



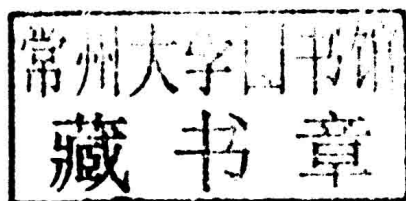
COUNCIL *on*
FOREIGN
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Council Special Report No. 72
March 2015

Robert D. Blackwill
Ashley J. Tellis

Revising U.S. Grand Strategy Toward China

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Revising U.S. Grand Strategy Toward China

Foreword

It has become something of a cliché to say that no relationship will matter more when it comes to defining the twenty-first century than the one between the United States and China. Like many clichés, this statement is true but not terribly useful, as it tells us little or nothing about the nature of the relationship in question.

Some point to history and argue that strategic rivalry is highly likely if not inevitable between the existing major power of the day and the principal rising power. Others challenge such a prediction, emphasizing more the impact of domestic political, economic, and social developments within the two countries as well as the potential constructive influence of diplomacy and statecraft.

Robert D. Blackwill and Ashley J. Tellis, the authors of this Council Special Report, reach a conclusion considerably closer to the first of these two propositions. “China represents and will remain the most significant competitor to the United States for decades to come,” they write, judging that “the likelihood of a long-term strategic rivalry between Beijing and Washington is high.” They also argue that China has not evolved into the “responsible stakeholder” that many in the United States hoped it would. To the contrary, Blackwill and Tellis see China as having adopted a grand strategy for itself that is meant to increase state control over Chinese society and, beyond its borders, to pacify its periphery, cement its status in the international system, and replace the United States as the most important power in Asia.

What flows from this assessment is nothing less than a call on their part for “a new grand strategy toward China that centers on balancing the rise of Chinese power rather than continuing to assist its ascendancy.” The two authors acknowledge that this new policy “cannot be built on a bedrock of containment”; they also say that policymakers cannot simply jettison the prevailing policy of integration. But they do

advocate what they describe as “crucial changes to the current policy in order to limit the dangers that China’s economic and military expansion pose to U.S. interests in Asia and globally.”

Stated somewhat differently, the authors recommend a new U.S. policy of balancing China that would in effect change the balance of current U.S. policy, in the process placing less emphasis on support and cooperation and more on pressure and competition. There would be less hedging and more active countering.

A number of policy prescriptions follow, including the adoption of policies designed to produce more robust economic growth in the United States; new trade arrangements in Asia that exclude China; a stricter technology-control regime affecting exports to China; a larger, more capable, and more active U.S. air and naval presence in the Asia-Pacific region; more intimate U.S. strategic ties with Japan, Australia, the Republic of Korea, India, the countries of southeast Asia, and Taiwan; and a considerably tougher set of measures to counter Chinese behavior in the cyber realm.

Interestingly, the report also argues for an intensification of U.S.-Chinese diplomatic contacts, recommending a discourse that is “more candid, high-level, and private than current practice.” The focus of such talks would be not on the internal political character of China, but on such issues as Asian security, and would possibly involve experienced external persons on both sides who would presumably be less constrained by the sorts of rigidities and conventional thinking normally associated with bureaucracies.

It is clear, though, that this call for real dialogue is not motivated by any great optimism of what it can achieve. Indeed, the authors conclude by noting that “the most that can be hoped for is caution and restrained predictability by the two sides as intense U.S.-China strategic competition becomes the new normal, and even that will be no easy task to achieve in the period ahead.”

Both authors anticipate that their analysis and recommendations alike will be controversial and generate substantial criticism, and they devote their conclusion to addressing what they see as the likely challenges to what they have written. I expect some readers will, as a result, be persuaded by what is said here; I equally expect that others will remain unpersuaded that what is being suggested in these pages is either desirable or feasible. But whatever the reaction or reactions, *Revising*

U.S. Grand Strategy Toward China deserves to become an important part of the debate about U.S. foreign policy and the pivotal U.S.-China relationship.

Richard N. Haass

President

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Robert D. Blackwill
Ashley J. Tellis

Acronyms

| | |
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| APEC | Asia-Pacific Economic Community |
| ASEAN | Association of Southeast Asian Nations |
| BMD | ballistic missile defense |
| CCP | Chinese Communist Party |
| IMET | International Military Exchange Training |
| IMF | International Monetary Fund |
| OECD | Organization for Economic Cooperation and Development |
| PAP | People's Armed Police |
| PLA | People's Liberation Army |
| PRC | People's Republic of China |
| ROK | Republic of Korea |
| TPP | Trans-Pacific Partnership |
| TRA | Taiwan Relations Act |
| UNSC | United Nations Security Council |
| WTO | World Trade Organization |

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Council Special Report

Introduction

In a classic work published at the height of the Second World War, *Makers of Modern Strategy: Military Thought from Machiavelli to Hitler*, editor Edward Meade Earle defined grand strategy as “the art of controlling and utilizing the resources of a nation...to the end that its vital interests shall be effectively promoted and secured against enemies, actual, potential, or merely presumed.”¹ Elaborating on this idea, Earle argued that this “highest type of strategy” is precisely such because it “so integrates the policies and armaments of the nation that the resort to war is either rendered unnecessary or is undertaken with the maximum chance of victory.”² With these considerations in mind, Earle correctly concluded that “[grand] strategy...is not merely a concept of wartime, but is an inherent element of statecraft at all times.”³ Though many others have subsequently offered variations on this concept, a wiser or more comprehensive definition of grand strategy has not been better articulated.

Since its founding, the United States has consistently pursued a grand strategy focused on acquiring and maintaining preeminent power over various rivals, first on the North American continent, then in the Western hemisphere, and finally globally. During the Cold War, this strategy was manifested in the form of “containment,” which provided a unifying vision of how the United States could protect its systemic primacy as well as its security, ensure the safety of its allies, and eventually enable the defeat of its adversary, the Soviet Union. As Melvyn P. Leffler succinctly summarized, “the key goals of containment were to limit the spread of Soviet power and communist ideology. Yet containment was never a defensive strategy; it was conceived as an instrument to achieve victory in the Cold War.”⁴ A variety of policies—including deliberately limiting Soviet connectivity with the major global economic centers of power, sustaining a diverse and sometimes overlapping set of “mutual security agreements” and formal alliances, pursuing

worldwide ideological campaigns to delegitimize the Soviet state and its policies, and preserving the United States' industrial and technological supremacy—were successfully implemented to achieve this aim as Washington entered a new era of geopolitical competition.

In the aftermath of the American victory in the Cold War and the dissolution of containment, U.S. policymakers have struggled to conceptualize a grand strategy that would prove adequate to the nation's new circumstances beyond the generic desire to protect the liberal international order underwritten by American power in the postwar era. Though the Department of Defense during the George H.W. Bush administration presciently contended that its “strategy must now refocus on precluding the emergence of any potential future global competitor”—thereby consciously pursuing the strategy of primacy that the United States successfully employed to outlast the Soviet Union—there was some doubt at the time whether that document reflected Bush 41 policy.⁵ In any case, no administration in Washington has either consciously or consistently pursued such an approach. To the contrary, a series of administrations have continued to implement policies that have actually enabled the rise of new competitors, such as China, despite the fact that the original impulse for these policies—the successful containment of the Soviet Union—lost their justification with the demise of Soviet power.

Because the American effort to “integrate” China into the liberal international order has now generated new threats to U.S. primacy in Asia—and could eventually result in a consequential challenge to American power globally—Washington needs a new grand strategy toward China that centers on balancing the rise of Chinese power rather than continuing to assist its ascendancy. This strategy cannot be built on a bedrock of containment, as the earlier effort to limit Soviet power was, because of the current realities of globalization. Nor can it involve simply jettisoning the prevailing policy of integration. Rather, it must involve crucial changes to the current policy in order to limit the dangers that China's economic and military expansion pose to U.S. interests in Asia and globally.

These changes, which constitute the heart of an alternative balancing strategy, must derive from the clear recognition that preserving U.S. primacy in the global system ought to remain the central objective of U.S. grand strategy in the twenty-first century. Sustaining this status in the face of rising Chinese power requires, among other things,

revitalizing the U.S. economy to nurture those disruptive innovations that bestow on the United States asymmetric economic advantages over others; creating new preferential trading arrangements among U.S. friends and allies to increase their mutual gains through instruments that consciously exclude China; recreating a technology-control regime involving U.S. allies that prevents China from acquiring military and strategic capabilities enabling it to inflict “high-leverage strategic harm” on the United States and its partners; concertedly building up the power-political capacities of U.S. friends and allies on China’s periphery; and improving the capability of U.S. military forces to effectively project power along the Asian rimlands despite any Chinese opposition—all while continuing to work with China in the diverse ways that befit its importance to U.S. national interests.

The necessity for such a balancing strategy that deliberately incorporates elements that limit China’s capacity to misuse its growing power, even as the United States and its allies continue to interact with China diplomatically and economically, is driven by the likelihood that a long-term strategic rivalry between Beijing and Washington is high. China’s sustained economic success over the past thirty-odd years has enabled it to aggregate formidable power, making it the nation most capable of dominating the Asian continent and thus undermining the traditional U.S. geopolitical objective of ensuring that this arena remains free of hegemonic control. The meteoric growth of the Chinese economy, even as China’s per capita income remains behind that of the United States in the near future, has already provided Beijing with the resources necessary to challenge the security of both its Asian neighbors and Washington’s influence in Asia, with dangerous consequences. Even as China’s overall gross domestic product (GDP) growth slows considerably in the future, its relative growth rates are likely to be higher than those of the United States for the foreseeable future, thus making the need to balance its rising power important. Only a fundamental collapse of the Chinese state would free Washington from the obligation of systematically balancing Beijing, because even the alternative of a modest Chinese stumble would not eliminate the dangers presented to the United States in Asia and beyond.

Of all nations—and in most conceivable scenarios—China is and will remain the most significant competitor to the United States for decades to come.⁶ China’s rise thus far has already bred geopolitical, military, economic, and ideological challenges to U.S. power, U.S.

allies, and the U.S.-dominated international order. Its continued, even if uneven, success in the future would further undermine U.S. national interests. Washington's current approach toward Beijing, one that values China's economic and political integration in the liberal international order at the expense of the United States' global preeminence and long-term strategic interests, hardly amounts to a "grand" strategy, much less an effective one. The need for a more coherent U.S. response to increasing Chinese power is long overdue.

China's Evolving Grand Strategy

Following the Communist Revolution in 1949, China has pursued the objective of maximizing its national power in order to recover the geopolitical primacy it enjoyed in East Asia prior to the Columbian era. The arrival of modernity proved unkind to China's regional predominance—and, in an economic sense, its global standing—embittering its Maoist founders, who were determined, through their communist uprising, to retrieve the greatness last witnessed during the mid-Qing Dynasty, which had been lost due to technological atrophy, domestic conflict, and external intervention.

Given this painful history, it is not surprising that China's primary strategic goal in contemporary times has been the accumulation of "comprehensive national power."⁷ This pursuit of power in all its dimensions—economic, military, technological, and diplomatic—is driven by the conviction that China, a great civilization undone by the hostility of others, could never attain its destiny unless it amassed the power necessary to ward off the hostility of those opposed to this quest. This conception, shared by all Chinese leaders since 1949, reflects a vision of politics that views conflict as intrinsic to the human condition. In this "parabellum paradigm," superior power alone creates order. China's success as a state requires its leaders to possess greater capabilities than any other entity inside or outside its borders.⁸

The failure to create such a hierarchy centered on the conjoint supremacy of the Chinese Communist Party (CCP) within the country and China's primacy within the international system would open the door to persistent and dangerous threats of the kind witnessed during China's "century of national humiliation."⁹ Defeating these dangers requires that the party protect its monopoly over power within the country while steadily acquiring more power than its international competitors. As Chinese theorist Ye Zicheng argues in his treatise on Chinese grand strategy, "There is a close connection