

Understanding China's Military Expansion and Implications for U.S. Policy

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Hearing on China's Worldwide Military Expansion

Chairman Nunes, Ranking Member Schiff, distinguished members of the committee, thank you for the opportunity to discuss the topic of China's military expansion, an issue of great consequence for the United States and the rest of the world. I will begin my remarks by situating China's military expansion in the context of its long-term strategic goals and then outlining the specific steps China has undertaken, as well as the challenges it faces, in its quest to become a global military power. I will conclude with a discussion of how the the United States should respond to China's military expansion and the general growth of its influence around the world.

CHINESE MILITARY EXPANSION IN CONTEXT OF BEIJING'S LONG-TERM STRATEGIC GOALS

China's Intention to Become a Great Power by 2049

Since assuming power in 2012, President Xi Jinping has clearly articulated his vision of the "Chinese dream" which seeks to achieve the "great rejuvenation of the Chinese nation." Xi has vowed to "restore" China's historical influence and status by transforming China into a moderately prosperous state by 2020 and a rich, strong, and fully-developed great power by 2049.¹ A major component of the Chinese dream includes the strengthening and expansion of China's military capabilities. Beijing has specifically tasked the People's Liberation Army (PLA) to complete military reform and modernization by 2035 and to become a world-class military by 2050.

¹ "Timeframe for Realizing the Chinese Dream," *Beijing Daily*, July 7, 2015, http://www.xinhuanet.com/politics/2015-07/07/c_127994345.htm

In order to achieve these ambitious goals, the Chinese government has undertaken significant measures both at home and abroad.

Internal Measures to Strengthen China's Military Capabilities

Increasing the China Communist Party's control over the PLA

According to Beijing, the Chinese dream can only be achieved with the Chinese Communist Party (CCP) firmly in control and a PLA that is absolutely loyal to the party. Xi has moved swiftly since coming into power, "cleaning up" both the party and the military and to consolidate his personal power through an extensive anti-corruption campaign. This campaign has targeted all levels, from local bureaucrats to high-ranking leaders and military officials, and has strengthened the CCP's (and Xi's) oversight of the PLA.² Xi has also ordered extensive organizational restructuring of the military to streamline control and increase his grip over the PLA as chairman of the Central Military Commission.³

Modernizing the PLA

Under Xi's rule, the PLA has undertaken several reforms to modernize and strengthen its warfighting capabilities. Some of these measures include increasing the size of the navy and air force while reducing ground troops by 300,000; the creation of five theater commands to boost joint operations capabilities; and the establishment of a Strategic Support Force that focuses on space, cyber, and electronic warfare.⁴ The PLA has also been tasked by the Party to accelerate the development of military intelligence, with a focus on emerging technologies and especially artificial intelligence as critical tools for modern warfare.⁵ The Chinese government has also called on commercial and defense industries to work together to strengthen China's military. This drive for "civil-military fusion" fits squarely into Beijing's larger strategy, as mapped out in its Made in China 2025 initiative to transform China into a self-sufficient technological powerhouse.⁶

Expansion of the PLA's Global Reach

The mutually reinforcing nature of China's commercial and military activities abroad

To date, China has primarily relied on its economic power to cultivate influence in its immediate neighborhood and beyond. Under the banner of the Belt and Road Initiative (BRI), Beijing has pledged to invest more than \$1 trillion in infrastructure investment across 60 plus countries. Given China's growing interests abroad, the PLA Navy (PLAN) has begun developing capabilities to operate in the far seas. It opened its first overseas military base in Djibouti near a Chinese-operated port in 2017 and has demonstrated both the will and ability to protect Chinese interests and citizens in foreign countries, as evidenced by the noncombatant evacuation operations it carried out in Libya and Yemen in recent years. In addition, many of

² "Xi's Purge of the Military Prepares the Chinese Army for Confrontation," *The Rand Blog*, April 21, 2016, <https://www.rand.org/blog/2016/04/xis-purge-of-the-military-prepares-the-chinese-army.html>

³ Bo Zhiyue, "Is China's PLA Now Xi's Army?" *The Diplomat*, January 12, 2016, <https://thediplomat.com/2016/01/is-chinas-pla-now-xis-army/>

⁴ Joel Wuthnow and Phillip C. Saunders, *China's Military Reforms in the Age of Xi Jinping: Drivers, Challenges, and Implications* (Washington DC, National Defense University Press, 2017), <http://ndupress.ndu.edu/Portals/68/Documents/stratperspective/china/ChinaPerspectives-10.pdf>

⁵ Kevin McCauley, "The PLA Accelerates Modernization Plans," *China Brief* 18, no. 1 (January 12, 2018), <https://jamestown.org/program/pla-accelerates-modernization-plans/>

⁶ Lorand Laskai, "Civil-Military Fusion and the PLA's Pursuit of Dominance in Emerging Technologies," *China Brief* 18, no. 6 (April 9, 2018), <https://jamestown.org/program/civil-military-fusion-and-the-plas-pursuit-of-dominance-in-emerging-technologies/>

China's infrastructure investments seem to be driven in part by strategic concerns, with an eye on expanding the reach of China's military abroad. For instance, Chinese analysts have called for investing in commercial ports in order to use these sites first for civilian purposes and then as strategic support points for the PLAN.⁷

Increasing military presence and activities in the East and South China Seas

In addition to expanding its military in support of, or through commercial activities, Beijing has also directly increased its military presence in the East and South China Seas. In the East China Sea, Beijing regularly uses maritime law enforcement ships and aircraft to assert its sovereignty claims over the Senkaku (Diaoyu) Islands which are claimed by both Japan and China. In the South China Sea, Beijing has steadily engaged in land reclamation and the construction of military outposts in the Spratly Islands. According to recent reports, China has now installed anti-ship missiles, surface-to-air missile systems, and military jamming equipment on a few of the disputed features. Given the increasing militarization of these territories, U.S. Navy Admiral Philip Davidson writes that "China is now capable of controlling the South China Sea in all scenarios short of war with the United States."⁸

Challenges to China's Quest to Become a Great Power

Internal Challenges

Despite the concerted internal and external efforts to expand its military capabilities, significant challenges still stand in the way of China's efforts to become a great power. First, China faces major internal challenges—from the need to engage in structural economic reform to address its growing debt problem and the glut of inefficient state-owned enterprises, to the potential for ethnic unrest in Tibet and Xinjiang. Despite the CCP's firm grip over power at home, disgruntlement over issues such as economic inequality and air pollution are pervasive at the grassroots level and could potentially lead to instability in China's domestic political arena. While the CCP clearly understands these challenges exist and has set out various measures to tackle them, many of these issues will not be easily resolved and may distract or slow down Beijing's efforts to transform China into a world-class military power.

Limitations to Chinese Hard and Soft Power

In addition to these internal challenges, China also faces severe limitations in terms of its hard and soft power abroad, especially compared to the United States. Other than a treaty of "mutual aid and cooperation" with North Korea, China has no formal allies and just one overseas military base. In contrast, the United States has dozens of allies, collective defense arrangements, and security partnerships throughout the world. According to one unofficial estimate, the United States has approximately 800 military bases in more than 70 countries and territories abroad,⁹ and nearly 70,000 troops based in East Asia alone.¹⁰

⁷ Devin Thorne and Ben Spevack, *Harbored Ambitions: How China's Port Investments are Strategically Reshaping the Indo-Pacific* (Washington DC, C4ADS, 2017),

<https://static1.squarespace.com/static/566ef8b4d8af107232d5358a/t/5ad5e20ef950b777a94b55c3/1523966489456/Harbored+Ambitions.pdf>

⁸ Amanda Macias, "China quietly installed defensive missile systems on strategic Spratly Islands in hotly contested South China Sea," *CNBC*, May 2, 2018, <https://www.cnbc.com/2018/05/02/china-added-missile-systems-on-spratly-islands-in-south-china-sea.html>

⁹ David Vine, "Where in the World Is the U.S. Military?" *Politico*, July/August 2015, <https://www.politico.com/magazine/story/2015/06/us-military-bases-around-the-world-119321>

¹⁰ Defense Manpower Data Center, https://www.dmdc.osd.mil/appj/dwp/dwp_reports.jsp

Furthermore, despite general acknowledgement of China's economic prowess, many countries remain wary of China's intentions, especially in its immediate neighborhood. Polls have found low confidence among many non-Chinese respondents that Xi will "do the right thing" in world affairs, and liberal democracies are especially critical of China's authoritarian system and the lack of respect for the personal freedoms of its own people.¹¹

Finally, while many countries have welcomed the prospect of Chinese economic investment, fears of Chinese overreach and exploitation have sparked grassroots protests and the abrogation of various agreements. For instance, several BRI projects in Myanmar, Nepal, and Pakistan have been suspended or canceled in recent years in light of public pressure and complaints of Chinese "colonization." These cases demonstrate that even states with relatively close ties to Beijing and a genuine desire for economic aid will not necessarily accept Chinese strategic investment in the face of domestic resistance and sovereignty concerns.

RESPONDING TO CHINA'S MILITARY EXPANSION

China's push to modernize its military and extend its reach abroad is unsurprising and reflects the natural tendency of rising powers to increasingly exert influence beyond their borders. Rather than attempting to completely block China's military expansion, the United States should work with its allies and partners to shape the environment around China to disincentivize destabilizing behavior and to encourage Beijing to use its newfound power in constructive ways. To do this, Washington must speak from a position of strength so that Beijing understands any military conflict or attempts to restrict the United States' maneuverability in the East Asian region will come at a great cost and set it back in its many ambitions at home and abroad. At the same time, U.S. leaders should also reassure their Chinese counterparts that the United States does not seek to contain China or prevent its rise, and that the two countries have more to gain by steadily working through bilateral issues and cooperating to address common global threats.

When responding to China's growing military power, the United States should focus on its comparative advantages by:

- **Strengthening military capabilities and maintaining a leading edge on technological innovation.** The United States should do this by investing in research and development and STEM education, encouraging top talent to work and stay in the United States, and by facilitating collaboration across the civilian and military tech sectors and with allies. China is unlikely to stop its concerted efforts to achieve technological superiority as articulated in initiatives like Made in China 2025. As such, the United States must not only focus on defensive measures to protect its critical industries from Chinese espionage and strategically-driven investment, but also double down on proactive measures to stay ahead in the technological race.
- **Strengthening alliances and security partnerships.** The United States' alliances are an invaluable asset that enable Washington to lead collective challenges against Chinese aggression, and to generally shape outcomes in the global arena. As the primary security partner for numerous countries in East Asia and beyond, the United States receives many strategic benefits, including allies' willingness to consult, coordinate, and adjust their policies to accommodate U.S. interests, or at the very least to keep the United States informed on any decisions of consequence. Allies also provide access to foreign bases that allow the United States to project its power far and wide, and they contribute forces and political support for various U.S. endeavors. Given the value of maintaining

¹¹Richard Wike et al., "Globally, More Name U.S. Than China as World's Leading Economic Power," *Pew Research Center*, July 13, 2017, <http://www.pewglobal.org/2017/07/13/more-name-u-s-than-china-as-worlds-leading-economic-power/>

strong alliances, the United States should endeavor to resolve any disagreements with its allies discreetly and in a manner that does not undermine the credibility of its commitments. And as a matter of course, the United States and its allies should continue to boost their individual military capabilities, as well as their interoperability.

- **Presenting a proactive agenda in the East Asian region and beyond.** The United States must not only focus on countering the expansion of Chinese activities and strengthening its military presence in the East Asian region, but also advance a positive agenda for engaging with its neighbors. One relatively easy measure is to provide states with technical training and assistance. While the United States may not be able to match dollar-for-dollar China's state-directed investment, it can, at a bare minimum, help states considering BRI projects negotiate equitable and sustainable investment terms, and set best practices and standards for projects. As a leader in the field of education, the United States can also provide training programs for workers in developing countries whose jobs will be displaced due to automation and other advances in technology. On a more ambitious level, the United States should work with economically advanced allies like Japan and Australia to help channel private sector investment and provide developing countries alternative choices for infrastructure investment. In addition to these measures, Washington should think boldly about what other proactive measures it can take to stay involved and signal its constructive presence in East Asia.
- **Championing liberal values** of open society, rule of law, respect for individual and political freedoms, and democratic governance. Liberal values underpin the soft power of the United States and still resonate around the world, even in China, where many elites and citizens alike are disturbed by the increasingly authoritarian turn of the Chinese government. While Beijing touts its "value-free diplomacy" of "win-win cooperation" as a pragmatic and attractive model of diplomacy, its claims can ring hollow when benefits do not materialize, or when they are lopsided. There is also a limit to how much trust and loyalty can be built through relationships devoid of shared values and worldviews. The United States, therefore, should reaffirm the importance of liberal values among like-minded allies and friends, and get its own house in order so that it can stand as a beacon that inspires citizens and elites in China and elsewhere to push for greater openness in their own political systems.
- **Leveraging China's desire for stability and prosperity at home to discourage destabilizing behavior, and to encourage its active participation in tackling global challenges.** Xi Jinping has set out several ambitious targets for his country which cannot be achieved if China is beset with chaos and instability, such as a war in the South China Sea or on the Korean Peninsula. Rather than engaging in transactional bargains, U.S. leaders should continue to make the case to their Chinese counterparts that Beijing should refrain from provocative behavior, such as blocking sea lanes or freedom of navigation in disputed territories, and cooperate to solve global challenges like the North Korean nuclear crisis, because it is in China's long-term strategic interests to do so. Chinese leaders, including Xi, have reiterated over the years in speeches and in major strategic documents that China seeks to contribute to peace and stability in the world—and the United States should hold Chinese leaders accountable to this promise.