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## DAY IV

### CHINA'S RISE IN AMERICAN MILITARY STRATEGY

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No one, including the Chinese leaders themselves, knows where destiny will take China as a military power. Will China be friend or foe of the United States 20 years hence? The wrong American actions can *ensure* that China will become a foe, but the right American actions can only *increase the likelihood* that China will become a friend. America's actions are important but not fully determinant, since the answer to this question will also be influenced in important ways by the attitudes of China's younger generation, the policies of its future leaders, its internal development and stability, and the possibility of crises like one over Taiwan. There is no convincing way for Chinese leaders to persuade Americans of their "intentions" decades in the future. China's future intentions are not a *secret* they are keeping from us, they are a *mystery* to both sides.

In this strategic circumstance, the United States has no choice but to have a two-pronged policy. One prong is to *engage* China to encourage it to become a "responsible stakeholder" in the international community. The second is to *hedge* against a downside scenario of competitive or aggressive behavior by China. Americans are impatient and dislike ambiguity, so successive U.S. administrations have struggled to sustain public support for the needed two-pronged policy – a policy that to many, at first glance, can seem self-contradictory. But there is no reason for our policy to *be* self-contradictory. Determination to engage should not get in the way of prudent hedging, and excessive hedging should not create a self-fulfilling prophesy whereby treating China as an enemy contributes to making it an enemy. Hedging against a competitive China – but hedging prudently – is a key objective of American military strategy.

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Since the Chinese military leaders also do not know where destiny will carry the relationship, it follows that they, too, probably have a two-pronged strategy. Hedging is contagious. The Chinese will be preparing militarily for the downside scenario, and their hedging will look to the United States like the leading indicator of the very competitive behavior against which it is hedging. And so hedging can beget more hedging in a dangerous spiral. In the Cold War an analogous spiral was caused by ambiguous hedging and the assumption of worst-case scenarios by the United States and the U.S.S.R. This spiraling led to a dangerous and expensive nuclear arms race, ultimately resulting in more than 50,000 nuclear warheads being deployed.

To make things more complicated, both China and the United States have other strategic factors driving their military postures than the possibility of conflict with each other. For the United States, the responsibilities of world leadership recommend maintaining the qualitative superiority and quantitative sufficiency its forces now possess. The Department of Defense (DOD) will receive

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an appropriation in excess of \$500 billion (including supplementals) in Fiscal Year 2007 for a host of current missions and future contingencies, many completely unrelated to East Asia. China will be spending about 15 percent of this amount on its defense in 2006 (even correcting for hidden subsidies in the Chinese budget). In China's eyes, it has not yet built a military large and strong enough to be propor-

tionate to the large role it sees for itself in the world of the future. In addition to hedging over the long run against the United States, China weighs its military power in relation to the neighbors it seeks to deter and overbear: Japan, Russia, and India. So China would be building up its military to match its global ambitions and pursue its regional rivalries no matter how it estimates the future of the U.S.-China relationship.

To complicate things even further, there is one critical respect in which U.S. and Chinese forces are both already committed to direct, head-to-head military competition – over the Taiwan Strait contingency. The United States has a policy (written into law, the Taiwan Relations Act) to be prepared to defend Taiwan from Chinese invasion or coercion. It has an accompanying policy of opposing the pursuit of independence by Taiwan and of refraining from pushing for an early resolution of the overall issue of Taiwan's reunification with the mainland. Despite this policy's complexity, it has been sustained by all successive U.S. administrations since it was instituted by Richard Nixon. The U.S. military therefore correctly anticipates having the long-term mission of ensuring access to the Strait and achieving air and sea dominance there. China, for its part, will not renounce the use of force to prevent Taiwan independence. For the Chinese military, this means being able to intimidate, if not conquer, Taiwan. It also means being able to chase or scare away U.S. forces from the Strait by making naval and air operations there too hazardous. Given this semi-permanent situation, every day for the foreseeable future the U.S. and Chinese militaries will take each other's measure in the Strait and pursue competing military objectives – a miniature and localized but very real “arms race.”

For a mix of reasons, therefore – but undeniably – China is building up its military and competing with the United States. This should concern the United States, but what should we do? To borrow a phrase from U.S.-Soviet cold war military competition, “How much is enough?” for China? Secretary of Defense Donald Rumsfeld lays stress on Chinese openness and “transparency.” It is important for China's people, its neighbors, and the United States to know the size and shape of China's buildup, and the requirement that they be open about it might dissuade the Chinese from an excessive buildup. The most important form of transparency China could exhibit would be a true reckoning of its defense budget. But emphasizing transparency does not address the question of what would be “excessive.” Former Secretary of State Warren Christopher, when characterizing U.S. sanctions on Iran, was fond of saying that the United States should not sell Iran a Kleenex. In the same spirit, the United States would clearly prefer that China arm itself with only a bow and arrow. Between a bow and arrow and an all-out drive to be a military peer of the United States across all elements of military power, where will China end up? Where should it end up,

from the point of view of American interests? Said differently, what actions on China's part would compel a reaction on the part of the United States in its own military plans and programs? This paper addresses these important questions.

## THE UNITED STATES IN CHINESE MILITARY STRATEGY

Any Chinese military officer will begin the story of Chinese strategy with history. China has, he will observe, a glorious ancient tradition of military art. Especially quoted will be Sun Zhi, who was to warcraft what Machiavelli was to statecraft – a master of strategy, subtlety, and deceit. But in more modern times, you will be told, China descended into military backwardness and weakness. First came the “century of humiliation” from the mid-19th century to the communist revolution, when China was preyed upon and picked apart by neighbors and distant colonizers. With the communist revolution in 1949, China could at last “stand up tall” in terms of sovereignty, but the military strategy propounded by Mao, however appropriate to the times, is regarded by today's Chinese military as decidedly backward. Mao gave the People's Liberation Army (PLA) a strategy of People's War. The strategy was aimed mostly at the Soviet Union and secondarily the United States. The idea was to fight these enemies on Chinese territory (no “power projection”), drawing invading armies deep into Chinese territory, enveloping them, and destroying them slowly in a protracted war of attrition. For such a People's War a mass conscript army spread all over the Chinese countryside was needed. Of course Mao fully understood that this army could also maintain communist party control over China's huge population.

When Deng Xiaoping replaced Mao Zedong, and especially when Jiang Zemin and Hu Jintao took over, the People's War legacy weighed oppressively on the PLA. The army was wastefully deployed across the vastness of China, entangled in local politics and very much entangled in local economies, had no power projection capability, and was technologically backward. Deng and his successors advocated new theories of “Local War” (versus total war) and “Rapid War, Rapid Resolution” (as opposed to war of attrition).<sup>3</sup> Today's PLA officers are attempting to realize this vision.

To do so, they do not have all the resources they would like. The Chinese defense budget is probably somewhere in the neighborhood of \$50 to \$80 billion (when properly computed, which is itself a complicated exercise<sup>4</sup>), whereas the United States will spend about \$500 billion in Fiscal Year 2007. The Chinese defense budget, however, has been growing at more than 10 percent per annum for two decades – a higher rate than the growth of China's GDP, although lower than the growth rate of overall public spending. In the Chinese government budget, military spending competes with other pressing needs: a revolution of rising expectations in the population, a middle class as large as the U.S. population, regional and urban/rural inequality, an aging population (China's workforce will peak in 2015, and already the population is aging faster than it is growing rich), underdeveloped and bad-debt-burdened capital markets, and so on.

To bring their military out of perceived backwardness, the Chinese have a plan (described in their Defense White Paper<sup>5</sup>) that reads like the Pentagon's Quadrennial Defense Review (QDR) and was probably inspired by it. It describes the modernization trajectory for the PLA in terms of a “Revolution in Military Affairs with Chinese Characteristics.” It stresses the same themes as the QDR, although the Chinese concede they need to “leapfrog” generations to match America's state-of-the-art military capabilities.

- “Informationalization”: Regarding what the United States calls “command, control, communications, intelligences, reconnaissance, and surveillance (C4ISR)” the White Paper stresses satellite and airborne sensors, unmanned aerial vehicles, and information warfare.
- Jointness: The PLA, PLAN (PLA Navy), and PLAAF (PLA Air Force) are undertaking their own version of the U.S. Goldwater-Nichols reforms of the 1980s to bring the three military services, today quite separate and dominated by the PLA, into the age of combined arms operations.
- Personnel Reform: The PLA is still too large, deriving from its Maoist past, consisting of 2.3 million personnel on active duty, 800,000 reservists, and a People’s Armed Police (PAP) of 1.5 million. The White Paper calls for reduction in size and professionalization of the military.
- Business Practices Reform: In a Chinese version of the American “Revolution in Business Affairs,” the PLA is shedding its farms, businesses, and other deadweight features of a peasant army spread throughout the countryside.
- Training Standards and Exercises: China is trying to increase the readiness of at least selected units, train them intensively, and exercise realistically (including joint exercises with Russia and other nations).
- Defense R&D and Weapons Imports: China’s defense R&D system and military industry have the features of the dated State Owned Enterprises (SOEs), not today’s go-go commercial economy: backward, bureaucratic, and entrenched. While China strives to modernize its own defense industry, it is turning principally to Russia for advanced tactical aircraft, submarines, surface combatants, air defenses, anti-ship cruise missiles, and other systems that challenge U.S. forces in ways that Chinese-made weapons could not. The United States and Europe have an arms embargo against China dating from the Tiananmen incident in 1989.

The Chinese White Paper is more circumspect about the missions it envisions for its growing and modernizing force, but it is likely that internal discussion stresses these missions:

- Maintain strategic nuclear deterrence, using a sufficient force of intercontinental ballistic missiles (ICBMs) and submarine-launched ballistic missiles (SLBMs).
- Puncture American dominance where possible. China aims to exploit vulnerabilities in key American capabilities, using counter-space, counter-carrier, counter-air, and information warfare to block the U.S. military from dominating outright a military confrontation or achieving quick and easy victory, even if eventual U.S. victory is assured.
- Match or overbear China’s neighbors. Long before China can hope to match the United States, it can match or overbear its neighbors. China’s adjusted defense spending of \$50-\$80 billion is already comparable to Japan’s \$44 billion, Russia’s \$65 billion, and India’s \$24 billion. It compares easily with the European powers’ defense investments: the United Kingdom, with the most usable of Europe’s militaries, spends \$50 billion.
- Coerce Taiwan and counter U.S. intervention. This is a clear PLA objective sanctioned by the political leadership. The bilateral Taiwan-China balance in the Strait is clearly shifting in China’s favor as Taiwan’s spending for its own defense actually decreases. China does not have the amphibious and airborne forces required for an invasion of Taiwan at this time, and such an operation would be disastrous if U.S. air and naval forces came to Taiwan’s aid. Instead, China aims to intimidate Taiwan with short range ballistic missiles (SRBMs) (700

CSS-6 and CSS-7 missiles are deployed in the military district opposite Taiwan, and this force is growing every year) and/or cause Taiwan's economy to collapse by making it too hazardous for air or maritime commercial vehicles to come to the island (e.g., by sowing mines near Taiwan's harbors).

- Ensure internal stability and order. China's leaders, all of whom lived through the Cultural Revolution, fear internal disorder, perhaps above all "national security" threats. The number of incidents of public rioting and other disorders is growing – even in the statistics reported by the Chinese authorities.<sup>6</sup> This is the predictable result of rapid and uneven economic change. China is not, however, an ethnic patchwork like the Soviet Union. There are only seven million Uighurs and five million Tibetans in China. The Chinese population overall is 92 percent Han Chinese.
- Secure resources. China is generally a resource-poor country. It is the world's second largest consumer of oil and its third largest importer, signifying a dependence on Middle Eastern and African oil that is uppermost in the minds of China's leaders.
- Reinforce territorial claims. China has settled most of its land border disputes with its neighbors, but it continues to contest ownership of the Senkaku, Spratley, and other islands. Periodic incidents between the PLA and the navies of the region are not strategically significant, but they have deep emotional resonance given the larger feelings of rivalry and historic grievances among the nations of East Asia.

These varied missions indicate that while competing with the United States might be China's most important objective in its military modernization, the PLA is in fact managing a portfolio of investments. China's leaders probably also harbor the goal of ultimately matching the United States in comprehensive military power. But they doubtless recognize that it would take decades, if ever, to achieve it.<sup>7</sup> In the meantime, they have set themselves these other, more achievable, goals.

## CHINA IN U.S. MILITARY STRATEGY

If China's military has a portfolio problem, America's is even more complex. U.S. force structure and investment is being pulled in five directions at once.

- Hedging against China. In terms of military investment, this mission emphasizes ultra-modern air and naval capabilities. It is the main budgetary rationale for advanced fighter aircraft, a new strategic bomber, new aircraft carriers and other surface combatants, stealthy unmanned aerial systems with long range and dwell time, nuclear attack submarines, and a host of C4ISR assets.
- The "Long War" against terrorism, especially Islamist extremism. This mission leads to a very different emphasis: special operations forces, intelligence, law enforcement, diplomacy, and homeland security.
- Stability operations and peacekeeping. Operations in Somalia, Bosnia, Kosovo, Iraq, Afghanistan and elsewhere in the past 15 years suggest that U.S. forces will be called upon to conduct them, notwithstanding the ambivalence of the public about such involvements. These missions require large ground forces with a wide range of capabilities, from combat to policing and economic reconstruction.

- Major theater war. The North Korea contingency and a range of contingencies in the Middle East could again require the capabilities for traditional warfare in two theaters simultaneously. This mission calls for the maintenance of a relatively large conventional force structure.
- Counterproliferation. Weapons of Mass Destruction (WMD) threats underscore the need for deterrent forces (nuclear and non-nuclear) of reasonable size and survivability, and for protective measures ranging from chemical suits to missile defenses.

None of these missions can be sacrificed to fund the others. All must be pursued simultaneously. The DOD must fund its portfolio, moreover, in the face of a looming budget crunch of huge proportions.

It might seem strange that the DOD could be facing a budget crisis when its baseline has increased from about \$300 billion pre-9/11 to about \$450 billion today, and when it is furthermore receiving supplementals for Iraq and Afghanistan of \$50 billion or more on top of the baseline. To

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understand this, one must note, first, that the defense program has changed much less than the budget. To a remarkable degree, the 50 percent increase in the DOD baseline since 9/11 has gone to funding the program of record on 9/11 (i.e., the weapons that were already in the pipeline on 9/11). This program of record was already unrealistically budgeted before 9/11, and the great

majority of weapons systems end up costing much more than budgeted. Additionally, the exploding cost of health and other benefits for active duty and retired military is devouring a larger and larger chunk of the Pentagon budget, as is the high operations tempo and intensive training schedule. The growth in the Personnel and Operations and Maintenance portions of the budget squeezes out the investment portion (Research, Development, Test, and Evaluation (RDT&E) and Procurement) that is most relevant to the China hedging mission. Perversely, the supplementals will contribute to the crunch in two ways. First, it appears that there will be costs to "reset" the force (e.g., repair or replace vehicles used more intensively than originally planned) not captured by the supplementals that will need to be paid out of the baseline budget. Second, some of the new and most innovative programs (i.e., programs that were not part of the program of record on 9/11) are funded in the supplementals and will have to fight their way into the baseline budget when the supplementals dry up. Many will not win this daunting battle against older and more entrenched programs, hindering the overall process of transformation. Meanwhile, the ongoing operations in Iraq and Afghanistan have already dangerously overstretched the U.S. Army especially.

A mixture of poor management, the stresses of prolonged wars in several places, and chronic cost growth is creating a perfect storm in defense management that will place limits on the resources available to hedge against an aggressive China. Whatever the resources Congress makes available to DOD in coming years, it will need to find a balance among missions that includes a prudent China hedge.

### **HOW MUCH IS ENOUGH FOR CHINA?**

The United States and most states in the region might prefer to see China remain stuck in the Maoist People's War tradition. But the reality is that China will be developing its military power

in parallel with its growing economic and political power, and seeking to fulfill the portfolio of missions dictated by its strategy. For U.S. purposes, Chinese military developments can be put into three categories:

First, are efforts aimed mostly at increasing comprehensive military power and putting the Maoist legacy behind? These developments are predicted to occur with high probability. They have serious consequences for the U.S. military, for U.S. policy in the region, and for other regional states. Although they are not welcome developments, they are broadly consistent with the growing power of a “responsible stakeholder.” Some of them, in fact, would in principle allow China to contribute to military missions like peacekeeping and counterterrorism as a global stakeholder if it chose to, much as NATO and sometimes Russia do. Others will alter the military landscape of East Asia profoundly. Developments in this category are as follows.

- Slow growth in the ability to apply modern and comprehensive military power locally and regionally, including limited power projection capability. Modernization of tactical air (Su-27 and Su-30 fighters), airborne warning and control, mid-air refueling (IL-76 and IL-78 mid-air refuelers), airlift, more capable and more numerous surface combatants (although for the foreseeable future far less of a “blue-water” navy than the U.S. Navy), perhaps acquisition of a fledgling carrier force, “informationalization” and jointness will slowly bring China from a continental power to a regional power, although not yet a global power.
- Modernization of China’s “countervalue” strategic nuclear deterrent. Newer, mobile DF-31s and DF-31As, solid-fueled ICBMs, and JL-2 SLBMs without a large increase in overall numbers of warheads (tens rather than hundreds, with no MIRV’d missiles) will not alter significantly the long-standing Chinese strategic nuclear threat to the United States.
- Shift in local balances. Japan, Russia, India, Vietnam, and others will soon face a Chinese military much more formidable than in the past, and in many cases a match for or better than their own.
- Shift in the bilateral balance between China and Taiwan in China’s favor. The sheer weight of China’s future military investments will inexorably shift the balance between China and Taiwan in China’s favor. Moreover, Taiwan is not spending enough to counter the growing Chinese military effort, and specifically not the missile threat and blockade threat from China. The invasion threat is largely countered by Taiwan’s island geography more than by any specific investments of Taiwan’s military. Taiwan is spending less as China is spending more. The shift in the military balance is mirrored economically by the fact that Taiwan, which was once thought to be the gateway through which foreign investment would flow into China, is being bypassed in favor of China; and politically by the weakness of Chen Shui-bien’s Democratic Progressive Party (DPP) and the Pan Blue alliance’s flirtation with the mainland. As Taiwan’s ability to defend itself declines, its dependence on the United States naturally increases.
- Possible development of capabilities for international peacekeeping, stability operations, counterterrorism, and counterproliferation. As Chinese forces become more deployable, more effective, and more experienced they can also become more useful to the efforts of leading states to counter state and non-state threats to international security, should China choose the “responsible stakeholder” model.

Second, are efforts devoted specifically to countering selected areas of U.S. military advantage or intimidating Taiwan? These efforts are also almost certain to occur. They cannot be regarded as natural ingredients of a post-Maoist general upgrade of China's military power: they are specifically aimed at U.S. forces and fueled especially by the Taiwan contingency. U.S. appeals to Chinese "transparency" will cast a spotlight on these developments. The United States should continue to urge restraint in counter-Taiwan capabilities, since threatening Taiwan is likely to drive its population further away from the mainland. However, Chinese efforts to undermine the main sources of U.S. operational supremacy will require specific U.S. investments to counter them. These investments are in line with the Pentagon's budgetary plans and need to be accommodated within future budgets. They constitute the near- and medium-term hedges required by the two-pronged U.S. strategy towards China.

- Counter-information capabilities. China is stressing anti-satellite and information warfare capabilities specifically designed to deny U.S. forces the C4ISR that is their trademark.

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Reacting to this trend will require, for example, greater investment in satellite defense (through maneuvering, redundancy, and other means).

- Counter-carrier capabilities. China is trying to be able to first locate, and then threaten, U.S. carriers operating in nearby waters, especially the Taiwan Strait through space and airborne long-range ocean surveillance, quiet diesel submarines, and sophisticated anti-ship cruise missiles procured from Russia.

- Counter-air upgrades. China is buying modern integrated air defenses (including the Russian S-

300) to attempt to prevent the United States from gaining air dominance in the Strait or China itself.

- Green-water, if not fully blue-water, navy. China is slowly buying the vessels and gaining the experience to patrol its trade routes, show the Chinese flag, and make port calls or gain basing (e.g., in Pakistan) well beyond its shores.
- Counter-Taiwan capabilities. China is fielding more numerous and accurate ballistic missiles, drone aircraft, mine-laying craft, diesel submarines, and other capabilities that are clearly aimed at the Taiwan contingency rather than general growth of comprehensive military power.

Third, are Chinese political and military developments that are not occurring now but, if they occurred, would dramatically change the nature of the hedge needed by the United States? These developments would reveal Chinese intentions, and ultimately lead to Chinese capabilities, that are inconsistent with the power growth of a "responsible stakeholder" or the competition inherent in the ever-present Taiwan scenario. They would suggest all-out competition and "cold war."

- Irredentist rhetoric or claims, and aggressive rhetoric about "enemies" like Japan.
- Hypernationalism among Chinese youth, "standing up proud."
- Putting defense spending first in the Chinese government's budget. While Chinese defense



spending is larger than it has been in the past or that the United States or its neighbors would wish, it is still only about two percent of GDP and 10 percent of government spending. A crash spending effort at the expense of economic objectives would signal a major change in Chinese intentions and, in time, capabilities.

- A crash program to obtain the amphibious and airborne forces to invade Taiwan.
- Offensive biological or chemical weapons programs.
- An attempt to match or exceed the U.S. strategic nuclear deterrent force in overall numbers, or changing Chinese nuclear policy from no-first-use minimum deterrent to first-use or counterforce.
- Major new Chinese military alliances or foreign basing of Chinese forces.
- Large expansion in scale and scope of weapons purchases from Russia. These purchases today, while of high-end items China cannot make for itself, total only about \$2 billion per year.

## **CONCLUSION: DOS AND DON'TS OF HEDGING**

U. S. strategy must hedge appropriately by responding to the Chinese military developments in categories one and two, and be prepared to respond in the long term to the developments in category three. The hedging must be done in a way that effectively counters these developments, does not contribute further or unnecessarily to the Chinese buildup, is consistent with the “engagement” part of U.S. strategy towards China, and is affordable within a constrained DOD budget with a portfolio of investments.

Recommendations for responsible hedging can be divided into “Dos” and “Don’ts.”

### **Do**

- Continue to invest broadly in future transformational U.S. military capabilities in a portfolio approach that gives appropriate emphasis to highly advanced aerospace and maritime forces as well as to the ground and special forces needed for other near-term missions.
- Continue to improve the intensity and quality of intelligence collection and analysis of the Chinese military.
- Maintain and expand U.S. alliances in Asia, to include preserving the alliances with Japan, South Korea, and Australia, and pursuing deeper military partnerships with the Philippines, Singapore, India, and possibly Vietnam.
- Maintain and expand U.S. military “presence” in the region. It is particularly important to shore up the U.S.-ROK alliance, which has declined precipitously under Presidents Roh and Bush. The U.S.-ROK alliance is important for deterring North Korea, but beyond that it is a vital foothold for the overall U.S. military presence in the region in the long run. It will be easier for Japanese public opinion to continue to support the U.S. presence in Japan if we have forces in the ROK. The U.S. air and naval buildup on Guam is also an important contribution to U.S. presence in the region.
- Maintain the commitment to have the capability to defend Taiwan from Chinese invasion or military coercion.

- Conduct military-to-military activities. Military-to-military exchange is often thought to be an instrument of the engagement prong of the two-pronged strategy, since it engages an important constituency, the PLA, in U.S.-China relations and in the “responsible stakeholder” direction. But it is also an important instrument of hedging, because if there are crises or a period of tension and competition, miscalculations can be avoided. Reciprocity in military-to-military activities is important, but it need not be exactly symmetric. “Value-based reciprocity,” where each side obtains equal benefits, should be the metric that guides the military exchanges. Given the Chinese misunderstandings surrounding the 1999 Belgrade Embassy bombing and the 2001 Hainan mid-air collision, one useful theme of military contacts would be crisis management. Additionally, the talks between the U.S. Commander of Strategic Command (STRATCOM) and the head of the Chinese Second Artillery recently agreed to are valuable. However, the STRATCOM has a broad range of strategic responsibilities that the Second Artillery (which is centered on nuclear deterrent forces) does not, so the pairing is likely to devolve to a discussion of nuclear forces and space forces. STRATCOM should be careful not to allow these talks to replicate U.S.-USSR strategic nuclear discussions of the late Cold War. Those talks took place in the context of a cold war that is not present (or desirable) between the United States and China. They also reflected a strategic nuclear parity that again is neither present nor desirable in the contemporary U.S.-China case.
- Expand military-to-military activities to anticipate joint action where doing so is in both countries’ interest. Joint action could include search-and-rescue, counter-terrorism, counter-piracy, counter-narcotics, counter-people smuggling, humanitarian relief, noncombatant evacuation, and peacekeeping.
- Continue to oppose the lifting of the post-Tiananmen arms sales embargo by the European Union.

## **Don’t**

- Attempt to create an encircling anti-Chinese alliance. Most of the potential counterweights to China have important bilateral relationships with China, including economic relations. They have two-pronged strategies of their own. They will not join in a “hedge-only” strategy. Attempts to create such an alliance will fail, and they will make it more likely that China will end up an enemy.
- Change U.S. policy towards Taiwan, which for decades has required a capability to defend Taiwan but not a commitment to use that capability, into a new defensive alliance committing the United States to Taiwan’s defense no matter what role Taiwan’s government has in provoking a conflict. Also, oppose any effort by Taiwan to obtain an independent offensive deterrent, especially nuclear weapons.
- Attempt to neutralize China’s nuclear deterrent with counterforce or missile defense. Such an effort is likely to backfire by causing China to build a larger nuclear force than it otherwise would, without achieving comprehensive or assured protection of the United States from a Chinese nuclear strike.
- Seek to deny China access to resources like oil that it needs for its economic development by non-market methods, while pressuring China to do likewise.

## ENDNOTES

- 1 The authors are grateful to Jennifer Bulkeley, Ph.D. candidate at Harvard's Kennedy School of Government, for her research assistance and insights in preparation of this paper.
- 2 A research collaboration of Harvard and Stanford Universities, the Preventive Defense Project's work on U.S.-China relations is supported in part by the Carnegie Corporation of New York and the John D. and Catherine T. MacArthur Foundation.
- 3 See, for example, Bruzdinski, Jason E., "Striving for Rapid War, Rapid Resolution While Preparing for Protracted Struggle: China's Military Transformation for the New Era," Washington, DC: The MITRE Corporation (forthcoming), 2006.
- 4 The official Chinese defense budget, unlike the U.S. DOD budget, excludes key categories like R&D, the People's Armed Police, foreign purchases and sales of arms, local subsidies to PLA units in the countryside, and other items. After establishing comparable categories, the calculation is further complicated by the fact that costs of comparable items in the U.S. and Chinese economies are not the same. A soldier, for example, is drafted and given little in the way of benefits in the PLA; an American soldier is recruited and benefits are provided for his or her family in a relatively generous fashion.
- 5 Information Office of the State Council of the People's Republic of China, "China's National Defense White Paper," December 27, 2004, <http://english.peopledaily.com.cn/whitepaper/defense2004/defense2004.html>.
- 6 The Ministry of Public Security reported 74,000 "mass incidents" in 2004, a huge number even in a vast country like China. Susan V. Lawrence, "China's Internal Stability: Implications for U.S. Policy," Paper presented to the Aspen Institute's Eighth Conference on *U.S.-China Relations*, April 9-15, 2006.
- 7 The Council on Foreign Relations Task Force on Chinese Military Power concluded that China was 20 years behind the United States in terms of overall military technology and capability, and that the balance would remain "decisively in America's favor" both regionally and globally for the next 20 years. *Chinese Military Power*, Report of an Independent Task Force Sponsored by the Council on Foreign Relations, Harold Brown, Chair and Joseph W. Prueher, Vice Chair, 2003.