

China Risen

America's focus on the Pacific may have changed from pivots to tariffs, but the challenge is the same. China has been aggressively modernizing its military, strengthening its economic base, and expanding its sphere of influence around the world through both legitimate and dubious means. Whether it wants to be an alternative to Washington or to challenge it directly, China's ambitions are real. "After decades of seeking engagement in the expectation that Beijing would become a cooperative partner in world affairs, the United States is treating China as a strategic competitor bent on displacing it as Asia's dominant force."¹ And it's a game the U.S. did not expect to play.

China's Long Game

Wanting to lead the world in artificial intelligence (AI) by 2030, China published an aggressive national AI strategy in 2017. That includes investing billions of dollars in AI research and development. Today China already has the second-highest number of AI companies and the world's most highly valued AI company is Chinese. Such grandiosity isn't surprising. China has always been focused on the future. From the early communist party's five-year plans, China has pursued creating capacity, investing, and implementing forward-thinking, growth policies. For example, Chinese defense planners began developing information warfare strategies in the early 1990s, effects materializing later with the theft of American intellectual property, mapping of American critical infrastructure, and cyber espionage. Just after becoming President in 2012, Xi Jinping set "Two Centennial Goals": doubling its 2010 per capita GDP by 2021 (already close) and become a "fully developed, rich, and powerful" nation by the 100th anniversary of the People's Republic in 2049. To achieve these goals, Made in China 2025 is a ten-year plan to turn the country into a high-tech manufacturing giant, to include electric cars, aerospace and advanced medical device markets. The initiative even affects current U.S.- China trade tensions. Such vision and implementation make the U.S. seem short-sighted. The nature of the American political system incorporates foresight, but not necessarily persistence. The U.S. shouldn't be intimidated by China's plans. "Over and over, the Chinese Communist Party has prioritized near-term economic growth and political stability even when doing so produced predictably negative long-term consequences."² While the U.S. could borrow from China's playbook for long-term strategic planning, it can't neglect what China thinks is in China's best interest at all times.

China's Holistic Vision

China's gaze may be towards the future, but it takes a 360-degree view when it comes to influence and leverage. That begins with geography. China's desire to be the uncontested regional hegemon has never been a secret. "In the final analysis, it is for the people of Asia to run the affairs of Asia, solve the problems of Asia and uphold the security of Asia," Xi said in 2014. China's build up of the barrier islands in the South China Sea had already begun the year before. "Extensive fortification of these outposts, including missile batteries, means that China has virtually annexed a vast swathe of this ocean."³ For the U.S., which sees such annexation as threat to the freedom of the seas, China's advances in A2/AD, electronic warfare, and development of a multi-carrier force create amplified threats. "The Chinese have employed industrial and technical espionage; developed concepts and capabilities to exploit vulnerabilities in the U.S. battle network; amassed an arsenal of long-range precision missiles; developed 'black capabilities' to surprise the United States in the event of a conflict; and undertaken

¹ Marshal Xi, "How China is replacing America as Asia's military titan," *Reuters*, April 23, 2019, <https://www.reuters.com/investigates/section/china-army/>.

² Davis Skidmore, "China's Reputation for Long-Range Planning Is Wildly Exaggerated," *The Diplomat*, March 22, 2019, <https://thediplomat.com/2019/03/chinas-reputation-for-long-range-planning-is-wildly-exaggerated/>.

³ Marshal Xi, *Ibid*.

efforts to become a world leader in artificial intelligence and integrate the technology into their military to secure an edge.”⁴ Add to this China’s pursuit of a nuclear triad and increased training against strong military opponents.

To bolster their geopolitical, military, and economic goals, China’s government also “conducts influence operations against media, cultural, business, academic, and policy communities” and “condition[s] foreign and multilateral political establishments and public opinion to accept China’s narrative surrounding its priorities like [the Belt and Road Initiative] and South China Sea territorial and maritime claims.”⁵ China’s Belt and Road Initiative is creating a vast transportation and energy infrastructure network that stretches to the former Soviet republics and southeast Asia, and aims to establish 50 economic zones and increase the use of China’s currency. China’s expansion into Africa, Latin America, and the Caribbean has been led by three imperatives: oil supplies, minerals, and agricultural products that address its need for rare earth minerals for technology development.

Corporations are also part of the Chinese government’s purview. Chinese laws and unspoken arrangements blur the line between private and state-owned. For example, China’s Cybersecurity Law mandates that Chinese companies give the government access to their data. Huawei, a leading manufacturer of network technology with a significant U.S. presence, was founded by former members of the People’s Liberation Army and has maintained close ties since.⁶ China’s ability to use these companies for surveillance and sabotage is a legitimate concern, particularly Huawei which is a leading developer of 5G networks. In January, the Justice Department filed indictments against Huawei for corporate theft and fraud, while in June the company was blacklisted from U.S. technology for security risks. However, Huawei is just one of many companies.

China’s Dream

China’s assertiveness reflects what many in China see as their destiny. Around 2013, “Chinese dream” became popularized to describe the country’s prosperity, socialism, and national glory. Unsurprisingly, the phrase is closely associated with Xi, who has effectively seized unlimited power to realize this destiny. “Whether it was confidence due to his growing domestic strength, a belief that the balance of economic power in the U.S.-China relationship had already shifted, or a concern about appearing weak in front of Trump, Xi seems to have reached the conclusion that China, under his leadership, can successfully challenge the United States.”⁷ However, its fate is uncertain. Domestically, Xi must be vigilant about maintaining his power structure and stabilizing the economy. Food security is a priority as China has been a net food importer since at least 2007. Regionally, China’s maritime expansion continues to concern its neighbors and BRI progress is stagnating as participating countries balk at indebtedness to China. As its military power grows, China still lacks recent combat experience, has failed to introduce effective command and control, and is liable to make mistakes. While it’s doing its best to live up to its potential, China may not know how much is enough to protect itself, project itself, or advance itself.

China’s posturing has some talking about a new cold war. Wherever confronted, neither the U.S. nor China will cede much ground to the other. However it plays out, China is playing to win.

⁴ Paul Sonne, “U.S. military risks falling victim to China’s effort to gain technology,” *Washington Post*, June 6, 2019, https://www.washingtonpost.com/world/national-security/us-military-risks-falling-victim-to-chinas-effort-to-gain-technology-edge-report-warns/2019/06/05/c051204e-87b7-11e9-b1a8-716c9f3332ce_story.html.

⁵ Office of the Secretary of Defense, *Military and Security Developments Involving the People’s Republic of China 2019*, https://media.defense.gov/2019/May/02/2002127082/-1/-1/1/2019_CHINA_MILITARY_POWER_REPORT.pdf

⁶ “Huawei Personnel Worked With China’s Military on Research Projects,” *Bloomberg*, June 26, 2019, <https://www.bloomberg.com/news/articles/2019-06-27/huawei-personnel-worked-with-china-military-on-research-projects>.

⁷ Dean Cheng, “The Perfect Storm Confronting Xi Jinping,” *War on the Rocks*, June 5, 2019, <https://warontherocks.com/2019/06/the-perfect-storm-confronting-xi-jinping/>.