cannot be disregarded in considering the motives behind Chinese strategy and its behavior as an emerging superpower. China’s concerns with Taiwan, its historic claims, and the U.S. and Japanese role in the Western Pacific, must all be seen from this perspective.
The 70th Anniversary White Paper
China contributes solutions to world peace and development. In the early days of the PRC, China established its independent foreign policy of peace, which contributed to global peace after World War II. In the 1950s, China, India and Myanmar jointly proposed the Five Principles of Peaceful Coexistence (mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other’s internal affairs, equality and mutual benefit, and peaceful coexistence). These have become basic norms for international relations and fundamental principles of international law. China has safeguarded the interests of developing countries, playing an important role in building a fair and equitable international political and economic order. In recent years, China has proposed a raft of significant international concepts and initiatives, including a global community of shared future, a new model of international relations, the Belt and Road Initiative, the principle of upholding the greater good and pursuing shared interests, a vision of common, comprehensive, cooperative, and sustainable security, the principles of extensive consultation, joint contribution and shared benefits in global governance, and the principles of equality, mutual learning, dialogue and inclusiveness between civilizations. These proposals have contributed Chinese wisdom and solutions to protecting world peace and promoting common development.

China safeguards world peace through real actions. Over the past 70 years, China has not provoked a single war or conflict, nor invaded a single square of foreign land. Since reform and opening up in 1978, China has cut its armed forces by over 4 million. China has been an active participant of international arms control, disarmament and nonproliferation, opposing any arms race and safeguarding global strategic balance and stability. China has signed or joined more than 20 treaties on multilateral arms control, disarmament and nonproliferation, including the Treaty on the Non-Proliferation of Nuclear Weapons. China has become the second largest contributor to both the regular and peacekeeping budgets of the UN, and the largest troop contributor among the permanent members of the UN Security Council (see Box 3). In 2015 China announced that it would set up a ten-year, US$1 billion China-UN Peace and Development Fund, which was officially put into operation in 2016. China has always been dedicated to resolving territorial and maritime delimitation disputes through negotiation and consultation. China has achieved full resolution of land border delimitation problems with 12 of its 14 neighboring countries, and delineated the China-Vietnam maritime boundary in the Beibu Gulf. This has broken new ground for settling inter-country issues carried over from history as well as other international disputes. China has played a constructive role in settling major international and regional issues.

China is a major contributor to the UN peacekeeping budget and the largest troop contributing country among the permanent members of the UN Security Council. By December 2018, China had participated in 24 UN peacekeeping operations and dispatched more than 39,000 troops, of whom 13 laid down their lives while on duty. In September 2015, China announced its decision to join the new UN Peacekeeping Capability Readiness System and build a peacekeeping standby force of 8,000 troops. Since December 2008, implementing a UN Security Council resolution, China has been sending naval fleets to conduct regular escort missions in the Gulf of Aden and waters off Somalia. China has also dispatched troops on international disaster relief and humanitarian aid missions.

...Over the six decades since China began to provide foreign assistance in the early 1950s, it has provided 166 countries and international organizations with nearly RMB400 billion in aid, and dispatched over 600,000 aid workers, of whom more than 700 sacrificed their lives for the development of other countries. On seven occasions, China has canceled debt from interest-free government loans to heavily indebted poor countries and the LDCs. China has provided medical aid to 69 countries in Asia, Africa, Latin America, the Caribbean and Oceania, and provided aid to more than 120 developing countries for implementing the United Nations Millennium Development Goals.
China’s 70th Anniversary White Paper on Strategy, Foreign Policy, Peace, (and U.S.) - II

...China will never seek hegemony

It is true that in the past, countries that grew strong have sought hegemony, but this is not a historical law. The conclusion is bound to be absurd and distorted if one judges China against the experience of some Western powers and applies their logic to China. China’s pursuit of peaceful development is not diplomatic rhetoric, or an act of expediency, or a strategic ambiguity. Rather, it showcases China’s confidence in thought and readiness for practice, and represents China’s unswerving strategic choice and solemn commitment. China will never pursue hegemony or expansion, nor will it seek to create spheres of influence, no matter how international situation changes, how China develops itself.

...China takes the road of peaceful development, which comes from the profound heritage of Chinese civilization. Chinese civilization originated from inland and farming; it is a moderate and defensive civilization. With a history dating back more than 5,000 years, Chinese culture contains the cosmological view of the unity of man and nature, the international view of harmony between all countries, the social view of harmony in diversity, and the moral view of kindness and benevolence. Since ancient times, China has advocated that “the strong should not oppress the weak, and the rich should not abuse the poor”, and “do not do to others what you do not want others to do to you”, knowing that “a warlike state, however big it may be, will eventually perish”. The Chinese nation does not have the gene to invade others and dominate the world. From the mid-19th century, China was abused by the Western powers and left with indelible memories of the suffering brought about by war and instability. It will never impose the suffering it has endured on other nations.

China’s peaceful development comes from its understanding of the conditions for achieving development goals. Development is China’s top priority. Over the past 70 years, China has benefited from a peaceful and stable external environment, and in the future it also needs such an external environment. The key to China’s success lies in concentrating on running its own affairs well and realizing the mutual promotion of peace and development. Expansion and hegemony go against China’s interests and the will of the people. It has always been China’s unswerving national will to strive for a peaceful international environment favorable to its own development, and to better safeguard world peace and promote common development through its own.

China’s peaceful development comes from a profound understanding of the general trend of world development. Today, countries are becoming a close-knit community of shared interests and future, and peace, development, cooperation, and mutual benefit are the trends of the times. Any country, big or small, strong or weak, can achieve sustainable development only if it participates in international cooperation on the basis of equality and mutual benefit. In contrast, pursuing hegemony and militarism will only consume national strength and lead to decline. In human history, the struggle for hegemony of the major powers has resulted in frequent wars, loss of life, setbacks for humanity, and even the retrogression of human civilization. The lessons have been painful and profound. Peace, development and stability, rather than war, poverty and chaos, are the true aspirations of the people of all countries. China’s path of peaceful development is in line with the trend of history and the general trend of the world.

China has the right to development, and its people have the right to pursue a better life. As a country that suffered abuse and humiliation in the past, China aims to win dignity, security and a better life for its people through its own development. China naturally develops and becomes stronger, but does not want to threaten, challenge or replace any other country in the process, nor will it seek hegemony. China’s future is in its own hands. It is the Chinese people who decide their own destiny. No one can deprive the Chinese people of their right to pursue a better life. No one can stop China from moving forward.

China is firmly committed to peaceful development and hopes that all countries in the world will do likewise. Only when countries take peaceful development paths can we develop and live peacefully together. China will never develop itself at the expense of others, nor will it give up its legitimate rights and interests. No foreign country should expect China to trade its core interests or to accept anything that is damaging to China’s own sovereignty, security and development interests.
China’s 70th Anniversary White Paper on Strategy, Foreign Policy, Peace, (and U.S.) - III

Major countries are an important force for safeguarding world peace and stability, and key actors in building a new model of international relations. Major countries should fulfill their responsibilities commensurate with their status. The international status of a country is measured by its openness of mind, breadth of vision, and sense of responsibility rather than its size, strength or power. Major countries should direct their primary efforts to the future of humanity and assume greater responsibilities for world peace and development, rather than wielding their power to seek hegemony in international and regional affairs. The course of human history shows that for the strategies of major countries to be successful they must follow the trends of the times and win wide recognition from other countries and peoples.

Only through cooperation based on mutual respect and mutual benefit can major countries sustain human progress. Coordination and cooperation should be strengthened to build a stable and balanced framework of relations among major countries, which underpins world peace and stability. Major countries should respect each other’s core interests and major concerns, build deeper mutual understanding, and settle differences and disputes through constructive communication and consultation.

Big countries should treat small ones as equals rather than acting as hegemons imposing their will on others. No country should create havoc by launching ill-considered and arbitrary wars or undermining the international rule of law. Disputes and problems should be settled through dialogue and consultation on an equal footing and with the maximum sincerity and patience.

Some countries have ascribed domestic governance problems to economic globalization or other countries, and resorted to unilateral, protectionist, and hegemonic actions. This approach has damaged the global value, supply and consumption chains, and caused turbulence and conflict in the current international trade order, driving the world economy towards the “recession trap”.

We should not be intimidated by the problems encountered by economic globalization. Withdrawing from international organizations and treaties, decoupling foreign foreign trade relations, and building border walls lead us nowhere. Our problems can only be solved through a process of reform and self-improvement. All countries should join forces to draw lessons from history, strengthen coordination, enhance governance, and make economic globalization more open, inclusive, balanced and beneficial to all.

A new model of economic globalization should be developed and shaped by all countries. It should make innovations and improvements based on those rules and institutions that have proven effective in practice, such as trade liberalization and multilateral trade. It should eliminate hegemonism, power politics, the law of the jungle, and zero-sum games, uphold the principles of extensive consultation, joint contribution and shared benefits, and realize democracy, equality, fairness and equity. It should help to build an open world economy, promote world peace and stability, and bring common development and prosperity.

The UN is at the core of the global governance system. The UN Charter is the fundamental cornerstone for maintaining stability of the international system and regulating relations among countries. The world is experiencing confrontation and injustice in many different forms, not because the purposes and principles of the UN Charter are outdated, but because they have not been effectively fulfilled. Upholding the authority and role of the UN is key to protecting the common interests of the international community and the legitimate interests of individual countries, and to shaping a bright future for humanity. Therefore, all countries should uphold uphold the international system centered on the UN, international law and the basic norms of international relations underpinned by the purposes and principles of the UN Charter, and the central role of the UN in international affairs.
China’s 70th Anniversary White Paper on Strategy, Foreign Policy, Peace, (and U.S.) - IV

The multilateral trading system with the WTO at its core is the cornerstone of international trade. It has played a crucial role in promoting global trade, building an open world economy, and improving the wellbeing of the peoples of all countries. Unilateral and protectionist trade policies, which run counter to the laws of the market, international rules, and the basic principles of the WTO, will lead to shrinking global trade and may even trigger global economic crises. All countries should join together in support of multilateralism while firmly opposing unilateralism and protectionism. In building an open world economy, we should safeguard the WTO’s core role and basic principles and the multilateral trading system characterized by free trade, openness and non-discrimination, and protect the legitimate rights and development space of developing member states.

The Paris Agreement on climate change, the Convention on Nuclear Safety, the Treaty on the Non-Proliferation of Nuclear Weapons, and other international treaties and agreements are based on the consensus of all parties and in accord with the interests of all countries. All signatories have the obligation to fulfill their commitments fully rather than selectively. Willful withdrawal from international organizations and treaties goes against the spirit of contract and international ethics. The rules should be observed in fairness and be mutually binding, and must not be compromised by “pragmatism” and double standards.

...Supporting multilateralism and upholding international equity and justice

Equity and justice are the eternal goals of human society and the ultimate purpose of building a global community of shared future. In today’s world, equity and justice remain distant dreams. The future of the world should be decided by the peoples of all countries and international affairs should be managed by all countries through consultation. China will remain committed to multilateralism, uphold international equity and justice, and work with other countries to promote democracy, the rule of law and a proper balance in international relations.

Supporting multilateralism is the common aspiration of the international community. In today’s world, all countries have converging interests and share weal and woe, woe, making the global trend towards multipolarity and democratic international relations irresistible. Gone are the days when the strong had the final say. As a founding member of the UN, a permanent member of the UN Security Council, and the largest developing country, China will continue to uphold the international system with the UN at its core and the international order underpinned by the purposes and principles of the UN Charter, and join forces with other countries in supporting multilateralism and opposing unilateralism. China advocates that whenever differences and disputes crop up between countries they should turn to consultation through multilateral frameworks or platforms, seek common ground while reserving differences, increase common interests while dissolving differences, and by doing so, broaden consensus and promote the peaceful settlement of differences and disputes. We oppose the calculated threat or use of force. China will remain committed to the multilateral trading system with the WTO at its core, and oppose unilateral conduct such as erecting walls between nations, undermining others, or withdrawing into isolation. We give active support to the WHO, WIPO, the International Telecommunication Union (ITU), and the International Labor Organization (ILO) in playing a better role in global governance.

Upholding equity and justice is China’s basic principle in dealing with international issues. We respect the right of the peoples of all countries to choose their own development paths and social systems, respect the sovereignty and territorial integrity of all countries, and oppose interference in others’ domestic affairs. China will never impose its will on other countries, nor will it allow others to impose theirs on the Chinese people. We will never interfere in the domestic affairs of others, nor will we allow any country or force to interfere in ours. China stands for the equality of all countries, big or small, strong or weak, rich or poor, and opposes the law of the jungle that leaves the weak at the mercy of the strong. We resolutely reject hegemonic thinking and power politics, and strive to increase the representation and voice of developing countries in international affairs. China will undertake more international responsibilities, work with other countries to safeguard human conscience and international truth, and uphold equity and justice in regional and international affairs. We will continue to advocate and implement our principles concerning major international and regional issues:

---

China’s 70\textsuperscript{th} Anniversary White Paper on Strategy, Foreign Policy, Peace, (and U.S.) - IV

• No country should interfere in other countries’ internal affairs or impose its will on others;
• Countries concerned should act in an impartial and objective manner and refrain from seeking selfish interests;
• Political solutions, not the use of force, should be sought in addressing differences and disputes.

China believes that a fair judgment should be made on each issue on its own merits. We will promote peace talks, maintain stability, prevent disorder, exhibit no partiality, seek no selfish gains, and play a constructive role in ensuring regional and international peace and tranquility.

...Taking a lead in reforming and developing the global governance system

It is the common aspiration of countries around the world to make global governance fairer and more equitable, and fulfill the principles of extensive consultation, joint contribution and shared benefits. As a major and responsible country, China will continue to enjoy its rights in balance with fulfilling its obligations, taking account of both its requirements of the world and the international community’s expectations for China. We will take an active part in reforming and developing the global governance system. As a participant in, builder of, and contributor to that system, China hopes to help the system move with the times through innovation and improvement, rather than reinvent the wheel.
The 2015 Defense White Paper
China’s 2015 Defense White Paper

China has issued a long series of Defense White Papers. The official English language translations of the most recent papers from 2010 onwards are available at the web site of the State Council of the People’s Republic of China at http://english.gov.cn/archive/whitepaper/. Following quotations show that the 2015 Defense White Paper still stressed cooperation and win-win relations with outside powers. It avoided directly addressing competition with the United States – although many of its statements regarding its global security situation – such as its focus on Taiwan and U.S. “rebalancing” to Asia – did refer to the United States. Accordingly, the White Paper does more to hint at competition with the United States than to directly address the degree to which that became a major strategic objective.

The 2015 Defense White Paper did, however, stress levels of military reform that China had now been pursuing for some years, and which is greatly strengthening China’s military position as a growing superpower. China used its own phrasing to describe joint warfare, the impact of modern airpower and missile strikes, the need to create advanced sensors and integrated digital battle management, and the importance of force quality relative to force mass. However, China had clearly learned from U.S. performance in these areas during the first Gulf War in 1991, and from the U.S. invasion of Iraq 2003, and the sections of this report that follow show the degree to which China has made progress in these areas before and since the 2015 White Paper was issued.

The following quotes from China’s 2019 defense White Paper — and the charts and tables that cover Chinese security developments in the military sections later in this report — make it clear that China has progressively followed up on the 2015 White Paper by creating smaller, but much better integrated and modernized military forces. At the same same, China has shaped its modernization plans to maintain an emphasis on hybrid warfare and the use of military forces to achieve political goals as tools of influence and intimidation and ways of avoiding actual fighting. China also has fully recognized the importance of space and cyber warfare, the extent to which missile forces may able to replace manned airpower, and the extent to which China must extend its military reach deep into the South China Sea and a “Second Island Chain” to counter U.S. forces in the Western Pacific.
China’s national strategic goal is to complete the building of a moderately prosperous society in all respects by 2021 when the CPC celebrates its centenary; and the building of a modern socialist country that is prosperous, strong, democratic, culturally advanced and harmonious by 2049 when the People’s Republic of China (PRC) marks its centenary.

It is a Chinese Dream of achieving the great rejuvenation of the Chinese nation. The Chinese Dream is to make the country strong. China’s armed forces take their dream of making the military strong as part of the Chinese Dream. Without a strong military, a country can be neither safe nor strong.

In the new historical period, aiming at the CPC’s goal of building a strong military in the new situation, China’s armed forces will unswervingly adhere to the principle of the CPC’s absolute leadership, uphold combat effectiveness as the sole and fundamental standard, carry on their glorious traditions, and work to build themselves into a people’s military that follows the CPC’s commands, can fight and win, and boasts a fine style of work.

In the new circumstances, the national security issues facing China encompass far more subjects, extend over a greater range, and cover a time span than at any time in the country’s history. Internally and externally, the factors at play are more complex than ever before. Therefore, it is necessary to uphold a holistic view of national security, balance internal and external security, homeland and citizen security, traditional and non-traditional security, subsistence and development security, and China’s own security and the common security of the world.

...In today’s world, the global trends toward multipolarity and economic globalization are intensifying, and an information society is rapidly coming into being. Countries are increasingly bound together in a community of shared destiny. Peace, development, cooperation, and mutual benefit have become an irresistible tide of the times.

Profound changes are taking place in the international situation, as manifested in the historic changes in the balance of power, global structure, Asia-Pacific geostrategic landscape, and international competition in the economic, scientific and technological, and military fields. Forces for world peace are on the rise; so are the factors against war. In the foreseeable future, a world war is unlikely, and the international situation is expected to remain generally peaceful. There are, however, new threats from hegemonism, power politics, and neointerventionism. International competition for the redistribution of power, rights, and interests is tending to intensify. Terrorist activities are growing increasingly worrisome. Hotspot issues, such as ethnic, religious, border, and territorial disputes, are complex and volatile. Small-scale wars, conflicts, and crises are recurrent in some regions. Therefore, the world still faces both immediate and potential threats of local wars.

With a generally favorable external environment, China will remain in an important period of strategic opportunities for its development, a period in which much can be achieved. China’s comprehensive national strength, core competitiveness and risk-resistance capacity are notably increasing, and China enjoys growing international standing and influence. Domestically, the Chinese people’s standard of living has remarkably
improved, and Chinese society remains stable. China, as a large developing country, still faces multiple and complex security threats, as well as increasing external impediments and challenges. Subsistence and development security concerns, as well as traditional and nontraditional security threats, are interwoven. Therefore, China has an arduous task to safeguard its national unification, territorial integrity and development interests.

...As the world economic and strategic center of gravity is shifting ever more rapidly to the Asia-Pacific region, the U.S. carries on in its ‘rebalancing’ strategy and enhances its military presence and its military alliances in this region. Japan is sparing no effort to dodge the postwar mechanism, overhauling its military and security policies. Such development has caused grave concerns among other countries in the region. On the issues concerning China’s territorial sovereignty and maritime rights and interests, some of its offshore neighbors take provocative actions and reinforce their military presence on China’s reefs and islands that they have illegally occupied. Some external countries are also busy meddling in South China Sea affairs; a tiny few maintain constant close-in air and sea surveillance and reconnaissance against China. It is thus a longstanding task for China to safeguard its maritime rights and interests. Certain disputes over land territory are still smoldering. The Korean Peninsula and Northeast Asia are shrouded in instability and uncertainty. Regional terrorism, separatism, and extremism are rampant. All these have a negative impact on the security and stability along China’s periphery.

The Taiwan issue bears on China’s reunification and long-term development, and reunification is an inevitable trend in the course of national rejuvenation. In recent years, cross–Taiwan Strait relations have sustained a sound momentum of peaceful development, but the root cause of instability has not yet been removed, and the ‘Taiwan independence’ separatist forces and their activities are still the biggest threat to the peaceful development of cross-strait relations. Further, China faces a formidable task to maintain political security and social stability. Separatist forces for ‘East Turkistan independence’ and ‘Tibet independence’ have inflicted serious damage, particularly with escalating violent terrorist activities by East Turkistan independence forces. Besides, anti-China forces have never given up their attempt to instigate a ‘color revolution’ in this country. Consequently, China faces more challenges in terms of national security and social stability. With the growth of China’s national interests, its national security is more vulnerable to international and regional turmoil, terrorism, piracy, serious natural disasters and epidemics, and the security of overseas interests concerning energy and resources, strategic sea lines of communication (SLOCs), as well as institutions, personnel, and assets abroad, has become an imminent issue.

...The world revolution in military affairs (RMA) is proceeding to a new stage. Long-range, precise, smart, stealthy, and unmanned weapons and equipment are becoming increasingly sophisticated. Outer space and cyberspace have become new commanding heights in strategic competition among all parties. The form of war is accelerating its evolution to informatization. World major powers are actively adjusting their national security strategies and defense policies and speeding up their military transformation and force restructuring. The aforementioned revolutionary changes in military technologies and the form of war have not only had a significant impact on the international political and military landscapes but also pose new and severe challenges to China’s military security.

In the spirit of neighborhood diplomacy of friendship, sincerity, reciprocity, and inclusiveness, China’s armed forces will further develop relations with their counterparts in neighboring countries. Also, they will work to raise the level of military relations with European counterparts and continue the traditional friendly military ties with their African, Latin American, and Southern Pacific counterparts. China’s armed forces will work to further defense and security cooperation in the Shanghai Cooperation Organization and continue to participate in multilateral dialogues and cooperation mechanisms, such as the Association of Southeast Asian Nations (ASEAN) Defense Ministers’ Meeting Plus, ASEAN Regional Forum, Shangri-La Dialogue, Jakarta International defense Dialogue, and Western Pacific Naval Symposium. The Chinese military will continue to host multilateral events like the Xiangshan Forum, striving to establish a new framework for security and cooperation conducive to peace, stability, and prosperity in the Asia-Pacific region.
China on Preparing for War: 2015 Defense White Paper

Preparation for military struggle (PMS) is a basic military practice and an important guarantee for safeguarding peace, containing crises and winning wars. To expand and intensify PMS, China’s armed forces must meet the requirement of being capable of fighting and winning, focus on solving major problems and difficulties, and do solid work and make relentless efforts in practical preparations, in order to enhance their overall capabilities for deterrence and warfighting.

Enhancing capabilities for system-vs-system operations based on information systems. China’s armed forces will quicken their steps to transform the generating mode of combat effectiveness, work to use information systems to integrate a wide range of operational forces, modules and elements into overall operational capacity, and gradually establish an integrated joint operational system in which all elements are seamlessly linked and various operational platforms perform independently and in coordination. China’s armed forces will endeavor to address the pressing problems constraining the capabilities for system-vs-system operations. They will make further exploration and more efficient utilization of information resources, strengthen the building of the systems of reconnaissance, early-warning and command and control, develop medium- and long-range precision strike capabilities, and improve the comprehensive support systems. In accordance with the requirement of being authoritative, streamlined, agile and efficient, they will strive to establish and improve the CMC command organ and theater-level command systems for joint operations.

Pushing ahead with PMS in all directions and domains. Due to its complex geostrategic environment, China faces various threats and challenges in all its strategic directions and security domains. Therefore, PMS must be carried out in a well-planned, prioritized, comprehensive and coordinated way, so as to maintain the balance and stability of the overall strategic situation. China’s armed forces will make overall planning for PMS in both traditional and new security domains, and get ready to safeguard national sovereignty and security, protect the country’s maritime rights and interests, and deal with armed conflicts and emergencies. To adapt to the upgrading of weaponry and equipment as well as changes of operational patterns, China’s armed forces will further optimize battlefield disposition and strengthen strategic prepositioning.

Maintaining constant combat readiness. China’s armed forces will continue to improve its routine combat readiness, maintain a posture of high alertness, and conscientiously organize border, coastal and air defense patrols and guard duties. The PLAA will improve its combat readiness system with inter-connected strategic directions, combined arms and systematized operational support, so as to ensure agile maneuvers and effective response. The PLAN will continue to organize and perform regular combat readiness patrols and maintain a military presence in relevant sea areas. The PLAAF will continue to observe the principles of applicability in peacetime and wartime, all-dimensional response and full territorial reach, and maintain vigilant and efficient combat readiness. The PLASAF will continue to keep an appropriate level of vigilance in peacetime. By observing the principles of combining peacetime and wartime demands, maintaining all time vigilance and being action-ready, it will perfect the integrated, functional, agile and efficient operational duty system.

Enhancing realistic military training. The PLA will continue to attach strategic importance to combat training in realistic conditions, and strictly temper the troops according to the Outline of Military Training and Evaluation (OMTE). It will constantly innovate operational and training methods, improve military training criteria and regulations, and work to build large-scale comprehensive training bases in an effort to provide real-combat environments for training. The PLA will continue to conduct live-setting training, IT-based simulated training, and face-on-face confrontation training in line with real-combat criteria, and strengthen command post training and joint and combined training. It will intensify training in complex electro-magnetic environments, complex and unfamiliar terrains, and complex weather conditions. It will also set up a training supervision and inspection system, so as to incorporate real-combat requirements into training.

Preparing for military operations other than war (MOOTWs). As a necessary requirement for China’s armed forces to fulfill their responsibilities and missions in the new period as well as an important approach to enhancing their operational capabilities, the armed forces will continue to conduct such MOOTWs as emergency rescue and disaster relief, counter-terrorism and stability maintenance, rights and interests protection, guard duty, international peacekeeping, and international humanitarian assistance and disaster relief (HADR). They will work to incorporate MOOTW capacity building into military modernization and PMS, and pay special attention to establishing emergency command mechanisms, building emergency forces, training professionals, supporting task-specific equipment, and formulating relevant policies and regulations. Military emergency-response command systems will be tuned into state emergency management mechanisms. China’s armed forces will persist in unified organization and command, scientific employment of forces, rapid and efficient actions, and strict observation of related policies and regulations.
The 2019 Defense White Paper
China’s 2019 Defense White Paper

China’s 2019 defense white paper — *China’s National Defense in the New Era* — was issued on July 22nd in both Chinese and English. Unlike China’s previous defense white papers — the most recent of which came out in 2015 and was often blandly reassuring to the point of being vacuous — the 2019 White Paper picks up the gauntlet that the U.S. threw down in its 2017 *National Security Strategy* and 2018 *National Defense Strategy*. Both of these documents effectively made China the key objective in strengthening U.S. military forces and single it out as America’s primary strategic competitor.

While the *China’s National Defense in the New Era* does make broad claims that China’s strategy is entirely peaceful, many other portions of the paper show that it is clearly a response to the shift in U.S. strategy from a focus on counterterrorism and extremism to one competition and possible conflict with China and Russia. The 2019 White Paper flags the fact that America and China are now competing superpowers, and that China’s growing military forces are developing to the point where they will be able to challenge the United States. More than that, the following sections of this report show that many aspects of detailed contents of the White Paper are a direct response to the official U.S. reports on *Chinese Military Power* issued by the Office of the Secretary of Defense and by the Defense Intelligence Agency.

The new Chinese White Paper touches on every key point in the 2019 versions of these two U.S. reports, and portrays the Chinese actions they describe as threats as just and peaceful. It summarizes the overall character of United States defense efforts by declaring that,

> International strategic competition is on the rise. The US has adjusted its national security and defense strategies, and adopted unilateral policies. It has provoked and intensified competition among major countries, significantly increased its defense expenditure, pushed for additional capacity in nuclear, outer space, cyber and missile defense, and undermined global strategic stability. NATO has continued its enlargement, stepped up military deployment in Central and Eastern Europe, and conducted frequent military exercises.

It describes China as trying to bring Asia together in peaceful cooperation through organization like the Shanghai Cooperation Council, the China-ASEAN Defense Ministers’ Informal Meeting, and the ASEAN Defense Ministers’ Meeting Plus (ADMM-Plus). In contrast, the Chinese White Paper states that,

> the region has become a focus of major country competition, bringing uncertainties to regional security. The US is strengthening its Asia-Pacific military alliances and reinforcing military deployment and intervention, adding complexity to regional security. The deployment of the Terminal High Altitude Area Defense (THAAD) system in the Republic of Korea (ROK) by the US has severely undermined the regional strategic balance and the strategic security interests of regional countries.

It describes Taiwan, Tibetan, and Turkistan separatists as China’s main threats, the dangers of disputes over territory, and again highlights the U.S. by noting that, “Countries from outside the region conduct frequent close-in reconnaissance on China by air and sea, and illegally enter China’s territorial waters and the waters and airspace near China’s islands and reefs, undermining China’s national security.”

The Chinese White Paper also describes the modernization and expansion of Chinese military forces as being almost totally defensive: “China’s military security is confronted by risks from technology surprise and growing technological generation gap. Greater efforts have to be invested in military modernization to meet national security demands. The PLA still lags far behind the world’s leading militaries.” It also declares that,

Though a country may become strong, bellicosity will lead to its ruin. The Chinese nation has always loved peace. Since the beginning of modern times, the Chinese people have suffered from aggressions and wars, and have learned the value of peace and the pressing need for development. Therefore, China will never inflict such sufferings on any other country. Since its founding 70 years ago, the People’s Republic of China (PRC) has never started any war or conflict. Since the introduction of reform and opening-up, China has been committed to promoting world peace, and has voluntarily downsized the PLA by over 4 million troops. China has grown from a poor and weak country to be the world’s second largest economy neither by receiving handouts from others nor by engaging in military expansion or colonial plunder. Instead, it has developed through its people’s hard work and its efforts to maintain peace. China has made every effort to create favorable conditions for its development through maintaining world peace, and has equally endeavored to promote world peace through its own development. China sincerely hopes that all countries will choose the path of peaceful development and jointly prevent conflicts and wars.

The White Paper portrays the U.S. as the power that is making sweeping increase in military spending and is the more aggressive power. It totally ignores the comparative rises in actual U.S. and Chinese military expenditures, and the fact that the fact that China only reports a limited part of its true military expenditures. It instead claims that the U.S. is spending 2.7 times more of its economy (3.5% of GDP vs. 1.3% for China) on military forces, and nearly twice the percentage of its total government expenditures (9.8% vs. 5.3%).

At the same time, the defense White Paper goes on to address virtually every major aspect of Chinese military activity and development as peaceful. For example, it deals with the South China Sea issue by stating that,

China’s armed forces defend important waters, islands and reefs in the East China Sea, the South China Sea and the Yellow Sea, acquire full situation awareness of adjacent waters, conduct joint rights protection and law enforcement operations, properly handle maritime and air situations, and resolutely respond to security threats, infringements and provocations on the sea. Since 2012, China’s armed forces have deployed vessels on over 4,600 maritime security patrols and and 72,000 rights protection and law enforcement operations, and safeguarded maritime peace, stability and order...China’s armed forces conduct air defense, reconnaissance and early warning, monitor China’s territorial air and peripheral air space, carry out alert patrols and combat takeoff, and effectively respond to emergencies and threats to maintain order and security in the air...Aiming at safeguarding national unity, China’s armed forces strengthen military preparedness with emphasis on the sea. By sailing ships and flying aircraft around Taiwan, the armed forces send a stern warning to the “Taiwan independence” separatist forces.

Yet, it is also important to note that in some ways, the Chinese White Paper is more moderate in its treatment of the U.S. than the U.S. strategy papers issue in 2017 and 2018 were in discussing military developments in China,

China actively and properly handles its military relationship with the US in accordance with the principles of non-conflict, non-confrontation, mutual respect and win-win cooperation. It strives to make the military-to-military relationship a stabilizer for the relations between the two countries and hence contribute to the China-US relationship based on coordination, cooperation and stability. In 2014, China’s Ministry of National Defense (MND) and the US Department of Defense...
signed the Memorandum of Understanding on Notification of Major Military Activities and Confidence-Building Measures Mechanism and the Memorandum of Understanding Regarding the Rules of Behavior for Safety of Air and Maritime Encounters. In 2015, the two countries agreed on the annexes on the military crisis notification mechanism and the rules of behavior for safety in air-to-air encounters. In 2017, the two countries established a diplomatic and security dialogue and joint staff dialogue mechanism with a view to actively strengthening strategic communication and managing risks and differences. The two militaries carry out institutionalized exchanges between the defense authorities, armies, navies and air forces, as well as practical cooperation in HADR, counter-piracy, and exchanges between academic institutions. China resolutely opposes the wrong practices and provocative activities of the US side regarding arms sales to Taiwan, sanctions on the CMC Equipment Development Department and its leadership, illegal entry into China’s territorial waters and maritime and air spaces near relevant islands and reefs, and wide-range and frequent close-in reconnaissance. However, in China-US relations, the military-to-military relationship remains the generally stable one.

One does not have to read between the lines of the White Paper to see that China’s National Defense in a New Era does identify China as a major strategic competitor to the United States. The text is very careful, however, to limit the level of this competition, and its wording makes it clear that China understands the risks involved. While no major policy document issued by any country has ever been able to fully separate rhetoric from reality, the Chinese White Paper does spend the last five pages of its text describing Chinese efforts to improve regional cooperation, and some are clearly real. The White Paper does not even hint at the level of ideological competition that drove the Cold War between the Soviet Union and the West. And, as important as many security issues are between the U.S. and China, no issue other than Taiwan is discussed in ways that approach the point of being so critical in terms of Chinese strategic interests that it indicates a willingness to escalate to any form of serious conflict.

Seen from this perspective, the Chinese White Paper — like the two recent U.S. national strategy documents cited at the start of this commentary — is a clear warning of growing strategic rivalry between an existing and emerging super power that already is stronger than Russia in virtually every respect other than its number of nuclear weapons. It is a warning that will shape the future of both the U.S. and China for decades to come.

The White Paper is not, however, an indication that some mix of U.S. and Chinese cooperation and competition has to evolve into major conflict. As such, the U.S. should respond by strengthening its level of deterrence and its strategic partnerships in Asia, but it should also find every possible opportunity for cooperation with China and to limit the military and civil competition between the two countries to peaceful forms where the end result can benefit both powers to at least some extent. If nothing else, China’s National Defense in a New Era is a clear warning that a failure to do so will increase the level of risk to both powers indefinitely into the future.

The socialist system of China, the strategic decision to follow the path of peaceful development, the independent foreign policy of peace, and the best of cultural traditions – considering peace and harmony as fundamentals – determine that China will pursue a national defense policy that is defensive in nature.

Resolutely Safeguarding China’s Sovereignty, Security and Development Interests

This is the fundamental goal of China’s national defense in the new era.

China’s national defense aims:

• to deter and resist aggression;
• to safeguard national political security, the people’s security and social stability;
• to oppose and contain “Taiwan independence”;
• to crack down on proponents of separatist movements such as “Tibet independence” and the creation of “East Turkistan”;
• to safeguard national sovereignty, unity, territorial integrity and security;
• to safeguard China’s maritime rights and interests;
• to safeguard China’s security interests in outer space, electromagnetic space and cyberspace;
• to safeguard China’s overseas interests; and
• to support the sustainable development of the country.

China resolutely safeguards its national sovereignty and territorial integrity. The South China Sea islands and Diaoyu Islands are inalienable parts of the Chinese territory. China exercises its national sovereignty to build infrastructure and deploy necessary defensive capabilities on the islands and reefs in the South China Sea, and to conduct patrols in the waters of Diaoyu Islands in the East China Sea. China is committed to resolving related disputes through negotiations with those states directly involved on the basis of respecting historical facts and international law. China continues to work with regional countries to jointly maintain peace and stability. It firmly upholds freedom of navigation and overflight by all countries in accordance with international law and safeguards the security of sea lines of communication (SLOCs).

To solve the Taiwan question and achieve complete reunification of the country is in the fundamental interests of the Chinese nation and essential to realizing national rejuvenation. China adheres to the principles of “peaceful reunification”, and “one country, two systems”,

promotes peaceful development of cross-Strait relations, and advances peaceful reunification of the country. Meanwhile, China resolutely opposes any attempts or actions to split the country and any foreign interference to this end. China must be and will be reunited. China has the firm resolve and the ability to safeguard national sovereignty and territorial integrity, and will never allow the secession of any part of its territory by anyone, any organization or any political party by any means at any time. We make no promise to renounce the use of force, and reserve the option of taking all necessary measures. This is by no means targeted at our compatriots in Taiwan, but at the interference of external forces and the very small number of “Taiwan independence” separatists and their activities. The PLA will resolutely defeat anyone attempting to separate Taiwan from China and safeguard national unity at all costs.

**Never Seeking Hegemony, Expansion or Spheres of Influence**

This is the distinctive feature of China’s national defense in the new era...Though a country may become strong, bellicosity will lead to its ruin. The Chinese nation has always loved peace. Since the beginning of modern times, the Chinese people have suffered from aggressions and wars, and have learned the value of peace and the pressing need for development. Therefore, China will never inflict such sufferings on any other country. Since its founding 70 years ago, the People’s Republic of China (PRC) has never started any war or conflict. Since the introduction of reform and opening-up, China has been committed to promoting world peace, and has voluntarily downsized the PLA by over 4 million troops. China has grown from a poor and weak country to be the world’s second largest economy neither by receiving handouts from others nor by engaging in military expansion or colonial plunder. Instead, it has developed through its people’s hard work and its efforts to maintain peace. China has made every effort to create favorable conditions for its development through maintaining world peace, and has equally endeavored to promote world peace through its own development. China sincerely hopes that all countries will choose the path of peaceful development and jointly prevent conflicts and wars.

China is committed to developing friendly cooperation with all countries on the basis of the Five Principles of Peaceful Coexistence. It respects the rights of all peoples to independently choose their own development path, and stands for the settlement of international disputes through equal dialogue, negotiation and consultation. China is opposed to interference in the internal affairs of others, abuse of the weak by the strong, and any attempt to impose one’s will on others. China advocates partnerships rather than alliances and does not join any military bloc. It stands against aggression and expansion, and opposes arbitrary use or threat of arms. The development of China’s national defense aims to meet its rightful security needs and contribute to the growth of the world’s peaceful forces. History proves and will continue to prove that China will never follow the beaten track of big powers in seeking hegemony. No matter how it might develop, China will never threaten any other country or seek any sphere of influence.

**Implementing the Military Strategic Guideline for a New Era**

This is the strategic guidance for China’s national defense in the new era. The military strategic guideline for a new era adheres to the principles of defense, self-defense and post-strike response, and adopts active defense. It keeps to the stance
that “we will not attack unless we are attacked, but we will surely counterattack if attacked”, places emphasis on both containing and winning wars, and underscores the unity of strategic defense and offense at operational and tactical levels.

Implementing the military strategic guideline for a new era, China’s armed forces strive to keep in alignment with and contribute to the general strategies of the Communist Party of China (CPC) and the country, adopt a holistic approach to national security, strengthen the awareness of potential dangers, crises and wars, and actively adapt to the new landscape of strategic competition, the new demands of national security, and new developments in modern warfare, so as to effectively fulfill their tasks and missions in the new era.

To respond to the security threats facing the country, China’s armed forces take solid steps to strengthen military preparedness and comprehensively enhance combat capabilities for the new era. Efforts have been made to build the military strategy into a balanced and stable one for the new era, which focuses on defense and coordinates multiple domains. Based on the idea that China’s national defense is the responsibility of all Chinese people, China’s armed forces give full play to the overall power of the people’s war by innovating in its strategies, tactics and measures.

China is always committed to a nuclear policy of no first use of nuclear weapons at any time and under any circumstances, and not using or threatening to use nuclear weapons against non-nuclear-weapon states or nuclear-weapon-free zones unconditionally. China advocates the ultimate complete prohibition and thorough destruction of nuclear weapons. China does not engage in any nuclear arms race with any other country and keeps its nuclear capabilities at the minimum level required for national security. China pursues a nuclear strategy of self-defense, the goal of which is to maintain national strategic security by deterring other countries from using or threatening to use nuclear weapons against China.

**Continuing to Strengthen the Military in the Chinese Way**

This is the path forward for China’s national defense in the new era.

Building a fortified national defense and a strong military commensurate with the country’s international standing and its security and development interests is a strategic task for China’s socialist modernization. Drawing lessons from history, China strengthens its national defense and military to provide security guarantee for its peaceful development.

To strengthen China’s national defense and military in the new era, it is imperative to comprehensively implement Xi Jinping’s thinking on strengthening the military, thoroughly deliver on Xi Jinping’s thinking on military strategy, continue to enhance the political loyalty of the armed forces, strengthen them through reform and technology, run them in accordance with the law, and focus on the capabilities to fight and win. Efforts will be made to advance the integrated development of mechanization and informationization, speed up the development of intelligent military, create a modernized military force structure with Chinese characteristics, improve and develop socialist military institutions with Chinese features, and constantly enhance the capabilities to fulfill the missions and tasks in the new era.


http://www.xinhuanet.com/english/download/whitepaperonnationaldefenseinnewera.doc
The strategic goals for the development of China’s national defense and military in the new era are:

- to generally achieve mechanization by the year 2020 with significantly enhanced informationization and greatly improved strategic capabilities;
- to comprehensively advance the modernization of military theory, organizational structure, military personnel, and weaponry and equipment in step with the modernization of the country and basically complete the modernization of national defense and the military by 2035; and
- to fully transform the people’s armed forces into world-class forces by the mid-21st century.

**In the Service of Building of a Community with a Shared Future for Mankind**

This is the global significance of China’s national defense in the new era.

The dream of the Chinese people is closely connected with the dreams of peoples around the world. Peace, stability and prosperity in China present opportunities and benefits to the rest of the world. A strong military of China is a staunch force for world peace, stability and the building of a community with a shared future for mankind.

China’s armed forces advocate common, comprehensive, cooperative and sustainable security, uphold justice while pursuing shared interests, and actively participate in the reform of global security governance system. Efforts are made to deepen bilateral and multilateral security cooperation, promote a coordinated, inclusive and complementary cooperation among security mechanisms, and contribute to a security architecture featuring equality, mutual trust, fairness, justice, joint contribution and shared benefits.

Committed to the principle of win-win cooperation, China’s armed forces will fulfill their international responsibilities and obligations, and provide more public security goods to the international community to the best of their capacity. They actively participate in the UN peacekeeping operations (UNPKOs), vessel protection operations, and international efforts in humanitarian assistance and disaster relief (HADR), strengthen international cooperation in arms control and non-proliferation, play a constructive role in the political settlement of hotspot issues, jointly maintain the security of international passages, and make concerted efforts to respond to global challenges such as terrorism, cyber security and major natural disasters, thus making a positive contribution to building a community with a shared future for mankind.
The Shifting Chinese Strategic View of the U.S.: 2015-2019

There are four Chinese White Papers where quotes provide insights into its evolving view of the United States and the prospect for future competition. These are quotes that every American should consider in evaluating the quotes from official U.S. strategy documents in the sections that follow. China’s emergence does pose a real potential threat to the U.S., but if both sides pursue a strategy of even indirect confrontation the results can be all too dangerous. It is also critical for each side to pay close attention to what the other is actually saying.

Two if these documents include the are the 2015 Defense White Paper and the 2019 Defense White Paper that have been mentioned earlier. However, China has issued two other White Papers that reflect views of its competition with the U.S. – one from its Foreign Ministry in 2017 that still stresses cooperation, another from China’s State Council on trade that takes a far harder line on competition with the U.S. as a result of the growing trade war between the U.S. and China in 2019, and the 2019 Defense White Paper discussed earlier.

As is the case with the changes in U.S. strategy towards China that are described in the following section, it is far from clear that the changes in either Chinese or U.S. grand strategy and force postures are intended to go beyond strategic competition and deterrence. Both nations seem to recognize that it is one thing to use military and economic power to struggle for comparative advantage, and quite another to go to a level of war that would be immensely costly to both powers.

Here it’s worth pointing out that both Sun Tzu and Clausewitz had key values in common in spite of their very different times and cultures. Both clearly recognized that the purpose of war was to achieve lasting advantages in peace, and that wars that could not produce this result could only be justified as part of a necessary defensive action. Wars that cannot win the peace cannot not be “won” in grand strategic terms.
China, as a large developing country, still faces multiple and complex security threats, as well as increasing external impediments and challenges. Subsistence and development security concerns, as well as traditional and non-traditional security threats are intertwined. Therefore, China has an arduous task to safeguard its national unification, territorial integrity and development interests.

As the world economic and strategic center of gravity is shifting ever more rapidly to the Asia-Pacific region, the US carries on its “rebalancing” strategy and enhances its military presence and its military alliances in this region. Japan is sparing no effort to dodge the post-war mechanism, overhauling its military and security policies. Such development has caused grave concerns among other countries in the region.

On the issues concerning China’s territorial sovereignty and maritime rights and interests, some of its offshore neighbors take provocative actions and reinforce their military presence on China’s reefs and islands that they have illegally occupied. Some external countries are also busy meddling in South China Sea affairs; a tiny few maintain constant close-in air and sea surveillance and reconnaissance against China. It is thus a long-standing task for China to safeguard its maritime rights and interests. Certain disputes over land territory are still smoldering. The Korean Peninsula and Northeast Asia are shrouded in instability and uncertainty. Regional terrorism, separatism and extremism are rampant. All these have a negative impact on the security and stability along China’s periphery.

The Taiwan issue bears on China’s reunification and long-term development, and reunification is an inevitable trend in the course of national rejuvenation. In recent years, cross-Taiwan Straits relations have sustained a sound momentum of peaceful development, but the root cause of instability has not yet been removed, and the “Taiwan independence” separatist forces and their activities are still the biggest threat to the peaceful development of cross-Straits relations.

Further, China faces a formidable task to maintain political security and social stability. Separatist forces for “East Turkistan independence” and “Tibet independence” have inflicted serious damage, particularly with escalating violent terrorist activities by “East Turkistan independence” forces.

Besides, anti-China forces have never given up their attempt to instigate a “color revolution” in this country. Consequently, China faces more challenges in terms of national security and social stability. With the growth of China’s national interests, its national security is more vulnerable to international and regional turmoil, terrorism, piracy, serious natural disasters and epidemics, and the security of overseas interests concerning energy and resources, strategic sea lines of communication (SLOCs), as well as institutions, personnel and assets abroad, has become an imminent issue.

The world revolution in military affairs (RMA) is proceeding to a new stage. Long-range, precise, smart, stealthy and unmanned weapons and equipment are becoming increasingly sophisticated. Outer space and cyber space have become new commanding heights in strategic competition among all parties. The form of war is accelerating its evolution to informationization. World major powers are actively adjusting their national security strategies and defense policies, and speeding up their military transformation and force restructuring. The aforementioned revolutionary changes in military technologies and the form of war have not only had a significant impact on the international political and military landscapes, but also posed new and severe challenges to China’s military security.
China’s View of the U.S.: Chinese Foreign Ministry 2017 White Paper

Since 2015 the overall relationship between China and the United States has remained stable and even made new progress. The two countries have maintained close contacts at the leadership and other levels. President Xi Jinping paid a state visit to the US at the invitation of President Barack Obama in September 2015, and met him again during the UN Climate Change Conference in Paris in November of the same year. In late March 2016 the two presidents had a successful meeting during the Nuclear Security Summit in Washington. In September they met again during the G20 Hangzhou Summit, and committed themselves to building a new model of a major-country relationship. Premier Li Keqiang met President Obama when attending high-level meetings of the 71st Session of the UN General Assembly. In June the same year the Eighth Round of the China-US Strategic and Economic Dialogue, the Seventh China-US High-Level Consultation on People-to-People Exchanges, and the Second China-US High-Level Joint Dialogue on Cybercrime and Related Issues were held in Beijing, and achieved fruitful results. In addition, the two countries have made steady progress in practical cooperation in various fields, and maintained close communication and coordination on major regional and global issues like climate change, the Korean and Iranian nuclear issues, Syria, and Afghanistan.

The two countries have maintained communication and coordination in the field of Asia-Pacific affairs through bilateral exchanges and relevant mechanisms at all levels, and agreed to build a bilateral relationship of positive interaction and inclusive cooperation in the region. The two countries have stayed in a state of communication and cooperation on regional and global affairs, including climate change, counter-terrorism, marine environmental protection, combating wild life smuggling, and disaster prevention and reduction within multilateral frameworks such as APEC, East Asia Summit (EAS), and ASEAN Regional Forum (ARF). Moreover, the two sides have smoothly carried out trilateral personnel and agriculture training cooperation projects in Afghanistan and Timor-Leste.

China-US military relations have generally maintained a momentum of steady progress. Since 2015 the two militaries have continued to improve their two mutual-confidence-building mechanisms: the Mutual Notification of Major Military Activities and the Rules of Behavior for the Safety of Air and Maritime Encounters. In 2015 they held their Joint Humanitarian Assistance and Disaster-Relief Field Exercise and Disaster Management Exchanges in China and the US, respectively, and participated in Khaan Quest 2015 multinational peacekeeping military exercise and Exercise Kowari, a China-US-Australia trilateral military exercise.

In January 2016 a working meeting of officials from the two ministries of defense was held in Beijing, and in May a video conference was held between the Chinese Chief of the Department of the Joint Chiefs of Staff of the Central Military Commission and the US Chairman of the Joint Chiefs of Staff. From late June to early August 2016, Chinese Navy Fleet 153 participated in RIMPAC 2016, a joint military exercise in Hawaii. In July and August the same year, the US Chief of Naval Operations and Chief of Staff of the Army each made a visit to China.

China is willing to promote the sustainable, sound and stable advance of bilateral relations, and work with the new US administration to follow the principles of no conflict, no confrontation, mutual respect and mutually beneficial cooperation, increase cooperation in bilateral, regional and global affairs, manage and control divergences in a constructive way, and further bilateral relations from a new starting point, so as to bring benefits to the two peoples and other peoples around the world.

The China-US commercial relationship serves as both the ballast and the propeller of the overall bilateral relationship. At stake are the fundamental interests of the two peoples, and the prosperity and stability of the world. Since the establishment of diplomatic relations between China and the US, bilateral trade and economic relations have come a long way, with expanding fields of cooperation at higher levels. A mutually beneficial and win-win relationship with strong complementary and interlinked interests has been forged, benefiting not only the two countries but also the entire world.

Given the differences in stage of development and economic system, it is inevitable that the two countries will experience differences and friction in their commercial cooperation. The history of China-US trade and economic relations has seen twists and turns and difficult situations. By adopting a rational and cooperative attitude, the two countries have managed to resolve previous conflicts, bridge differences, and render the bilateral commercial relationship more mature through dialogue and consultation.

Since it took office in 2017, the new US administration has threatened additional tariffs and other measures and provoked frequent economic and trade friction with its major trading partners. In response to the economic and trade friction unilaterally initiated by the US since March 2018, China has had to take forceful measures to defend the interests of the nation and its people. At the same time, committed to resolving disputes through dialogue and consultation, China has engaged in multiple rounds of economic and trade consultations with the US in an effort to stabilize the bilateral commercial relationship. China’s position has been consistent and clear – that cooperation serves the interests of the two countries, that conflict can only hurt both, and that cooperation is the only correct choice for both sides. Concerning their differences and frictions on the economic and trade front, China is willing to work together with the US to find solutions, and to reach a mutually beneficial and win-win agreement. However, cooperation has to be based on principles. There are bottom lines in consultations. China will not compromise on major issues of principle. China does not want a trade war, but it is not afraid of one and it will fight one if necessary. China’s position on this has never changed.

…Respecting the laws of the market economy, China has been actively improving the policy system for innovation, continuously increasing investment in research and development, accelerating the development of innovators, and strengthening international cooperation on technological innovation in an all-around way. In terms of some key innovation indices, China is already among the world’s leading players. As China continues to witness a series of major scientific and technological achievements, its industries are gravitating toward the middle and high end, and the country’s international influence is markedly increasing. In 2017, total R&D investment in China reached RMB 1.76 trillion, ranking second in the world. The number of patent applications reached 1.382 million, ranking No. 1 in the world for the seventh consecutive year. The number of invention patents granted reached 327,000, up by 8.2 percent year on year. China ranks third in the world in terms of valid invention patents held.

China has always pursued international technical cooperation with mutual benefit and win-win as the basic value orientation. China’s economic development has benefited from international technology transfer and dissemination. International holders of technology have also reaped enormous benefits from this process. China encourages and respects voluntary technical cooperation between Chinese and foreign firms based on market principles. It strongly opposes forced technology transfer and takes resolute action against intellectual property infringement. Accusations against China of forced technology transfer are baseless and untenable.
China’s 2019 White Paper on Trade and Competition with the U.S. - II

Turning a blind eye to the nature of the economic structure and the stage of development in China and the US, as well as the reality of the international industrial division of labor, the US insists that China’s “unfair” and “non reciprocal” trade policies have created a trade deficit in bilateral commercial exchanges that constitutes “being taken advantage of,” leading to unilateral imposition of additional tariffs on China. In fact, in today’s globalized world, the Chinese and American economies are highly integrated and together constitute an entire industrial chain. The two economies are bound in a union that is mutually beneficial and win win in nature. Equating a trade deficit to being taken advantage of is an error. The restrictive measures the US has imposed on China are not good for China or the US, and still worse for the rest of the world.

... The trade war has not “made America great again”...The tariff measures have not boosted American economic growth. Instead, they have done serious harm to the US economy... The US has backtracked on its commitments in the China-US economic and trade consultations

...The US government should bear the sole and entire responsibility for this severe setback to the China-US economic and trade consultations...A civilized country turns to forceful measures only when gentler approaches have failed. After the US issued the new tariff threat, the international community was widely concerned that China might cancel the consultation visit to the US. It kept a close watch on the future direction of the China-US trade negotiations. Bearing in mind the broader interests of trade and economic relations between the two countries, China remained cool headed, exercised restraint, and sent a senior delegation to the US, as agreed, for the 11th round of economic and trade consultation from May 9 to 10. In doing so, China demonstrated the greatest sincerity and a strong sense of responsibility for resolving trade disputes through dialogue. In the following candid and constructive discussions, the two sides agreed to manage differences and continue consultations.

... No challenge will hold back China’s development...China’s development may not be all smooth sailing. Difficulties or even perils are inevitable. Whatever the future might bring, China is confident of meeting challenges head on, turning risks into opportunities, and opening new chapters.

China remains committed to its own cause no matter how the external environment changes. The fundamental solution to economic and trade tensions is to grow stronger through reform and opening up. With the enormous demand from the domestic market, deeper supply side structural reform will comprehensively enhance the competitiveness of Chinese products and companies. We still have sufficient room for fiscal and monetary policy maneuvers. China can maintain sound momentum for sustainable and healthy economic development, and its economic prospects are bright.

China will continue to deepen reform and open up. China’s door will not be closed; it will only open even wider. President Xi Jinping announced in his keynote speech at the opening ceremony of the Second Belt and Road Forum for International Cooperation that China would adopt a number of major reform and opening up measures, strengthen institutional and structural arrangements, and promote opening up at a higher level. Measures to be taken include expanding market access for foreign investment in broader areas, strengthening international cooperation on intellectual property protection, increasing imports of goods and services, implementing more effective international coordination on macro economic policies, and putting more focus on the implementation of opening up policies. A more open China will have more positive interactions with the world, which in turn will advance the development and prosperity of both China and the world.

...Cooperation is the only correct choice for China and the US and win-win is the only path to a better future. As to where the China-US economic and trade consultations are heading, China is looking forward, not backward. Disputes and conflicts on the trade and economic front, at the end of the day, need to be solved through dialogue and consultation. Striking a mutually beneficial and win win agreement serves the interests of China and the US and meets the expectations of the world. It is hoped that the US can pull in the same direction with China and, in a spirit of mutual respect, equality and mutual benefit, manage economic and trade differences, strengthen trade and economic cooperation, and jointly advance China-US relations based on coordination, cooperation and stability for the well being of both nations and the world.

International strategic competition is on the rise. The US has adjusted its national security and defense strategies, and adopted unilateral policies. It has provoked and intensified competition among major countries, significantly increased its defense expenditure, pushed for additional capacity in nuclear, outer space, cyber and missile defense, and undermined global strategic stability. NATO has continued its enlargement, stepped up military deployment in Central and Eastern Europe, and conducted frequent military exercises. Russia is strengthening its nuclear and non-nuclear capabilities for strategic containment, and striving to safeguard its strategic security space and interests. The European Union (EU) is accelerating its security and defense integration to be more independent in its own security.

Global and regional security issues are on the increase. International arms control and disarmament efforts have suffered setbacks, with growing signs of arms races. The non-proliferation of weapons of mass destruction remains problematic. The international non-proliferation regime is compromised by pragmatism and double standards, and hence faces new challenges. Extremism and terrorism keep spreading. Non-traditional security threats involving cyber security, biosecurity and piracy are becoming more pronounced. The nuclear issue has taken an unexpected turn, and there is no easy political solution to the Syrian issue. The security of individual countries is becoming increasingly intertwined, interlinked and interactive. No country can respond alone or stand aloof...

The region has become a focus of major country competition, bringing uncertainties to regional security. The US is strengthening its Asia-Pacific military alliances and reinforcing military deployment and intervention, adding complexity to regional security. The deployment of the Terminal High Altitude Area Defense (THAAD) system in the Republic of Korea (ROK) by the US has severely undermined the regional strategic balance and the strategic security interests of regional countries.

As the world economic and strategic center continues to shift towards the Asia-Pacific, the region has become a focus of major country competition, bringing uncertainties to regional security. The US is strengthening its Asia-Pacific military alliances and reinforcing military deployment and intervention, adding complexity to regional security. The deployment of the Terminal High Altitude Area Defense (THAAD) system in the Republic of Korea (ROK) by the US has severely undermined the regional strategic balance and the strategic security interests of regional countries. In an attempt to circumvent the post-war mechanism, Japan has adjusted its military and security policies and increased input accordingly, thus becoming more outward-looking in its military endeavors. Australia continues to strengthen its military alliance with the US and its military engagement in the Asia-Pacific, seeking a bigger role in security affairs.

Regional hotspots and disputes are yet to be resolved. Despite positive progress, the Korean Peninsula still faces uncertainty. South Asia is generally stable while conflicts between India and Pakistan flare up from time to time. Political reconciliation and reconstruction in Afghanistan is making progress in the face of difficulties. Problems still exist among regional countries, including disputes over territorial and maritime rights and interests, as well as discord for ethnic and religious reasons. Security hotspots rise from time to time in the region.

Major countries around the world are readjusting their security and military strategies and military organizational structures. They are developing new types of combat forces to seize the strategic commanding heights in military competition. The US is engaging in technological and institutional innovation in pursuit of absolute military superiority. Russia is advancing its New Look military reform. Meanwhile, the UK, France, Germany, Japan and India are rebalancing and optimizing the structure of their military forces.

China’s 2019 Defense White Paper on Competition with the U.S. - I

Driven by the new round of technological and industrial revolution, the application of cutting-edge technologies such as artificial intelligence (AI), quantum information, big data, cloud computing and the Internet of Things is gathering pace in the military field. International military competition is undergoing historic changes. New and high-tech military technologies based on IT are developing rapidly. There is a prevailing trend to develop long-range precision, intelligent, stealthy or unmanned weaponry and equipment. War is evolving in form towards信息化 warfare, and intelligent warfare is on the horizon...

...China’s military security is confronted by risks from technology surprise and growing technological generation gap. Greater efforts have to be invested in military modernization to meet national security demands. The PLA still lags far behind the world’s leading militaries.

...Though a country may become strong, bellicosity will lead to its ruin. The Chinese nation has always loved peace. Since the beginning of modern times, the Chinese people have suffered from aggressions and wars, and have learned the value of peace and the pressing need for development. Therefore, China will never inflict such sufferings on any other country. Since its founding 70 years ago, the People’s Republic of China (PRC) has never started any war or conflict. Since the introduction of reform and opening-up, China has been committed to promoting world peace, and has voluntarily downsized the PLA by over 4 million troops. China has grown from a poor and weak country to be the world’s second largest economy neither by receiving handouts from others nor by engaging in military expansion or colonial plunder. Instead, it has developed through its people’s hard work and its efforts to maintain peace. China has made every effort to create favorable conditions for its development through maintaining world peace, and has equally endeavored to promote world peace through its own development. China sincerely hopes that all countries will choose the path of peaceful development and jointly prevent conflicts and wars.

...China actively and properly handles its military relationship with the US in accordance with the principles of non-conflict, non-confrontation, mutual respect and win-win cooperation. It strives to make the military-to-military relationship a stabilizer for the relations between the two countries and hence contribute to the China-US relationship based on coordination, cooperation and stability.

In 2014, China’s Ministry of National Defense (MND) and the US Department of Defense China actively and properly handles its military relationship with the US in accordance with the principles of non-conflict, non-confrontation, mutual respect and win-win cooperation. It strives to make the military-to-military relationship a stabilizer for the relations between the two countries and hence contribute to the China-US relationship based on coordination, cooperation and stability. In 2014, China’s Ministry of National Defense (MND) and the US Department of Defense signed the Memorandum of Understanding on Notification of Major Military Activities and Confidence-Building Measures Mechanism and the Memorandum of Understanding Regarding the Rules of Behavior for Safety of Air and Maritime Encounters. In 2015, the two countries agreed on the annexes on the military crisis notification mechanism and the rules of behavior for safety in air-to-air encounters.

In 2017, the two countries established a diplomatic and security dialogue and joint staff dialogue mechanism with a view to actively strengthening strategic communication and managing risks and differences. The two militaries carry out institutionalized exchanges between the defense authorities, armies, navies and air forces, as well as practical cooperation in HADR, counter-piracy, and exchanges between academic institutions. China resolutely opposes the wrong practices and provocative activities of the US side regarding arms sales to Taiwan, sanctions on the CMC Equipment Development Department and its leadership, illegal entry into China’s territorial waters and maritime and air spaces near relevant islands and reefs, and wide-range and frequent close-in reconnaissance. However, in China-US relations, the military-to-military relationship remains the generally stable one.

The Changing U.S Strategic View of China

The National Security Strategy (NSS) and National Defense Strategy (NDS)
The Changing, but Uncertain, Nature of U.S. Strategy and Force Plans

The Trump Administration has announced new national security and national defense strategies that focus on the need to compete with China on a grand strategic level in terms of political influence, economics, trade, and military forces. The key portions of the new National Security Strategy and National Defense Strategy are quoted in the sections that follow, along with portions of a speech by then Secretary of Defense Mattis – a key figure in shaping these strategies – at the Shangri-La Dialogue in 2018.

Both strategy documents focus in broad terms on China’s growing strength in the political, economic, and military dimension, and give particular attention to its rapid military build-up and actions in the South China Sea. They see China as largely responsible for a growing emphasis on competition and stress the U.S. desire for cooperation. It is clear that they stress the need for the U.S. to react by competing more directly in response and acting with strategic partners throughout the Indo-Pacific region.

There are several points that need to be made about both documents:

• The National Security Strategy placed a its emphasis on China's competition in trade, economics, and technology. The U.S. has since carried out mix of tariffs and calls for new U.S. efforts in research and development that contrast with the U.S. withdrawal from the Trans-Pacific Partnership and reductions in some key areas of federal research and development funding.

• U.S. officials have continued to stressed China’s espionage efforts to acquire U.S. technology, the potential threat of depending on imports of Chinese technology that China could use for spying or cyberwarfare, China's ties to North Korea, and the impact of China's belt and road activities.

• The U.S. has talked about “rebalancing” its forces to the Pacific for nearly a decade, but still did not present clear plans for such efforts in the President’s proposed FY2020 defense budget.

• It is clear, however, that the U.S. is focusing on the growing Chinese threat to U.S. naval and air forces, and in the two “island chains” in the Western Pacific described later in this report. The National Defense Strategy also focused on China's actions in the South China Sea, its growing emphasis on competition, and the growth of its military forces.

• The U.S. stressed the importance of regional strategic partners in both documents, but did not define their role or how their capabilities affect U.S. strategy. It has since focused on burden sharing and eliminating North Korea’s nuclear program, and its withdrawal from the Trans-Pacific Partnership (TPP) developed by the Obama Administration effectively shifted the U.S. role in leading this effort to China.

• The U.S. strategy documents do not address Chinese nuclear forces or nuclear strategy in specific terms, but DIA indicates that China is expanding its nuclear delivery capabilities, and MIRVing one of its new ICBMs. This is a key issue because U.S. nuclear and arms control strategy has focused largely on the FSU and then Russia in the past, but some media reports indicate that the U.S. is already reexamining its nuclear and arms control strategy in light of China’s growing capabilities.
China and Russia challenge American power, influence, and interests, attempting to erode American security and prosperity. They are determined to make economies less free and less fair, to grow their militaries, and to control information and data to repress their societies and expand their influence.

...Competition does not always mean hostility, nor does it inevitably lead to conflict although none should doubt our commitment to defend our interests. An America that successfully competes is the best way to prevent conflict. Just as American weakness, invites challenge, American strength and confidence deters war and promotes peace.

...Although the United States seeks to continue to cooperate with China, China is using economic inducements and penalties, influence operations, and implied military threats to persuade other states to heed its political and security agenda. China’s infrastructure investments and trade strategies reinforce its geopolitical aspirations. Its efforts to build and militarize outposts in the South China Sea endanger the free flow of trade, threaten the sovereignty of other nations, and undermine regional stability.

China has mounted a rapid military modernization campaign designed to limit U.S. access to the region and provide China a freer hand there. China presents its ambitions as mutually beneficial, but Chinese dominance risks diminishing the sovereignty of many states in the Indo-Pacific. States throughout the region are calling for sustained U.S. leadership in a collective response that upholds a regional order respectful of sovereignty and independence.


China is a strategic competitor using predatory economics to intimidate its neighbors while militarizing features in the South China Sea... China is leveraging military modernization, influence operations, and predatory economics to coerce neighboring countries to reorder the Indo-Pacific region to their advantage. As China continues its economic and military ascendance, asserting power through an all-of-nation long-term strategy, it will continue to pursue a military modernization program that seeks Indo-Pacific regional hegemony in the near-term and displacement of the United States to achieve global preeminence in the future. The most far-reaching objective of this defense strategy is to set the military relationship between our two countries on a path of transparency and non-aggression.

... Long-term strategic competitions with China and Russia are the principal priorities for the Department, and require both increased and sustained investment, because of the magnitude of the threats they pose to U.S. security and prosperity today, and the potential for those threats to increase in the future. Concurrently, the Department will sustain its efforts to deter and counter rogue regimes such as North Korea and Iran, defeat terrorist threats to the United States, and consolidate our gains in Iraq and Afghanistan while moving to a more resource-sustainable approach.

... Expand Indo-Pacific alliances and partnerships. A free and open Indo-Pacific region provides prosperity and security for all. We will strengthen our alliances and partnerships in the Indo-Pacific to a networked security architecture capable of deterring aggression, maintaining stability, and ensuring free access to common domains. With key countries in the region, we will bring together bilateral and multilateral security relationships to preserve the free and open international system.

## US Foreign Aid to China – State & USAID: FY2013-FY2018

**Table: Economic Support Fund and Democracy Fund (administered by State-DRL)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Support Fund and Democracy Fund (administered by State-DRL)</td>
<td>10,000</td>
<td>10,000</td>
<td>13,000</td>
<td>12,000</td>
<td>11,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Economic Support Fund (Tibetan Areas—administered by USAID)</td>
<td>7,032</td>
<td>7,000</td>
<td>7,900</td>
<td>8,000</td>
<td>8,000</td>
<td>8,000</td>
</tr>
<tr>
<td>Economic Support Fund (rule of law, environment—administered by USAID)</td>
<td>3,092</td>
<td>3,000</td>
<td>3,500</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Global Health Programs (USAID)</td>
<td>2,977</td>
<td>1,500</td>
<td>0</td>
<td>1,500</td>
<td>1,500</td>
<td>0</td>
</tr>
<tr>
<td>International Narcotics Control and Law Enforcement (criminal justice—administered by State-INL)</td>
<td>823</td>
<td>800</td>
<td>825</td>
<td>800</td>
<td>800</td>
<td>2,000</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>23,924</strong></td>
<td><strong>22,300</strong></td>
<td><strong>25,225</strong></td>
<td><strong>27,300</strong></td>
<td><strong>26,300</strong></td>
<td><strong>25,000</strong></td>
</tr>
<tr>
<td>Peace Corps</td>
<td>3,200</td>
<td>2,500</td>
<td>4,100</td>
<td>4,200</td>
<td>4,200</td>
<td>4,100</td>
</tr>
</tbody>
</table>

---

77 For further information, see CRS Report RS22663, *U.S. Assistance Programs in China*, by Thomas Lum.

78 Criminal Justice programs are administered by the Department of State’s Bureau of International Narcotics and Law Enforcement Affairs (INL).

Actions Speak Louder than Words?

As has been noted earlier, strategy consists of what a country does, not what it says. The U.S. intelligence community issues two annual assessments that give its interpretation of China’s actions and how they shape its strategy. One such assessment is provided by the Director of National Intelligence (DNI) in testimony to the U.S. Senate and its House of Representatives. Another takes the form of a detailed annual report on Chinese Military Power by the Defense Intelligence Agency (DIA). The most recent version of this report is *China Military Power, Modernizing a Force to Win – 2019*, and excepts and graphics from this report are used in many parts of this analysis.

These two reports are quoted at length in this section, and each focuses on the Chinese actions that the DNI and DIA find to be critical aspects of Chinese Strategy. Both are far blunter and more explicit than the U.S. national strategy documents quoted earlier, and take a relative hardline regarding Chinese intentions. At the same time, they focus on China more as a competitor than a direct threat of war, and highlight key areas that are shaping China’s action and grand strategy. As such, they provide a much better picture of U.S. strategy in dealing with China than the National Security Strategy, National Defense Strategy and FY2020 U.S. defense budget request.

This year, the U.S. Indo-Pacific Command (INDOPACOM) has also issued a strategy document — *Department of Defense Indo-Pacific Strategy Report 2019* — that provides a notably clearer picture of how the U.S. military views China’s military progress and actions than the national strategy documents, and of U.S. military goals than the FY2020 budget request. The strategy document not only provides the analysis of Chinese military developments quoted in this section, it sets out clear force improvement priorities for U.S. forces, priorities for improving strategic partnerships and partner forces, and priorities for improving strategic ties to other Asian states – as well as for creating the equivalent of a networked region of U.S. and allied forces.
OSD Summary of Chinese Strategy in 2019

China’s leaders have benefited from what they view as a “period of strategic opportunity” during the initial two decades of the 21st century to develop domestically and expand China’s “comprehensive national power.” Over the coming decades, they are focused on realizing a powerful and prosperous China that is equipped with a “world-class” military, securing China’s status as a great power with the aim of emerging as the preeminent power in the Indo-Pacific region.

In 2018, China continued harnessing an array of economic, foreign policy, and security tools to realize this vision. Ongoing state-led efforts, which China implements both at home and abroad and which often feature economic and diplomatic initiatives, also support China’s security and military objectives:

• China continues to implement long-term state-directed planning, such as “Made in China 2025” and other industrial development plans, which stress the need to replace imported technology with domestically produced technology. These plans present an economic challenge to nations that export high-tech products. These plans also directly support military modernization goals by stressing proprietary mastery of advanced dual-use technologies.

• China’s leaders seek to align civil and defense technology development to achieve greater efficiency, innovation, and growth. In recent years, China’s leaders elevated this initiative, known as Civil-Military Integration (CMI), to a national strategy that incentivizes the civilian sector to enter the defense market. The national CMI strategy focuses on hardware modernization, education, personnel, investment, infrastructure, and logistics.

• China’s leaders are leveraging China’s growing economic, diplomatic, and military clout to establish regional preeminence and expand the country’s international influence. China’s advancement of projects such as the “One Belt, One Road” Initiative (OBOR) will probably drive military overseas basing through a perceived need to provide security for OBOR projects.

• China conducts influence operations against media, cultural, business, academic, and policy communities of the United States, other countries, and international institutions to achieve outcomes favorable to its security and military strategy objectives. The Chinese Communist Party (CCP) seeks to condition foreign and multilateral political establishments and public opinion to accept China’s narrative surrounding its priorities like OBOR and South China Sea territorial and maritime claims.

Recognizing that programs such as “Made in China 2025” and OBOR have sparked concerns about China’s intentions, China’s leaders have softened their rhetoric when promoting these programs without altering the programs’ fundamental strategic goals.

...China seeks to secure its objectives without jeopardizing the regional stability that remains critical to the economic development that has helped the CCP maintain its monopoly on power. However, China’s leaders employ tactics short of armed conflict to pursue China’s strategic objectives through activities calculated to fall below the threshold of provoking armed conflict with the United States, its allies and partners, or others in the Indo-Pacific region. These tactics are particularly evident in China’s pursuit of its territorial and maritime claims in the South and East China Seas as well as along its borders with India and Bhutan. In 2018, China continued militarization in the South China Sea by placing anti-ship cruise missiles and long-range surface-to-air missiles on outposts in the Spratly Islands, violating a 2015 pledge by Chinese President Xi Jinping that “China does not intend to pursue militarization” of the Spratly Islands. China is also willing to employ coercive measures – both military and non-military – to advance its interests and mitigate opposition from other countries.
China’s overall strategy in 2018 advanced initiatives presented during President Xi Jinping’s address to the 19th Party Congress, which detailed the progress China has made toward realizing its national objective of achieving the “great rejuvenation of the Chinese nation.” Senior Chinese leaders have described the October 2017 Party Congress report as “not only the program of action of the Communist Party of China, but also the most authoritative textbook for understanding China.” Issued every five years to assess China’s development, the report contains lines of effort for addressing politics, economics, culture, social affairs, the environment, national defense, national unification, foreign affairs, and Party building, all of which have broader security, domestic, and external components. The 2018 government work report presented at the National People’s Congress (NPC), which aligns Chinese Communist Party (CCP) and Chinese government lines of effort, reemphasized many of the Party Congress report’s key themes. In 2018, the CCP Central Committee and the NPC also approved major reforms of Party and government institutions in support of these lines of effort.

Xi’s speech characterizes China’s views of international trends, including the shift towards a multi-polar international order and deepening economic interconnectivity through globalization, and touts the benefits China has gained from reform and opening up to the world. The Party Congress report highlights China’s rise as accelerating the need to reform global governance systems and shift the balance of international power towards multipolarity. The report also discusses two stages of development, the first occurring from 2020 to 2035. During this period, China sees itself as growing its economic and technological strength “by leaps and bounds,” strengthening rule of law, growing the middle class, and improving living standards while addressing income disparity. The next stage, 2035 to 2050, is identified as the period during which China will become a prosperous, modern, and strong socialist country with a “world-class” military. Finally, the report lauds China’s development as a potential model for other countries to follow, claiming the international community should view China’s methods as unthreatening and constructive.

China’s leadership sees the U.S. policy approach toward China as a critical factor affecting China’s national and strategic objectives. China’s leaders increasingly view the United States as adopting a more confrontational approach, reflecting China’s long-held perception that the United States seeks to contain China’s rise. Furthermore, China sees recent U.S. actions on trade and the public releases of U.S. defense and national security strategies as indicative of this containment strategy.

China seems to recognize that some of its programs, such as “Made in China 2025” and its “One Belt, One Road” Initiative (OBOR), have sparked concerns about China’s intentions. In keeping with past responses to external pushback, China’s leaders have softened their rhetoric when promoting these programs without altering the programs’ fundamental strategic goals. Separately, official Chinese media outlets have described “unprecedented strategic distrust” growing between the United States and China. Some commentators in the Hong Kong press have also criticized the government of the People’s Republic of China (PRC) for moving out on large-scale initiatives before being ready to take its place as a global leader.

China uses diplomacy and public messaging at key regional forums and bilateral meetings to assuage concerns about China’s intentions and to present itself as a global leader. For example, during a speech at the East Asia Summit in November 2018, Premier Li Keqiang reiterated that the region needed to uphold multilateralism, strengthen free trade, and safeguard the rules-based international order. These calls reflect China’s preference for a stable domestic and international environment that will accommodate China’s rise to regional preeminence and facilitate its national goals and strategic objectives outlined in subsequent sections of this chapter.

The United States does not want any country in this region to have to choose or forgo positive economic relations with any partner. Expanding prosperity is vital for us all. This region has experienced an unprecedented 70 years of relative peace and rising prosperity, supported by steady American engagement in all spheres. However, some in our region are choosing to act contrary to the principles and norms that have benefitted us all.

I want to use some of our time together this morning to take stock of pressures on the regional order and their implications. Acknowledging those actions is not enough; we also need to extrapolate the trend line and recognize the likely future we arrive at if we do not act to call out disruptive actors and take a stand against the challenges to regional order. The challenges are significant. We are focused on negotiations to achieve “final, fully verified denuclearization of the Korean peninsula,” we acknowledge that North Korea has neared a point where it could credibly strike regional allies, U.S. territory, and our forward-deployed forces. North Korea remains an extraordinary threat and requires continued vigilance.

A full range of transnational challenges persists: attacks by militants affiliated with or inspired by ISIS – as seen in Sri Lanka’s deadly Easter Sunday bombings – and other international terrorist groups, proliferation, narcotics, natural disasters, and disease. Perhaps the greatest long-term threat to the vital interests of states across this region comes from actors who seek to undermine, rather than uphold, the rules-based international order. These actors undermine the system by using indirect, incremental actions and rhetorical devices to exploit others economically and diplomatically, and coerce them militarily. They destabilize the region, seeking to reorder its vibrant and diverse communities toward their exclusive advantage.

We see this manifested in a range of behaviors and activities throughout the Indo-Pacific, “a toolkit of coercion,” to include:

- Deploying advanced weapons systems to militarize disputed areas, destabilizing the peaceful status quo by threatening the use of force to compel rivals into conceding claims;
- Using influence operations to interfere in the domestic politics of other nations, undermining the integrity of elections and threatening internal stability;
- Engaging in predatory economics and debt for sovereignty deals, lubricated by corruption, which take advantage of pressing economic needs to structure unequal bargains that disproportionately benefit one party; and,
- Promoting state-sponsored theft of other nations’ military and civilian technology.

In contrast to the free and open vision broadly shared by the region, some seem to want a future where power determines place and debt determines destiny:

- Where nations are unable to make use of natural resources within their exclusive economic zones;
- Where coral reefs are dredged and destroyed with disastrous ecological and economic consequences;
- Where fishermen’s livelihoods are in peril as they are denied access to waters they and their ancestors have fished for generations;
- Where freedom of navigation and international overflight are restricted; and,
- Where the fundamental respect for the dignity of all peoples is ignored and religious freedoms are suppressed.

If the trends in these behaviors continue, artificial features in the global commons could become tollbooths. Sovereignty could become the purview of the powerful.

When a country makes a pledge and does not follow it, you should worry. When that same country makes no pledge … You should really worry. We can’t wish away reality or continue to look the other way as countries use friendly rhetoric to distract from unfriendly acts. Now is the time to call out the mismatch between words and deeds by some in the region and encourage them to work constructively and transparently toward a positive future.

The United States rejects those actions that run counter to the order that many of the countries represented in this room have built together. We want a different future – a more promising future, one where small nations need not fear larger neighbors. And the U.S. Department of Defense is working systematically to deliver it.

Source: Acting Secretary of Defense Patrick M. Shanahan, “Acting Secretary Shanahan’s Remarks at the IISS Shangri-La Dialogue 2019,” Office of the Secretary of Defense, Public Affairs, June 1, 2019
What is the United States’ view of the future? In our Indo-Pacific vision, respected partners find security and prosperity in a mesh of interconnected peoples, economies, and security relationships. This is not new nor exclusively an American vision; this is an inclusive and enduring approach, embraced by almost all of us who call the Indo-Pacific home. What is the value we create from this interconnected, networked future? Nations are empowered through their relationship with the United States and others in this common bond. They remain free to choose their destiny, as strategic partners, exercising strategic independence. Regional institutions, like ASEAN, retain their centrality. They remain able to unify diverse interests, pool resources, and contribute to a shared future.

In short, the region’s shared principles are upheld by countries coming together of their own accord to support regional security and stability. This approach is in keeping with America’s long history of working together with allies and partners in this region to defend a rules-based order in the Indo-Pacific. Many of us stood together against imperialism, fascism, and Soviet domination in decades past. In many of these instances, China stood with us as a cooperative partner in pursuit of shared goals. I say now that China could still have a cooperative relationship with the United States. It is in China’s interests to do so: no country has benefitted more from the regional and global order than China, which has seen hundreds of millions lifted from poverty to increasing prosperity. We cooperate with China where we have an alignment of interests, from military-to-military dialogue to develop risk reduction measures, to tackling transnational threats such as counter-piracy, to enforcing UN sanctions on North Korea. And we compete with China where we must. But competition does not mean conflict. Competition is not to be feared. We should welcome it, provided that everyone plays by internationally established rules.

China can and should have a cooperative relationship with the rest of the region, too. But behavior that erodes other nations’ sovereignty and sows distrust of China’s intentions must end. Until it does, we stand against a myopic, narrow, and parochial vision of the future, and we stand for the free and open order that has benefitted us all—including China.

At the Department of Defense, we are making this vision a reality by focusing our investments on preparedness, strengthening our alliances and partnerships, and empowering a regional security network. For that network to thrive, we need all who seek to derive benefit from it to contribute their part. When we talk about preparedness, we mean having the right capabilities in the right places to respond to crises, and to compete with and deter high-end adversaries.

The United States does not seek conflict, but we know that having the capability to win wars is the best way to deter them. We want to ensure no adversary believes it can successfully achieve political objectives through military force. To that end, as part of our broader, Department-wide modernization, the U.S. Department of Defense is investing significantly over the next five years in programs critical to ensuring a stable and secure Indo-Pacific. This is major step to technologically scale capability and capacity on behalf of our security—and yours.

For example, we are increasing investments in contested domains like space and cyber, while preserving our advantages in undersea warfare, tactical aircraft, C4ISR, and missile defense to ensure the commons remain open to all in the Indo-Pacific. We are focused on the future in our request of $104 billion—the most ever—in research and development in the next fiscal year, with significant investment in emerging technologies like AI, hypersonics, and directed energy, much of which is aimed at unique operational challenges in this theater. We have also spent the last two years focused on restoring the readiness of our forces.

We continue to build on these gains with $125 billion in operational readiness and sustainment requested for the next fiscal year. This funding will boost the depth and capacity of our armed forces, and also help expand our training—including with allies and partners—to improve mission readiness critical to meeting this region’s challenges.

These funds will enhance our already sizeable and reliable capabilities distributed across the region:

- More than 370,000 American Soldiers, Sailors, Airmen, Marines, and civilians live, train, and work alongside our allied and partner forces across the region.
- U.S. Indo-Pacific Command has four times the assigned forces as any other geographical combatant command.
- Across the Indo-Pacific, the United States has more than 2,000 aircraft, providing us the ability to rapidly project power across the vast distance of this region.

Source: Acting Secretary of Defense Patrick M. Shanahan, “Acting Secretary Shanahan’s Remarks at the IISS Shangri-La Dialogue 2019,” Office of the Secretary of Defense, Public Affairs, Affairs, June 1, 2019
More than 200 ships and submarines ensure freedom of navigation, search and rescue, and rapid assistance in the event of natural disasters.

- We are investing in advanced missile defense systems, interoperable with allied systems in Japan, Australia, and South Korea.
- Our security guarantees are reinforced thanks to strategic enhancements like our Columbia-class ballistic missile submarines; and our purchases of 110 fourth- and fifth-generation aircraft and advanced munitions.
- Our acquisition of 10 new destroyers will increase anti-surface and anti-submarine warfare capabilities, and ballistic missile defense, ensuring our forces – and those of our allies and partners – remain safe in a turbulent world.
- We are also accelerating forward presence of U.S. land forces to deepen real, operational relationships with those of allies and partners.
- We are expanding into space alongside allies Australia and Japan. This has been an opportunity to station some of our highest-end, most capable assets in the Indo-Pacific – right where they belong.

To reiterate, the Indo-Pacific is our priority theater. We are where we belong. We are investing in the region. We are investing in you, and with you. And we need you to invest further in yourselves. We need you to invest in ways that take more control over your sovereignty and your own ability to exercise sovereign choices. Every nation has a responsibility in the free and open Indo-Pacific. The United States will uphold our commitments, and we need our allies and partners to contribute their fair share.

We need you to:

- Invest sufficiently in your own defense; it strengthens deterrence.
- Build third-partner capacity; it helps the network scale.
- Uphold a rules-based international order; it keeps the playing field level.
- Provide access to address contingencies; it makes us more responsive.
- Strengthen interoperability and think carefully about the implications of defense sales; you are buying a long-term relationship, not just a platform.
- Expand information sharing with like-minded countries and ensure your own networks are secure and trusted by others; it keeps us connected.
- Pool resources for common objectives; it distributes the weight.
The Chinese Communist Party’s Concentration of Power

*China is deepening its authoritarian turn under President Xi Jinping, and the resulting hardening of Chinese politics and governance probably will make it more difficult for the leadership to recognize and correct policy errors, including in relations with the United States and our allies and partners.*

- President Xi removed one of the few remaining checks on his authority when he eliminated presidential term limits in March 2018, and the Chinese Communist Party has reasserted control over the economy and society, tightened legal and media controls, marginalized independent voices, and intensified repression of Chinese Muslims, Christians, and other religious minorities.
- The Chinese Government also is harnessing technology, including facial recognition, biometrics, and vehicle GPS tracking, to bolster its apparatus of domestic monitoring and control.
- Beijing’s increasing restrictions on scholars’ and researchers’ freedom of movement and communication with US counterparts may increase the prospects for misunderstanding and misinterpretation of US policies.

Expanding Global Reach

*We assess that China’s leaders will try to extend the country’s global economic, political, and military reach while using China’s military capabilities and overseas infrastructure and energy investments under the Belt and Road Initiative to diminish US influence. However, Beijing is likely to face political pushback from host governments in many locations, and the overall threat to US and partner interests will depend on the size, locations, and offensive military capabilities of the eventual Chinese presence.*

- China has built its first overseas military facility in Djibouti and probably is exploring bases, support facilities, or access agreements in Africa, Europe, Oceania, Southeast Asia, and South Asia.
- In most instances, China has not secured explicit permanent basing rights but is using commercial development and military ties to lay the groundwork for gaining future military access.
- Successful implementation of the Belt and Road Initiative could facilitate PLA access to dozens of additional ports and airports and significantly expand China’s penetration of the economies and political systems of participating countries.

The Coming Ideological Battle

*Chinese leaders will increasingly seek to assert China’s model of authoritarian capitalism as an alternative—and implicitly superior—development path abroad, exacerbating great-power competition that could threaten international support for democracy, human rights, and the rule of law.*
• The actions of Xi and his advisers—doubling down on authoritarianism at home and showing they are comfortable with authoritarian regimes abroad—along with China’s opaque commercial and development practices, reward compliant foreign leaders and can be corrosive to civil society and the rule of law.

• At the 2018 Central Foreign Affairs Work Conference, Xi stated his desire to lead the reform of the global governance system, driving a period of increased Chinese foreign policy activism and a Chinese worldview that links China’s domestic vision to its international vision.

• Beijing has stepped up efforts to reshape the international discourse around human rights, especially within the UN system. Beijing has sought not only to block criticism of its own system but also to erode norms, such as the notion that the international community has a legitimate role in scrutinizing other countries’ behavior on human rights (e.g., initiatives to proscribe country-specific resolutions), and to advance narrow definitions of human rights based on economic standards.

South China Sea and Taiwan

We assess that China will continue increasing its maritime presence in the South China Sea and building military and dual-use infrastructure in the Spratly Islands to improve its ability to control access, project power, and undermine US influence in the area. A body of open-source reporting shows that China seeks to achieve effective control over its claimed waters with a whole-of-government strategy, compel Southeast Asian claimants to acquiesce in China’s claims—at least tacitly—and bolster Beijing’s narrative in the region that the United States is in decline and China’s preeminence is inevitable.

• Meanwhile, Beijing almost certainly will continue using pressure and incentives to try to force Taipei to accept the One China framework and ultimately Chinese control, and it will monitor the US reaction as an indicator of US resolve in the region.

• Since 2016, Beijing has persuaded six of Taiwan’s 23 diplomatic partners, most recently Burkina Faso and El Salvador, to recognize China instead of Taiwan.

Military Capabilities

The People’s Liberation Army (PLA) continues to develop and field advanced weapons and hardware while honing its ability to fight in all military domains. The force is undergoing its most comprehensive restructuring ever to realize China’s long-held goal of being able to conduct modern, rapid military operations based on high technology to assert and defend China’s regional and growing global interests.

• PLA reforms seek to reinforce the Chinese Communist Party’s control of the military, improve the PLA’s ability to perform joint operations, increase combat effectiveness, and curb corruption.
ODNI 2019 Assessment of Competition with China - III

As China’s global footprint and international interests have grown, its military modernization program has become more focused on investments and infrastructure to support a range of missions beyond China’s periphery, including a growing emphasis on the maritime domains, offensive air operations, and long-distance mobility operations.

Southeast Asia and the Pacific

We expect democracy and civil liberties in many Southeast Asian countries to remain fragile and China to increase its engagement in the region to build its influence while diminishing the influence of the United States and US allies. Russia may also continue its diplomatic and military cultivation of Southeast Asian partners, and some countries will be receptive to Moscow as a balance against China’s push for hegemony.

• In the wake of Washington’s withdrawal from the Trans-Pacific Partnership, China is promoting a unified stance with the Association of Southeast Asian Nations (ASEAN) in defense of multilateralism and the WTO reform process, while also fostering a shared perception of US freedom of navigation operations through Chinese-claimed waters in the South China Sea as threats to regional stability.

• China is currying favor with numerous Pacific Island nations through bribery, infrastructure investments, and diplomatic engagement with local leaders while intervening in Burma—including by shielding Burma from UNSC sanctions in response to the humanitarian crisis and alleged ethnic cleansing in Rakhine State.

• Russia, too, has been increasing its diplomatic and military cultivation of Southeast Asian partners, some of which have been receptive to Moscow as a power capable of diluting China’s nascent hegemony and helping them diversify their hedging options.

• Cambodia’s slide toward autocracy, which culminated in the Cambodian People’s Party’s retention of power and complete dominance of the national legislature, opens the way for a constitutional amendment that could lead to a Chinese military presence in the country. Thailand’s coup-installed regime has promised elections in 2019 but appears set to help ensure that its proxy party retains power by tightly controlling the political space ahead of the vote. Burma’s civilian authorities continue to make scant progress toward resolving the crisis in Rakhine State, advancing economic reforms, or ending longstanding insurgencies by ethnic minority groups.

India-China Tensions

We expect relations between India and China to remain tense, despite efforts on both sides to manage tensions since the border standoff in 2017, elevating the risk of unintentional escalation. Chinese President Xi Jinping and Indian Prime Minister Narendra Modi held an informal summit in April 2018 to defuse tension and normalize relations, but they did not address border issues. Misperceptions of military movements or construction might result in tensions escalating into armed conflict.

Source: Daniel R. Coats, STATEMENT FOR THE RECORD WORLDWIDE THREAT ASSESSMENT of the US INTELLIGENCE COMMUNITY, ODNI, January 29, 2019 p. 28, 35
China’s leaders see China as a country that is “moving closer to center stage” to achieve the “great rejuvenation of the Chinese nation.” This ambition permeates China’s national security strategy and the PLA’s role in supporting the party. Since the early 1980s, when China initiated its Reform and Opening policy, China’s economy has grown rapidly. The CCP remained focused primarily on economic growth throughout the 1980s and 1990s, and in the early 2000s it identified the initial decades of the 21st century century as a “period of strategic opportunity” in the international environment that would allow China to focus on building “comprehensive national power.” The CCP’s contemporary strategic objectives are to:

- Perpetuate CCP rule.
- Maintain domestic stability.
- Sustain economic growth and development.
- Defend national sovereignty and territorial integrity.
- Secure China’s status as a great power.

China has taken deliberate steps to modernize the CCP, its military, the government, and other institutions in an attempt to improve coherence. Before 2015, departments across the government formulated separate security strategies, but in early 2015, China’s leaders adopted China’s first publicly released national security strategy outline, a framework to guide China’s approach to addressing both domestic and international security threats, and called for international engagement to address shared security problems.

The strategy outlines Beijing’s aim to ensure security, promote modernization, as well as preserve China’s socialist system. In addition to the strategic objectives above, the document emphasized the necessity of contributing to world peace and development and called for attention to promoting “rule of law” in support of national security. This led the National People’s Congress to pass a package of laws in 2015 and 2016 intended to address national security concerns, including harsher punishments for crimes involving terrorism and extremism, cybersecurity measures, and increased restrictions for foreign nongovernmental organizations.

Although China’s national security strategy outline contained both inward- and outward-looking elements, Beijing’s view of China’s role in the international community was further elaborated in an article on Xi Jinping’s thoughts on diplomacy published in mid-2017 by one of China’s top diplomats, Yang Jiechi. Yang paints a picture of Chinese diplomacy that focuses on China’s ambition for national rejuvenation and becoming a world power. Yang describes a confident China that is ready to “shoulder its responsibility as a major country” and build a global network of partnerships, but one that is resolved and uncompromising as it upholds its sovereignty and security interests.

The PLA’s Role in National Security

China’s Military Strategy built on a series of biennial defense reviews that Beijing published beginning in 1998 to mitigate international concern about the lack of transparency of its military modernization. What differentiated the document from its predecessors was that it, for the first time, publicly clarified the PLA’s role in protecting China’s evolving national security interests and shed light on policies, such as the PLA’s commitment to nuclear deterrence. The report affirmed many of China’s longstanding defense policies but also signaled a shift toward emerging security domains, such as cyber and space, and also emphasized the need to focus on global maritime operations.

The report outlined eight “strategic tasks,” or types of missions the PLA must be ready to execute:

- Safeguard the sovereignty of China’s territory.
- Safeguard national unification.
• Safeguard China’s interests in new domains, such as space and cyberspace.
• Safeguard China’s overseas interests.
• Maintain strategic deterrence.
• Participate in international security cooperation.
• Maintain China’s political security and social stability.
• Conduct emergency rescue, disaster relief, and “rights and interest protection” missions.

Beijing almost certainly views these missions as necessary national security tasks for China to claim great-power status. In 2017, Beijing emphasized several of these tasks in its “White Paper on China’s Policies on Asia Pacific Security Cooperation,” stressing the need for a PLA that is able to conduct expeditionary operations and other activities to defend and secure growing Chinese national interests overseas from “destabilizing and uncertain factors”... The PLA coordinates with China’s law enforcement, Foreign Ministry, and other security entities as needed on military-related activities, particularly operations beyond China’s borders.

Military Leadership

China’s military leaders are influential in defense and foreign policy. As the CCP’s armed wing, the PLA is organizationally part of the party apparatus. Career military officers for the most part are party members, and units at the company level and above have political officers responsible for personnel decisions, propaganda, and counterintelligence. These political officers also are responsible for ensuring that party orders are carried out throughout the PLA. CCP committees, led by the political officers and military commanders, make major decisions in units at all levels.

The CMC, the PLA’s highest decision-making body, is technically both a party organ subordinate to the CCP Central Committee and a governmental office appointed by the National People’s Congress, but it is staffed almost exclusively by military officers. The CMC chairman is a civilian who usually serves concurrently as the CCP general secretary and China’s president. During the past decade, the CMC’s membership has included two military vice chairmen who serve concurrently on the politburo; the minister of national defense, who serves as the face of the military for foreign engagement; the service commanders; and the directors of the four general headquarters departments. This framework occasionally shifts; it was revised during the 19th Party Congress in October 2017, at which point the service chiefs were removed from the body, leaving the chairman, vice chairmen, minister of national defense, Joint Staff Department chief, Political Work Department director, and Discipline Inspection Commission secretary. These changes align the military’s top body to its post-reform structure and underscore key themes of jointness, party loyalty, and anticorruption.
The party’s perception that China is facing unprecedented security risks is a driving factor in China’s approach to national security. In May 2015, China’s State Council Information Office published a white paper titled China’s Military Strategy, which outlined how Beijing views the global security environment, China’s role in that environment, and how the PLA supports that role. The document presented a vision for the PLA’s services and emerging security domains that would transform the PLA from its legacy posture to one focused more on long-range mobility. Within the context of Beijing’s “period of strategic opportunity,” Beijing calculates in China’s Military Strategy that world war is unlikely in the immediate future, but China should be prepared for the possibility of local war.

Authoritative Chinese publications typically avoid explicitly listing direct threats, but these threats can be gleaned from several documents that point to Beijing’s security concerns...Beijing’s primary threat perceptions include sovereignty and domestic security issues that it believes could undermine the overriding strategic objective to perpetuate communist rule. These include longstanding concerns regarding Taiwan independence, Uighur and Tibetan separatism, and perceived challenges to China’s control of disputed areas in the East and South China Seas. Authoritative documents also highlight the Korean Peninsula as an area of instability and uncertainty, and express concern regarding unsettled territorial disputes along China’s border with India, which periodically result in tense standoffs like the one that occurred in the summer of 2017 in the disputed Doklam region...Finally, while it calls for a peer-to-peer cooperative relationship with the United States, China also believes that U.S. military presence and U.S.-led security architecture in Asia seeks to constrain China’s rise and interfere with China’s sovereignty, particularly in a Taiwan conflict scenario and in the East and South China Seas. Since at least the 1990’s, Beijing has repeatedly communicated its preference to move away from the U.S.-led regional security system and has pursued its own regional security initiatives in support of what it views as a natural transition to regional predominance.

China’s Military Strategy reflects Beijing’s drive to establish a coherent, unified approach to managing national security in a world where Beijing perceives that China’s expanding interests have made it more vulnerable at home and abroad.

External Defense Relations

The PLA engages with foreign militaries to demonstrate its growing capabilities; improve its tactics, techniques, and procedures; enhance China’s image and influence abroad, and further China’s diplomatic objectives. Bilateral and multilateral exercises provide political benefits to China and opportunities for the PLA to improve capabilities in areas such as counterterrorism, mobility operations, and logistics. Senior-level visits and exchanges provide China with opportunities to increase military officers’ international exposure, communicate China’s positions to foreign audiences, understand alternative worldviews, and advance foreign relations through interpersonal contacts and military assistance programs.

China advances its day-to-day overseas military diplomacy using PLA officers assigned as military attachés in at least 110 countries. China’s military attaches serve as military advisers to the ambassador, support Ministry of Foreign Affairs and PLA foreign policy objectives, and perform a variety of duties tied to PLA military and security cooperation, including counterpart exchanges with host nation and third-country personnel. Expanded PLA travel abroad enables PLA officers to observe and study foreign military command structures, unit formations, and operational training.

As China’s regional and international interests have grown, the PLA has substantially expanded its international engagement, especially in the areas of peacekeeping operations (PKOs), counterpiracy, humanitarian assistance and disaster relief (HADR), counterterrorism, and multinational combined exercises. For example, many Latin American and Caribbean countries send officers to the strategic-level College of Defense Studies at China’s National Defense University; some of these countries also send officers to other PLA schools. In addition to furthering PLA modernization, these engagements probably will remain focused on building China’s political ties, explaining China’s rise, and building China’s international influence, particularly in Asia, Africa, and Latin America.
China’s economic, political, and military rise is one of the defining elements of the 21st century. Today, the Indo-Pacific increasingly is confronted with a more confident and assertive China that is willing to accept friction in the pursuit of a more expansive set of political, economic, and security interests.

Perhaps no country has benefited more from the free and open regional and international system than China, which has witnessed the rise of hundreds of millions from poverty to growing prosperity and security. Yet while the Chinese people aspire to free markets, justice, and the rule of law, the People’s Republic of China (PRC), under the leadership of the Chinese Communist Party (CCP), undermines the international system from within by exploiting its benefits while simultaneously eroding the values and principles of the rules-based order. With more than half of the world’s Muslim population living in the Indo-Pacific, the region views the PRC’s systematic mistreatment of Uighurs, Kazakhs, and other Muslims in Xinjiang – including pervasive discrimination, mass detention, and disappearances – with deep concern. China’s violation of international norms also extends abroad. Chinese nationals acting in association with the Chinese Ministry of State Security were recently indicted for conducting global campaigns of cyber theft that targeted intellectual property and confidential business and technological information at managed service providers. China has continued to militarize the South China Sea by placing anti-ship cruise missiles and long-range surface-to-air missiles on the disputed Spratly Islands and employing paramilitary forces in maritime disputes vis-à-vis other claimants. In the air, the People’s Liberation Army (PLA) has increased patrols around and near Taiwan using bomber, fighter, and surveillance aircraft to signal Taiwan. China additionally employs non-military tools coercively, including economic tools, during periods of political tensions with countries that China accuses of harming its national interests.

The People’s Republic of China’s Military Modernization and Coercive Actions

As China continues its economic and military ascendance, it seeks Indo-Pacific regional hegemony in the near-term and, ultimately global preeminence in the long-term. China is investing in a broad range of military programs and weapons, including those designed to improve power projection; modernize its nuclear forces; and conduct increasingly complex operations in domains such as cyberspace, space, and electronic warfare operations. China is also developing a wide array of anti-access/area denial (A2/AD) capabilities, which could be used to prevent countries from operating in areas near China’s periphery, including the maritime and air domains that are open to use by all countries.

In 2018, China’s placement of anti-ship cruise missiles and long-range surface-to-air missiles on the disputed Spratly Islands violated a 2015 public pledge by the Chairman of the CCP Xi Jinping that “China does not intend to pursue militarization” of the Spratly Islands. China’s use of military presence in an attempt to exert de facto control over disputed areas is not limited to the South China Sea. In the East China Sea, China patrols near the Japan-administered Senkaku Islands with maritime law enforcement ships and aircraft. These actions endanger the free flow of trade, threaten the sovereignty of other nations, and undermine regional stability. Such activities are inconsistent with the principles of a free and open Indo-Pacific.

Simultaneously, China is engaged in a campaign of low-level coercion to assert control of disputed spaces in the region, particularly in the maritime domain. China is using a steady progression of small, incremental steps in the “gray zone” between peaceful relations and overt hostilities to secure
its aims, while remaining below the threshold of armed conflict. Such activities can involve the coordination of multiple tools, including political warfare, disinformation, use of A2/AD (anti-access/area denial) networks, subversion, and economic leverage.

During the last decade, China continued to emphasize capabilities for Taiwan contingencies. China has never renounced the use of military force against Taiwan, and continues to develop and deploy advanced military capabilities needed for a potential military campaign. PLA modernization is also strengthening its ability to operate farther from China’s borders. For example, the PLA is reorganizing to improve its capability to conduct complex joint operations, and is also improving its command and control, training, personnel, and logistics systems. Key weapon systems deployed or in development include cruise and ballistic missile systems, modern fighter and bomber aircraft, aircraft carriers, modern ships and submarines, amphibious assault ships, surface-to-air missile systems, electronic warfare systems, direct-ascent, hit-to-kill anti-satellite missiles, and autonomous systems.

**China’s Use of Economic Means to Advance Its Strategic Interests**

China is using economic inducements and penalties, influence operations, and implied military threats to persuade other states to comply with its agenda. Although trade has benefitted both China and its trade partners, Chinese use of espionage and theft for economic advance, as well as diversion of acquired technology to the military, remains a significant source of economic and national security risk to all of China’s trading partners.

While investment often brings benefits for recipient countries, including the United States, some of China’s investments result in negative economic effects or costs to host country sovereignty. Chinese investment and project financing that bypasses regular market mechanisms results in lower standards and reduced opportunities for local companies and workers, and can result in significant debt accumulation. One-sided and opaque deals are inconsistent with the principles of a free and open Indo-Pacific, and are causing concern in the region. For example, in 2018, Bangladesh was forced to ban one of China’s major state firms for attempted bribery, and in the same year, Maldives’ finance minister stated that China was building infrastructure projects in the country at significantly inflated prices compared to what was previously agreed. Furthermore, a Chinese state-owned enterprise purchased operational control of Hambantota Port for 99 years, taking advantage of Sri Lanka’s need for cash when its government faced daunting external debt repayment obligations.

The United States does not oppose China’s investment activities as long as they respect sovereignty and the rule of law, use responsible financing practices, and operate in a transparent and economically sustainable manner. The United States, however, has serious concerns with China’s potential to convert unsustainable debt burdens of recipient countries or sub-national groups into strategic and military access, including by taking possession of sovereign assets as collateral. China’s coercive behavior is playing out globally, from the Middle East and Africa to Latin America and Europe.
A lack of transparency also clouds China’s activities in the polar regions. In 2018, China announced the inclusion of the region in One Belt One Road as the “Polar Silk Road” and emphasized its self-declared status as a “Near-Arctic State.” China is also expanding its engagement and capabilities in the Antarctic, in particular by working to finalize a fifth research station, which will diversify its presence across the continent.

Risk Reduction: Engaging China

One of the most far-reaching objectives of the National Defense Strategy is to set the military relationship between the United States and China on a long-term path of transparency and non-aggression. Pursuit of a constructive, results-oriented relationship between our two countries is an important part of U.S. strategy in the Indo-Pacific.

As the scope of China’s military modernization and the reach of China’s military activities expands, the need for strategic dialogue and safe and professional behavior consistent with international law is crucial. When China and the PLA operate in a manner consistent with international norms and standards, the risk of miscalculation and misunderstanding is reduced. Recognizing this, our bilateral military engagements with China, which include high-level visits, policy dialogues, and functional exchanges, are centered on building and reinforcing the procedures necessary to reduce risk and prevent and manage crises.

Through our military-to-military engagements, the Department of Defense will continue to encourage China to engage in behaviors that maintain peace and stability in the region and that support – rather than undermine – the rules-based international order. We will not accept policies or actions that threaten to undermine this order, which has benefited all countries in the region, including China. The United States is prepared to support China’s choices to the extent that China promotes long-term peace and prosperity for all in the Indo-Pacific, and we remain open to cooperate where our interests align.