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Executive Summary

Mr. Andrew Marshall, Director of the Office of Net Assessment, Office of the Secretary of Defense (OSD/NA), hosted a seminar on China on 3-4 April 1997 at the Navy War College in Newport, Rhode Island. The seminar convened specialists who are doing research on China for OSD/NA in the areas of military thought and strategy, attitudes toward the US and its allies in the Asia-Pacific region, the development of the Chinese military, and China's propensity to fight wars. The goal of the seminar was to facilitate an exchange of ideas, encourage a peer critique of the specialists' work, and relay implications of their research for future US planning *vis à vis* China and the Asia-Pacific region as a whole.

In his opening remarks, Mr. Marshall stated that the seminar should provide a forum for an exchange of ideas on future Asian scenarios, on long-term US strategy toward China and the region, and on the future of Chinese-Japanese relations. If China continues to grow, Mr. Marshall asked, and Japan's growth continues to stagnate, how will the two major Asian powers react? What kind of base structure and forward presence will the US need in the region?

Five scholars presented their research findings at the seminar, and two led issue discussions on topics they will be researching for OSD/NA over the next two years. In addition, Colonel Karl Eikenberry of the Asia-Pacific Office in the Pentagon offered his observations, and Mr. Marshall led the last issue discussion.

Dr. Arthur Waldron of the Navy War College gave the first presentation on Chinese ideas about winning wars. He specifically addressed some unique insights on Chinese military ideas and Chinese military doctrine as a whole. Dr. Thomas Christensen of Cornell University spoke on the evolution of China's attitudes toward the US-Japan alliance, culled during his interviews with Chinese government officials and analysts over the past four years. Chinese views on future warfare were illustrated by Dr. Michael Pillsbury, who in addition spoke about China's misperceptions about the world. Dr. Aaron Friedberg of Princeton University next led an issue discussion on the 1996 Summer Study, which covered several future scenarios in Asia and their implications for the US. Dr. Stephen Rosen of Harvard University offered his initial observations on a long-term US strategy toward Asia, on which he and Dr. Friedberg will be doing a study for Mr. Marshall.

Dr. Iain Johnston of Harvard University gave the next presentation on patterns in the dispute management behaviour of the PRC, derived from a survey of data on China's participation in interstate disputes. Col. Karl Eikenberry of the Department of Defense offered the seminar his observations on Sino-US defense security issues. Dr. Friedberg led an issue discussion on future Chinese perspectives on Japan. Mr. Marshall led a discussion on future US basing needs in Asia, in particular as those needs relate to changing technology and the changing geopolitical scenario in Asia. The seminar closed with last thoughts from the participants on unanswered questions that they believe need to be addressed in future research.

Several important issues were raised repeatedly in the discussions. These include:

- Chinese misperceptions about the world and their impact on its military strategy;
- Multilateralism and future US-Asia relations, and the delicacy of the US-Japan alliance;
- The Taiwan problem and China's territorial ambitions.

Chinese Misperceptions and Military Strategy

Several participants raised the issue of China's perception that the US leads an anti-China coalition, and hopes to encircle China with US allies. At the same time, Chinese leaders may believe that they can overwhelm potential adversaries, including the US, with a tightly-scripted, surgical operation aimed at the opponents' weakest point. They also place a great deal of emphasis on psychological warfare, Dr. Waldron mentioned, and in some cases more so than on actual fighting. This leads China to a misguided sense of invulnerability, fueled further by its misperceptions that the US is not as strong as it perceives itself to be and will not continue to grow in strength relative to China. Chinese military strategy is therefore dangerous, and suspect to being seriously derailed in the event of actual conflict due to its inflexibility and lack of contingency planning. China's lack of understanding about the regional effects of its actions adds to its vulnerability. Dr. Pillsbury's discussion of the revolution in military affairs and Chinese confidence implied that despite the reality that the Chinese are a generation behind the US militarily, they believe they can catch up relatively quickly. And, even if they continue to lag behind, many Chinese believe that their strategy can still enable them to win a war against the US.

Multilateralism and the Future of the US-Japan Alliance

The notion that China is attempting to wither US bilateral relationships with Asian countries, most notably Japan, Korea, and Australia, came up several times during the seminar. Several participants noted that the US-Japan alliance, while currently strong, could be seriously destabilized by any number of domestic or international trends. Dr. Christensen mentioned that many Chinese feel that the alliance is in their interests, but they do not want it to develop in such a way that the US encourages Japan to strengthen its own military. They would rather have a strong but less threatening US in the region than an independently powerful, and therefore more threatening, Japan.

On the other hand, Dr. Christensen and others stated that China is trying to make multilateralism the future trend for alliances in the region, so that it can be in on all relationships and will feel less like it is being surrounded by anti-China coalitions. One participant stated that China is actively criticizing US bilateral relationships, but another said that the Chinese do not believe that this could seriously disrupt the US-Japan alliance in particular, which is not their goal.

Taiwan and Chinese Territorial Ambitions

Many participants made the observation that China wants to bring lost territories, particularly Taiwan, the South China Sea, and parts of the Russian Far East, back under Chinese control. In the case of Taiwan, the situation is more acute -- as shown in the March 1996 missile exercises -- and this is an issue that the US has a real problem addressing. Dr. Johnston noted in his presentation that China is more likely to use force over territorial grievances than anything else, and China's perceptions of its territorial integrity and international status are damaged by Taiwanese threats of independence, an observation that makes finding a solution to the issue all the more important. Dr. Garver, on the other hand, noted in his paper that there is no real immediacy to the Taiwan problem because China could hold out for the near term and try to wear Taiwan down over time.

In the case of the Russian Far East, Dr. Garver noted that the Chinese are likely to pursue a long-term policy of open borders, increased trade, and increased Chinese immigration to the region in an effort to increase Chinese influence there. In the long run, as the Russian federal system weakens and China grows stronger, Chinese aspirations may be realized.

With regard to the South China Sea, participants indicated there was less urgency, but that China may resort to war to gain control over the Spratly islands.

What follows is a brief summary of the research and the discussion sessions of the seminar.

Arthur Waldron, *Chinese Ideas about Winning Wars*

Arthur Waldron of the Navy War College gave a presentation on Chinese ideas about winning wars which looked at key words in China's military-speak and thereby tried to gain insights into their conception of what it takes to fight and win wars. He concluded that Chinese military doctrine is radically different from that of the US and because their actions are so scripted they are very susceptible to counter- and surprise attacks.

Waldron introduced several Chinese words that are central to war. *LI*, which roughly-translated means force, is something that Chinese strategists view as a last resort. They view the greatest pitfall of warfare as getting involved in it, and are most afraid of exhausting their forces by protracted fighting. They look for opportune moments for intervention, at which they can use force as an efficient engineering tool and achieve victory through "efficient attrition". The Chinese see warfare as fraught with political risk and therefore view ultimate victory as "winning without fighting". Where the US views victory as a product of interlocking operations, the Chinese look at trends and try to identify points at which certain intervention will yield the greatest result.

SHI, the next term Waldron introduced, means power, strategic advantage, "potential born of disposition", or simply the "bang" of fighting -- actualized force. *SHI* implies that the physical position of elements matters, not the elements in and of themselves. *JI*, a turning point, opportunity, or inflection, refers to places or points that afford the greatest opportunity to intervene, the places that will yield the greatest effect. This is at odds with the way war is thought of in the US -- as something we have to keep pushing at until victory. *MOU CE JI* refers to a plan or a stratagem, the structure and precise details of which are crucial.

Waldron asserted that the Chinese do not view technology as pieces of a strategy -- they do not concern themselves with all of the elements. Rather, they get some top technology and equipment and use it as a spearhead. Hence China's acquisition of much sophisticated military equipment.

The Chinese approach to warfare involves asymmetrical strategies, the search for magic (technological) bullets; surprise and deception, on which they place much emphasis; and control of initiation and termination -- the moments of decision and opportunity. Their methods illustrated by Waldron include *YANG WEI*, or "nourishing awesomeness", meaning roughly "appear to be more than you are" as opposed to the US strategy of "be more than you appear". Thus there is a psychological rationale, not a utility, in having an air craft carrier -- it is acquired not because it is needed but because it looks good. *FA JIAO* refers to their strategy of attacking alliances, the rationale for which is isolating those one deals with. For example, the Chinese are going after the US-Japan, US-Korean, and the US-Taiwan alliances. Waldron warned, however, not to let this spoil our whole relationship with China: they do not distinguish between warfare and diplomacy. The means of attacking alliances can be either diplomacy or threats.

FA MOU refers to the Chinese attack strategy which is to baulk their opponent's plans, to turn the opponent's strategy around. Finally, *GUI DAO*, or way of deception, refers to how the Chinese analyze use of force, their specific operational techniques, and their perceptions of victory and defeat. Whereas for the US, victory or defeat are viewed in terms of how much physical damage is wrought by the use of destructive force, the Chinese view defeat or victory through a more psychological prism, defined by *ZHI*, or state of being, and *LUAN*, meaning mental as well as physical chaos. Therefore the Chinese focus on the psychological rather than engineering and physical aspects of war.

Waldron then explained the sequence of Chinese strategy in its twentieth century wars, beginning with a brief military encounter which brings them a "hole in one", or perfect break, resulting in psychological and maybe physical destruction. This is followed by an operational pause during which negotiations are held with the fallen party, and then settlement is reached. The problem, however, is that the Chinese never reach the settlement phase.

Waldron went on to explain how these affect Chinese behaviour. First, they behave very differently from us: they go by a script which is entirely their own. Second, they assume they will have complete operational success. They underrate friction and overrate how well things will go: there is no allowance for interaction. Rather, the entire operation is to proceed as scripted. This leaves the Chinese with a high degree of vulnerability to counteraction and to miscalculation on their part. Third, the Chinese operate on a surprise basis: they will give no warning of imminent attack, a result of their focus on psychological management of a conflict. Finally, a Chinese military failure could lead to a domestic crisis because the Chinese political system is very brittle. There are no strong constitutional structures, therefore a military defeat would cause major problems.

Waldron asserted that the correlation of forces alone will not deter China -- the fact that the US is a lot stronger will only affect the package of operations used by the Chinese. An opponent of China should expect exploitation of incomplete military advantages, much like Hitler's strategy. This allows them to move without comprehensive capability. The Chinese use a "risk fleet" concept to deter the US from engaging: they use their limited ability to threaten US to stay out of their area by developing capabilities that will cause us to be very cautious. An example is their acquisition of the Sunburn missile, or SSN22, which can penetrate the Aegis defense system.

Discussion

One participant asked about the Chinese propensity to form alliances as opposed to just focusing on splitting them. Waldron responded that the Chinese don't believe it is a very useful tactic, and cited the example of their unsuccessful alliance with the Soviet Union. Another participant asked how the Chinese, with their brittle domestic situation, reacted to their failure in the Korean war. Waldron said that they simply portrayed that war as a success -- after all, they only lost 50 000 men.

A participant brought up the idea of surprise, and asked if our knowledge of the Chinese *modus operandi* will cause us to act in a way that they'll fail to predict. Waldron said that indeed, it will encourage us to act in a way that they can not predict and their policy is therefore a very dangerous one. Another participant raised the issue of Chinese society's brittleness and asked for a clarification of why a failure of military efforts would lead to dramatic internal change. Waldron asserted that because Chinese society is not one in which the rulers are chosen by the people, the people may be reluctant to fight and die for them, and therefore war is a test: the ability of the regime to survive a war depends on cohesion of which China does not have much. Efforts to strengthen cohesion could be made by encouraging, for example, xenophobic feelings, but this is not reliable. It is by maintaining a high level of tension that Chinese leaders keep the country in line. In sum, a military operation can look like an attractive solution but if it fails, it can be devastating, as in the case of the Boxer Rebellion when the North of China took a radical action and was abandoned by the rest of the country.

One participant asked whether there was some domestic fallout from the Taiwan missile situation of March 1996. Waldron answered that he heard that some of the architects of that policy might fall. Some Chinese apparently knew that the policy would fail. Pressure

which might have caused them to reassess the situation was released by our mild reaction to the missile attack.

A participant stated that much of this classical approach is derived from analysis of Chinese fighting Chinese: wouldn't they be more cautious when dealing with outsiders? Waldron stated that twentieth century China views itself as coming off of success, as a country that is by right dominant in Asia. They also view it as imperative that they get along with outsiders, and especially great powers. They may be more cautious when dealing with outsiders, but they do have an exalted view of their capabilities and the ability to manipulate operations.

Thomas Christensen, *China's Changing Attitudes toward the US-Japan Alliance*

Tom Christensen presented seminar participants an analysis of interviews he conducted with civilian and military think tank analysts in the Chinese government from 1993 to 1996. His interviews focused on Chinese attitudes of the future roles of the United States and Japan in East Asia. He discussed Chinese attitudes about the US-Japan relationship and how those attitudes affect Chinese predictions about Japanese remilitarization.

Christensen posited that China fears Japan could become a great military power in the next 20-25 years, and the Chinese fear this more than they fear an American presence in the region. This defies China's generally *realpolitik*, power-based approach to international relations, which holds that China should fear the militarily stronger United States and encourage Japan to seek security independence. However, for historical, geographic, and ethnic reasons, Christensen said that China fears Japanese power more than that of the US.

According to Christensen, Chinese analysts believe that certain Japanese elites will push for great power military status as soon as the international and domestic conditions are right. The most important of these factors is the US-Japan alliance. Conservative Chinese believe the Japanese have a three-part "grand strategy" to achieve great power status, consisting of pushing for economic, political, and then military great power status. More moderate Chinese believe that this is not necessarily inevitable.

Christensen's interviews showed changing Chinese attitudes toward Japanese militarization over the past four years. Most important among factors affecting this have been changing Chinese attitudes on the Clinton Administration and the evolving US role in the region. In China, there are two opposing pessimistic scenarios regarding the alliance: one holds that the US-Japan alliance will break down and this will lead to an armed and dangerous Japan; the other holds that the US-Japan alliance will tighten, and the US will encourage Japan to strengthen its military forces. From the Chinese perspective, both are considered bad for China.

In 1993 and 1994, many analysts believed that international forces were unstable and therefore prospects for Japanese remilitarization in the early 21st century were high. They viewed the Clinton administration as not having a strategic focus, and this would result in the unraveling of the US-Japan alliance and therefore Japanese remilitarization. Moreover, trade frictions between the US and Japan could spread to the security realm. Many observed that the US and Japan would become economic and then strategic rivals, especially with the fall of the USSR and the absence of a Soviet threat to buttress the alliance. All of these pressures could feed into an unstable domestic situation in Japan, the Chinese told Christensen. A decline in the economy, the rise of hawks, and growing nationalism could lead to remilitarization. Therefore, in the period of 1993-94, the US presence in Japan was seen by the Chinese as positive but unstable.

In 1994 and 1995, the picture was more mixed. Christensen found that more of his Chinese interviewees were optimistic about Japan -- that is, that Japan could forego a large-scale military buildup long into the future. The Chinese thought that Clinton was paying more attention to US-Japanese relations (and that they would not let trade disputes spread to the security arena) and security as a whole. With the Nye initiative and the 1995 East Asia Security report, it was now security first for the US in Asia. The political shake-up in Japan did not produce a hawkish government. Optimists were therefore pleased that the US-Japan relationship appeared to be good and strong.

The pessimists continued to see Japanese remilitarization as inevitable, but their scenario began to shift. Whereas in the earlier period they were worried about a US-Japan split and subsequent US abandonment of Japan, in 1995 pessimists were worried that the US would upgrade its relations with Japan and encourage Japan to develop new capabilities as a junior partner in the alliance. Chinese analysts welcome US forces in Japan but only if they are replacing Japanese forces, and not strengthening them. Therefore this period, for the pessimists, was characterized by an increasingly suspect US-Japan alliance. They worried that the strengthening of the US-Japan alliance had many negative aspects, among them: 1) their view that it is unnecessary to strengthen militarily unless the alliance is aimed at containing China; 2) that a stronger Japanese military is inherently threatening to China; and 3) that a stronger Japanese military will encourage Japanese independence on defence policy in the future. The issues that sparked these fears among the pessimists were the Nye report, since it suggested joint production of a theater missile defense system -- the Chinese did not like this because it would decrease the value of their missiles, which are their greatest strength by far; and the Lee visit to the US and ensuing crisis leading to Taiwanese elections. The issue of missile defense was particularly sensitive because as the Taiwan crisis progressed, it became clear that missiles were China's most effective coercive tool.

In Christensen's 1996 interviews, he found a more pessimistic consensus among Chinese analysts, with the fear being that the US-Japanese alliance was strong and increasingly dangerous. The Clinton-Hashimoto joint declaration of 17 April 1996 seemed to be responsible for this. They felt that this declaration gave the Japanese military new roles and a stronger potential for power projection; a new and greater scope for Japanese defense -- rather than "the Far East", it became "the Asia-Pacific region"; more consideration was given to joint production of theater missile defense; and finally, they perceived a "NATO-ization" of the alliance, that it would become a collective defense treaty rather than a unilateral US guarantee of Japanese security. Moreover, consensus held that whereas before security issues were not high on the Clinton Administration's list of priorities, now they had shifted to the top of the list. The analysts also felt that China was being encircled: that US bilateral diplomacy with Japan and Australia was leaving China out of the dialogue and isolated, and that in the long run, US policies would create a stronger, independent Japan. Christensen invoked an old Chinese saying, "If you raise a tiger, you court calamity," as parallel to the Chinese perception of US-Japanese relationship.

In conclusion, Christensen cited responses to questions from his most recent trip to China, in October 1996. Regarding Chinese analysts' desire for the US to stay in Japan, he said that there were no clear answers but his sense is that they do. They complain about the details, but they don't want the US to leave because if so Japan would strengthen itself and remilitarize. Christensen said that the analysis does have some problems, especially in the analysts' views of the Clinton Administration's commitment to stay in Japan. Most analysts appear to think that the US commitment to remain in Japan is inevitable, therefore some of the rhetoric critical of the alliance is meaningless. The Chinese can attack the alliance in the strongest terms in an effort to dissuade Japan from upgrading its role in the relationship without running the risk that it might actually undercut the relationship.

Christensen stated that there are both positives and negatives to be found in the relevance of his findings. On the negative side, the more pessimistic analysts tend to be conservative and their views could have an impact on the political transition in a way that is not in US interests. There is also a danger of the belief that China can not be threatening to Japan becoming a self-fulfilling prophecy. On the positive side, Christensen said that his findings illustrate that the push for multilateralism in dealing with China and Asia as a whole has worked. Bilateralism is not working from the Chinese perspective because it makes the Chinese feel surrounded and left out. Christensen asserted that the traditional view in the US of "stroking" or "hugging" the Chinese as a way of inviting them into

multilateral relationships has not precipitated the leaning among Chinese analysts toward the idea of multilateralism. Rather, more and more analysts are leaning in that direction as a practical step, in response to a fear that US bilateral relationships in the region are not in China's interests.

Discussion

One participant asked if the Chinese desire for multilateralism could be motivated by their belief that it would discourage the US and Japan from creating an anti-Chinese alliance. Christensen responded that there have always been some multilateralists in the Chinese Ministry of Foreign Affairs (MFA), but earlier they were criticized as selling-out Chinese interests. Now there is a change in the MFA, as some analysts who earlier were against multilateralism from an intellectual standpoint have come to see its utility, both as a way of discouraging a strengthening of the US-Japan alliance and simply because they believe in its benefits. Another participant asked if there are accusations among the Chinese analysts that Japan is pursuing US-condoned remilitarization within the alliance, out of which Japan will break once it gets strong enough. Christensen agreed that there is such a fear among the Chinese, and it is growing as they perceive Clinton as more of a strategist. He also said that among some of the proponents of multilateralism the motivation is that they'll buy time and put off competition with Japan, but other proponents have held the belief in multilateralism for a long time.

A participant asked whether China would have to split the US-Japan alliance to win *vis à vis* Taiwan, to which Christensen replied that there was ambivalence among his interviewees. Some believed that China could attain its goals *vis à vis* Taiwan without breaking the US-Japan alliance, especially since the Chinese above all do not want a military confrontation. This led to a discussion of the status quo, and seminar participants had a hard time defining what that means for the Chinese. Many in China see the status quo as already changing, to one whereby Taiwan is moving farther away from Chinese control. Christensen supports a conditional guarantee of Taiwanese security by the US, but only against an unprovoked attack. What constitutes provocation, however, is ambiguous because of the different perceptions of status quo in Beijing.

Another participant asked what the particular Chinese concerns are about the US-Japanese relationship. Christensen said that the greatest concern is over the redefinition of Japan's security area as "Asia-Pacific" as opposed to just the "Far East", because this could include Taiwan and the South China Sea. A participant asked whether the Chinese believe that in the long term Japan could be neutralized as a threat against China. Christensen said that for the most part analysts believe that Japanese remilitarization is inevitable but some are willing to entertain the notion that it is avoidable, contingent upon multilateralism, the US discouraging remilitarization, better economic relations between the two, and better US-Chinese relations as well. In general in China, there is an atmosphere of paranoia about US-Japanese relations.

John Garver, *Political and Strategic Constraints on China's Ability to Project Power around its Periphery* (Presented by Michael Salomone)

John Garver's research focused on the different forces that will drive China's future, including social factors, geopolitical factors, industrialization, and political-ideological factors. He then looked at various sub-regions within East Asia and discussed China's aspirations in each of them.

The social factors to which Garver attributed importance in China's development include a movement toward greater social complexity, the advance of professionalization, the emergence of elites in various professions, the emergence of civil society, greater spatial inequality, and greater structural inequality. Geopolitical factors include increased regional differentiation, China's large population and small and declining amount of arable land, and the massive degradation of China's environment. Increasing industrialization has had the effect of rapidly expanding the working class, an increased demand for natural resources, and increased national power capabilities. Finally, political-ideological factors affecting China today include the development of an ideological replacement for Marxism-Leninism, which Garver believes is most certainly to be nationalism.

Garver's first geographic focus was on Mongolia and the Russian Far East (RFE) (or Eastern Siberia), which he asserted are a source of Chinese national humiliation. The Chinese believe that much of the RFE and Mongolia are Chinese by right, and that they must get them back in one way or another. There is a much greater presence of ethnic Chinese along the border with Russia and in Russia proper, thereby creating greater interaction between Russia and the Chinese and a closer relationship. Garver believes there are political constraints on the Sinicization of the RFE, including continued integrity and effectiveness of the administrative apparatus of the Russian government, and more importantly, Beijing's desire to maintain good relations with Moscow as a counterbalance to the US-Japanese relationship. Garver therefore concludes that the borders will remain porous and ties between Russia and China will increase. As a result, there will be a large Chinese population in the RFE in 20 years.

Garver then turned to Northeast Asia, comprising the Korean peninsula, Japan, and the waters of the Western Pacific. He stated that the rulers of China have viewed the Korean peninsula as a critical sphere of influence. China is willing to be flexible in whom it deals with in the Koreas: they would improve relations with the South if the North becomes too difficult. China is willing to countenance a unified Korea, Garver claims, if it renounces claims to Liaodong and the Yellow Sea, and if it were to pledge loyalty to China. However, China's Vietnam lessons -- Vietnam turned its back on China once it conquered French and American imperialists and reunified, both with Chinese assistance -- make China hesitant to allow Korean unification.

The political constraints on the achievement of Chinese interests in Korea, according to Garver, include China's unwillingness to assume the political costs of openly opposing Korean reunification. In the event that momentum develops toward Korean unification, China will not oppose that outcome but rather it will demand guarantees of existing borders and acceptance of Chinese territorial and maritime claims. Chinese leaders are already finding it easier to deal with the South Koreans than the North for several reasons: while the South has unequivocally renounced the pursuit of nuclear weapons, the North's aspirations trouble China; the North's collapsed economy puts demands on China's resources while the South's emissaries offer capital and technology; North Korea's leaders' staunch toeing of the ideological line contrasts sharply with the more pragmatic South that is comfortable dealing with the increasingly pragmatic Chinese leadership; and finally, North Korean intellectuals operate within the confines of a closed ideology and

country, whereas Chinese intellectuals are open to the world and increasingly to non-Marxist ideas.

Garver then turned to Chinese images of Japan and the maritime dimension. In the view of the Chinese elite, Japan is the once and possibly future evil empire -- the Japanese savagery toward the Chinese from 1931 to 1945 is repeated in countless venues in Chinese political culture. China is attempting to become a continental land power and a maritime power, and would like to induce passive Japanese acceptance of these goals. The Chinese military is expanding its naval program and would like to control seas and islands on its periphery, the most important of which is Taiwan. Garver asserted that according to the Chinese, Taiwan has been "Chinese" since "time immemorial", and the leadership believes that the main reason for which Taiwan is not a part of the PRC is US involvement in Taiwan in 1950. In addition, the Chinese believe that all Chinese people should be united under one single state authority. However, the role of military force in the incorporation of Taiwan into China is secondary; they prefer political means. China's political strategy for the incorporation of Taiwan is to get its leaders to accept the "one country, two systems" idea, and to ensure or minimize prospects for Japanese or American intervention. China fears that any mistake could force US and/or Japanese intervention and continued militarization of Taiwan. The advantage of China's strategy here is that because they are not using military force, they minimize the likelihood that the US or Japan will intervene. China is simultaneously pursuing a strategy of economic warfare, according to Garver, which involves encouraging significant Taiwanese investment in the PRC and turning the investors into lobbyists for the "one country, two systems" idea. Extensive Taiwanese investment in China will ensure Taiwan's economy is dependent on Chinese good will. They could freeze assets and impose a trade embargo at a point where Taiwan is heavily vested, and this could do serious damage to Taiwan's economy and future foreign investment there.

Garver believes there is no real immediacy to the Taiwan problem -- China could hold out for the near term and pursue a long-term strategy of wearing Taiwan down. In this way, China can say it is pursuing peaceful means to reunification and avoid having a disconsolate population there (such as the Tibetans). Such a strategy would also enable China to minimize the risk of military conflict with the US and, backing down from this approach would be much less costly than would be backing down from a failed military operation. In Taiwan, on the other hand, there is a feeling that if reunification doesn't happen soon, it never will. The political constraints in Taiwan to its incorporation into China include the development of a separate national consciousness among the Taiwanese people, Taiwanese knowledge of the lack of political freedom, and backwardness and economic hardship that are so widespread in the PRC.

Chinese images and beliefs of Southeast Asia hold that at one time or another wide areas of the region were ruled by tributaries to China, that Chinese trade and settlements were an integral part of the region from the 12th century on, and that the region was China's historic direction of expansion. Many Chinese believe that the end of the Cold War will present them with new opportunities to recreate these traditional patterns of relations, especially now that the US and the USSR are out of the picture. The US in particular is rapidly downsizing throughout Asia (military relationship with New Zealand over, and withdrawal from Clark and Subic Bay bases). Garver states that the only other power that might try to increase its role in Southeast Asia is Japan. China could try to expand its reach in the area by asserting control over the South China Sea, compelling Vietnam to adopt a respectful attitude toward China, deepening its entente with Thailand and Myanmar, and expanding economic interaction with all of the Southeast Asia region. According to Garver, Beijing seeks the peaceful resolution of territorial conflicts, but they will most likely resort to military action to obtain the Spratly Islands or Itu Abu.

Mike Pillsbury, *Chinese Views of Future Warfare*

Mike Pillsbury's presentation addressed three issues: Chinese books and articles that suggest the Chinese leadership has grave misperceptions about the world; how futurists in China (government and civilian) perceive the next 20-25 years, based on published writings, interviews, and other sources; finally, Pillsbury addressed the possible future revolution in military affairs (RMA) in China, a topic that is gaining increased press coverage, and about which four books have recently been published. Pillsbury added that it is startling how little the US really knows about China's military authors and institutions.

China's leaders suffer from the following five misperceptions:

- they overestimate US weakness, evidence of which can be found in Chinese writings on how the US won the Persian Gulf War;
- they overestimate US hostility toward China -- they believe that the US is constantly seeking to undermine and overthrow the Chinese regime, that the US takes calculated steps toward this end (not all Chinese believe this but the majority do);
- they overestimate the future decline in US power;
- they underestimate the costs of war; and
- they make miscalculations about regional matters.

Pillsbury stated that the political consequences of these misperceptions include increased nuclear proliferation, Chinese vetoing of UN Security Council resolutions, Chinese creating obstacles to START III limits and opposition to NATO expansion, and possible future anti-US coalitions. Among the military consequences are the danger of an accidental war with China, possible failure of US regional deterrence, a future Korean reunification crisis, surprises to the US, and the development of anti-US weapons systems, which is especially likely if they overestimate our hostility and believe that all the US understands is force.

Chinese military and civilian analysts believe that from 2010 to 2030, the world will undergo a turbulent transition in which the relative power of the US will continue to decline, Japan, Russia and Europe will redivide US spheres of influence, China's five principles of peaceful coexistence will prevail, and finally, the US, Europe, Japan, and Russia will become socialist. Pillsbury stated that these themes are commonly reiterated in speeches and writings of military and civilian analysts and are endorsed by Deng Xiao Ping himself. The analysts go on to say that the future security environment will be a five power, multi-polar world in which the US has lost superpower status, Japan has become strong and militant, and there are struggles to redivide spheres of influence.

According to Pillsbury, the Chinese Academy of Military Sciences (AMS) is frustrated that they are unable to overcome the People's War and Local War advocates. The AMS is the greatest proponent of the RMA. Pillsbury posits that there is an unacknowledged debate among published generals' and colonels' writings in China over which type of warfare to expect and for which to prepare. Many contend that the idea of a People's War is not obsolete due to the end of the Cold War. They feel that a People's War can still be implemented, and the concept is invoked in high-level Chinese speeches. The main characteristics of a People's War are: that the enemy will be an aggressive major power (the US, Russia, or Japan) seeking to subjugate China through a large land invasion; that such a war will last for several years and will require the mobilization of the entire

population; that China will have to move to an alternative capital city; and finally, that China will have to use its defense-industrial base to furnish the population with weapons. Local War scenario proponents, who cite ancient Chinese writings to show why such wars are "the Chinese way", are a new phenomenon and have the same kind of opponent as do People's War advocates. The main characteristics of a Local War are: that the opponents' forces will be located near China's border, for example in Japan, India, Malaysia, or a Central Asian country; that Chinese forces must seek quick decisions to repel the aggressor with rapid-reaction forces deployed nearby; and that China must coordinate land, sea, and air forces in "high tech conditions".

Pillsbury stated that the RMA scenario, supported by the AMS, is believed to be possible because the Chinese believe that the US is very arrogant, countries with less money can innovate more rapidly, and because the US is no longer able to control technology and its international trade. Therefore, the US will not be able to maintain its advantage in its inventions. The RMA scenario holds that the opponent will have advanced weapons, sophisticated C3I, satellites for communications and reconnaissance, stealth aircraft, nuclear weapons, and nanotechnology, all of which China must also acquire or be able to counter with effective defenses. The scenario also stipulates that China must close the "information gap", pre-empt enemy attack, use computer viruses, and network all of its forces. The Chinese, according to Pillsbury, believe that CONOPS are at the heart of military affairs, and that countries not arrogant about the superiority of their CONOPS will innovate better CONOPS faster. Pillsbury suggested one reason the Chinese think this way their traditional instruction in military works such as *Sun Tzu*, the "Seven Military Classics", the "General Mirror", and the "36 Strategems".

Discussion

One participant said that he believes there are two layers of discussion here: the first, a general discussion of the future security environment, multi-polarity, etc., and there seems not to be much debate over this; and the second, a discussion about the character of future warfare, over which there is a lot of debate. Pillsbury explained that there is debate over the future security environment, and Deng himself had actually promoted it. On the military side, there's less debate, and Pillsbury stated that US analysts do not understand the quarrel. As for the RMA, Pillsbury stated that he thinks it will not happen, at least in the near future. The same participant asked what the contradiction is between a Local War, for example, and a RMA. Pillsbury said that there is now a way that one can hold both views. The Local War adherents (mostly at the National Defense University) believe that before you get involved in a war, you really have to think through any outside support that the adversaries may be receiving, so a Local War could escalate to conflict with a superpower that might require China to use RMA weapons in a Local War.

Aaron Friedberg, *Review of 1996 Summer Study: Possible Future Asian Scenarios*

Aaron Friedberg gave a brief review of the main points of the Summer Study. The goal of the Summer Study working group was to construct a set of scenarios for possible future patterns of relations among Asian states. The focus of deliberations was 15 to 20 years into the future, roughly 2010 to 2015.

The working group came up with the following scenarios:

1. "Korean Conundrums." Korean unification is imminent. Unification in one scenario is followed by a rise in Korean nationalism, calls for the US to withdraw its forces, and anti-Japan sentiment, and possible Korean-Chinese alliance against Japan. In another scenario, the Korean elite requests that US forces stay, tensions rise between Korea and Japan, and China exploits these tensions. The third Korean unification scenario has US forces remain in a peacefully united Korea, but the land border with China becomes tense and heavily fortified, and China eventually is encircled by an anti-Chinese group of democracies. In this scenario, the US is stuck defending Korea from a hostile China, restraining Korea, and we are unsure of Japan's role
2. "China Grows (very) Strong." In the first of these scenarios, China produces TBM en masse, and by 2005-2015, China has a large force of accurate missiles with increasing ranges designed to penetrate BMD. China uses these missiles to coerce Taiwan into reunification. Another sees China "catching up" with the US in military technology by 2015, and they eventually have anti-satellite capabilities, an air defense laser, counter-stealth air defense, stealthy naval forces, etc. The implications of this Chinese RMA could be vulnerability of US static forward forces, carriers, air and space assets, and the creation of a Pacific "keep out zone". Another scenario has China looking inward to its long land borders and weak neighbouring regimes, and attempting to reverse the pattern of 19th century conquests, regain lost land, and control Russian and Central Asian resources. The US might have interests in these scenarios, but could it exert influence?
3. "US-Japan Divorce." The US-Japan alliance may be weaker than we think, and could fail us in a time of crisis, when we need it most. Japan may want both security and a measure of autonomy -- they do not want to be dragged into a war by the US, but the US will need the support of Japan, especially if it confronts China. The situation could be exacerbated by renewed trade tensions and a Taiwan crisis in which the US asks Japan for help. While it's difficult to imagine Japan's refusal, it is possible, and could precipitate a collapse of the alliance. Another scenario questioned whether Japan would try to balance China, through BMD and nuclear programs, or would "bandwagon", in which case Japan would "tilt" toward China and transfer technology, offer financial and diplomatic support resolve resource issues, and they would divide markets and spheres of influence. The US might still have important Asian interests, but would now be forced to defend them without Japan.
4. "Atomic Asia." Asia contains at least three nuclear powers, Russia, China, and India, as well as lots of nuclear potential: N. Korea, Pakistan, Japan, S. Korea, Taiwan, Indonesia. What might cause this potential to be actualized? The working group identified two families of scenarios: first, proliferation without use, in which Japan would nuclearize after a collapse of the US alliance, and nuclear capability would spread to Korea, Indonesia, and/or Taiwan; the second, proliferation following use, has N. Korea using nuclear weapon(s) as its last gasp, or nuclear use in an Indo-Pakistani war, or a Sino-Russian war. The impact of an atomic Asia on US forces would be increased vulnerability

of fixed and mobile assets, and for US alliances, would US allies still want the US? Would/could we stay?

Implications of all four scenarios: the US could lose some or all of its bases, but not necessarily its interests; US forces could confront new threats (ballistic missiles, WMD, advanced weapons and concepts); and, US forces may be called on to perform new missions, such as defending Taiwan, involvement in a South China Sea dispute, a Korea-China border dispute, or a Central Asian war.

The working group made recommendations including the gathering of more intelligence (getting answers for questions they would like answered) and devising of signposts or indicators that might help policymakers recognize the direction of events. They recommended that because of the high degree of uncertainty, planners ought to consider a wide range of scenarios. And they recommended that because of Asia's sheer scale, the range of many existing and planned US systems needs to be analyzed, and we need to consider what types of weapons will be needed if involved in a conflict of the sort identified in this briefing.

Discussion

The discussion began with a questioning of the suggestion that Japan might not support the US in a military operation -- one of the participants thought that was extremely unlikely. Friedberg agreed, but said that the scenarios look at what *could* happen, and not what necessarily *would* happen. It could be the case that at a particular juncture, Japan refuses to support the US. The participant pressed and said that Japan is extremely committed to an independent Taiwan, particularly because Tokyo does not want China so close to its southern islands. Another participant said that this scenario was driven by the assumption that Japan would not participate in the defense of any territory other than Japan itself. Another participant said that Taiwan is a core, not secondary, concern of China's, and it is important to look at Asian countries for their axiomatic security concerns.

One participant noted that the only way China could become regional hegemon is if the US were to acquiesce on Taiwan, and it would be very difficult for the US in East Asia if both Hong Kong and Taiwan were part of the PRC. Another participant wondered if the US were involved in a Taiwan crisis, could we count on the support of the Korean Navy? We would be presenting them with exposure to world scenarios in which they could take part with their new blue water navy, but despite that this participant did not think that we could count on Korea. Korea would not want to get involved in a situation in which it had to play China and Japan off each other. A participant wondered then what explains Korea's acquisition policy. One responded that it is a mixture of bureaucratic politics and external factors.

Discussion returned to the possibility of Japan refusing to allow the US to use its bases while involved in a real conflict in the region -- after all, the alliance is already fragile. Friedberg noted that in the scenario the US is already irritated over Japanese trade policy, the cost of military support for Japan, etc. It doesn't take much for hostility toward Japan to arise in the domestic US political arena. A participant noted that there is already a split in the US over this: China is becoming more attractive, especially economically.

Friedberg asked what it would take for the US-Japan alliance to break down. A participant responded that the Korean Conundrum scenarios are the most likely to cause a break down: either a military confrontation between Korea and Japan, or a united Korea that kicks the US out. One participant asked why it took the US two weeks after China launched missiles to send carriers to the Taiwan Straits -- why did the US take so long? Another

participant answered that it was the surprise factor -- no one anticipated the missiles, and it took China experts in the US two weeks to gather their thoughts and decide what to do about the situation. A participant stated that around 1995 there was a change in the Chinese attitude toward the use of force that enabled the missile option to be considered: Deng's health was declining, the US was perceived as being very inward and the internal Chinese situation was changing. Another participant said that Taiwan's elections were the catalyst: elections mean independence and Taiwanese independence means war. No one foresaw the missiles because the assumption was that China only cares about money. The writing was on the wall while Deng was still healthy. Another participant noted that there was tremendous complacency on our side, that no one thought China was anything to worry about. One participant said that the US was simply caught off-guard. One noted that the missiles were a double surprise: the first surprise was that they were launched, and the second was their advanced nature. Another said that missile information is culled by the NSC and DIA -- technologically we know where they are; but it is in the transition to regional studies that our knowledge and predictive capabilities are lost. He also noted that much technology is available from Russia that the Chinese are not taking advantage of.

Another participant then went on to say that per the summer study, indicators should be drawn up to help analysts assess situations faster. We have working assumptions, on which experts have done a lot of research, that could be wrong. Signposts and scenarios, if focused on our Achilles heels, are important. Many in the US government do not want this done because they believe that we are flexible and invulnerable.

One participant wondered why analysts do not look more north and west in their research and debate on China -- to Russia, Central Asia, and India? Another participant noted that the Air Force is lobbying Congress to develop a hypersonic transatmospheric vehicle with a 40 000 lb. payload that would take two hours to get to the PRC and that does not need a base, and that at the same time, the Chinese are trying to develop capabilities to counter stealth manned craft. He noted that we did not encourage Taiwan to develop defenses of its own because we held the belief that tensions there were waning. We also believe that what ever goes wrong in Korea, Japan will help us. And, we hold the deep assumption that China will not get militarily involved in Korea. All of these assumptions weaken our investments, and they are very risky. Finally, he noted that the US Navy has realized that our aircraft carriers are very vulnerable.

Another participant said that we need to work on the following areas: the development of indicators; research into the turbulent Central Asian frontier; and research that takes into account the fact that Asia does not exist in a vacuum: we need to look at, for example, what would happen if there were a world oil crisis. Another noted that we need to look at China as a world power, not just a regional power. For example, look at the possibility of a China-Iran condominium. Also, what if Chinese power wanes? How would that play into a US-Japan divorce?

Friedberg summed up the discussion, saying that three concerns need to be addressed: 1. The need to know more about the operational assumptions that guide investments -- what are US decision-makers thinking? 2. Analysts need to explore some different scenarios. 3. Researchable questions raised should be answered, such as, what are the possible political implications of economic trends? What would a research agenda look like? Another participant said we need to look at axioms and strategic surprise among Asian nations: what could surprise China with enormous consequences? Does Japan think that it must deny China Taiwan? Russia, Central Asia, and India need to be brought into the analysis. Analysts ought to look at the role of the multinational corporation in international affairs, and how it could affect our calculations with regard to China/Asia.

Stephen Rosen, *Long-Term US Strategy toward Asia*

Stephen Rosen led the discussion on a long-term US Asia strategy, which is the subject of a study he and Aaron Friedberg will be doing over the next couple of years for OSD/NA. He gave the seminar participants some initial observations and questions that have arisen in the early stages of the project.

Rosen explained several alternative strategies for dealing with China. The American objective, he stated, is to create a China that is not a military threat to the US or its interests. The type of Chinese regime that would not be a threat to the US is not something Rosen wanted to prejudge: it could be a wealthy, democratic China, or a weak, fragmented China. The question then is how to arrive at such a non-threatening China. Today's dominant strategy is to help or at least not hinder the economic progress of China because a wealthy China is more likely to be a democratic China which in turn is most likely to be a non-threatening China. Rosen said this strategy is unproved: first, he said that there may be many bumps along the way to Chinese democracy which could cause war; second, the notion that democracies do not go to war is an empirical observation for which there is no proof. There may be sources of conflict among democracies, such as race and religion.

Rosen then posited that a strategy of containment may not work with China. He used the example of our Cold War attempts to understand the Soviet Union to show that we are prone to making faulty assumptions and to an inability to understand what motivated the country's leaders at crucial times, including not knowing that we may not have always been at the center of their calculations. With regard to China, because we lack viable continental allies, we may not be able to constrain Chinese expansion on land. If so, would it be useful to assist Central Asian, Southeast Asian, and Russian efforts to counter Chinese expansionism? Are there third parties through whom we might provide such aid? Chinese maritime expansion, on the other hand, looks severely hampered by a lack of Chinese maritime allies and the numerous smaller maritime states which would work against it. If this is the case, would it be sensible for the US to stand aside and let these smaller, wealthy maritime states develop a counter-coalition to China? That way China might attempt to try to win at sea, waste valuable resources, and in the end be presented with a US presence in the region that would counter its efforts. This strategy has some potential weak spots, such as possible capitulations on the part of the smaller countries or a surprisingly competent China. Japan and Taiwan would be the keys to such a strategy, but could they be relied on? As for economic punishment to Chinese aggression, could the US afford, and would the Chinese react to, sanctions imposed for aggressive regional behaviour? Finally, would a US containment strategy provide additional legitimacy to a nationalist, anti-US regime?

Rosen moved on to discuss a strategy of entanglement, fraternization, and cultural diffusion. The objective of this type of strategy would be to change the way the Chinese leadership thinks, and not to make China less of a power but more of a like-minded power. This strategy would involve maximizing contacts with diplomats, scientists, students, and businessmen -- in other words, people who think like us -- with the aim of shifting China away from a hard-line, *realpolitik* view of the world to a view that emphasizes intellectual liberty, rule of law, and the possibility of mutually advantageous compromises. It is unlikely that the views of older, established, powerful people could be affected, so the emphasis would be on younger people going through formative periods, the question being: will these people ever have power?

The last strategy Rosen posited was Samuel Huntington's "spheres of influence" theory, which holds that we should have little confidence in our ability to understand or shape in subtle ways the Chinese leadership. Therefore, we should be content allowing them to do what they want in their sphere while we do what we want in ours. This view is very static

and holds that less friction means less conflict, but it is unrealistic to think that we could minimize contact with China to such a level. Moreover, it is unclear what is in each sphere: for example, is Japan in their sphere or ours? And what about Central and Southeast Asia? Overseas Chinese? This view is also faulty in that it overlooks the nature of US politics, which shies away from the idea of "spheres of influence".

Rosen concluded his opening remarks to this discussion by saying that we should develop a strategy before we react to China in ways that preclude any one strategy. The US is faced with upcoming policy decisions on Hong Kong, Taiwan, and Tibet: can the US guide its policies by some greater understanding of China and the region? The US needs to know how foreign powers perceive our actions, and how that perception affects their internal political development.

Discussion

One participant stated that a real exterior threat can undercut those in power or those who hope to rise to power in a country in which there is no clearly unified, hierarchical government. Rosen countered that China now faces the least threatening conditions it has faced since the formation of the PRC. Another participant turned to the discussion of allies: from Japan to Turkey, the US has no real allies in Asia. Should it be searching for some? In doing so, would the US be undercutting its strategy? Rosen said that there is an exaggerated perception in China about coordinated coercion against Beijing among the US and our perceived but not real allies. Such a strategy could work, because perceptions are so important, but it could also fail if China took the US by surprise with great strength, which it could develop with the aid of new technology. Participants agreed that it would be impossible to keep capital and technology from flowing to China.

A participant noted two threads in the debate over repelling a potential Chinese threat: the US could be presented with either a less threatening, weak China, or a weak China that still creates problems. Another participant wondered if it would be too ambitious to try to change the views of China's elites on the subject of international relations -- now it seems that we just focus on the views of functionaries from organizations such as the MFA. Also, this participant believed that multilateralism is a good way for China to reach its goals. Are there ways of redefining who China perceives as its enemies and its friends? The engagement strategy is based on the assumption that China operates outside of a community, an assumption that hampers proponents of this strategy. Rosen said that the elite refers either to those with power or to those who work with the powerful. The Chinese see multilateralism as a way to affect US relations with Japan. But what are their objectives? Among the elites, some are more easily changed than others. To achieve a democratic peace, the US must emphasize commonality. If they were to become democratic, the US could be more ambitious in whom it attempts to influence. Rosen went on to say that the nature of the community to which China is sensitive may or may not include the US, therefore it may not necessarily matter whether they join the group of western, democratic states. In any case, which group and what norms are being referred to here? A participant noted that China has a real sense of uniqueness and exceptionalism which raises the problem that they don't identify with any one country.

One participant pointed out that China does not want to take on the United States; rather, they want to take on their neighbours. Another pointed out that its main foreign policy objective is to take back the territories around the periphery that were once Chinese. Rosen noted that understanding Chinese strategic world views and the fact that these may lead to unexpected reactions, and understanding their misperceptions, is very helpful in his and Friedberg's work.

Iain Johnston, *Patterns in the Dispute Management Behaviour of the People's Republic of China*

Iain Johnston presented an analysis of Chinese military conflicts from 1949 to 1992, based on conclusions about China's propensity to use force, and the reasons for which it goes to war. He posited that standard Western analysis depicts China as cautious and defensive politically and militarily when it comes to coercive diplomacy, dispute behaviour, and crisis management -- a uniquely passive military power. On the other hand, recent punditry in the US has recast China as a military bully, largely due to some recent high profile incidents such as Taiwan. With his survey, Johnston attempted to fix the problem of these analyses to date -- only selecting variables that confirm one's causal arguments -- by searching for patterns with the use of inductive analysis among all militarized interstate disputes (MIDs) over a 43-year period. MIDs are defined as "united historical cases in which the threat, display, or use of military force short of war by one state is explicitly directed toward the government, official representatives, official forces, property, or territory of another state."

Frequency Johnston stated that the data show that during the period examined, China was the second most MID-prone country in the world, with the US being number one. Over time, the frequency of Chinese MIDs has declined: in 1950, China was the most dispute-prone, and from the 1960s on was the second, with the gap between China and the most MID-prone US widening over time. There was a slight increase in Chinese MIDs in the mid-1980s.

Type MIDs were broken down into three types: territorial, policy-related, and regime-related. In the first ten years of the PRC's existence, the majority of MIDs were over territory. The 1960s saw a peak in policy disputes, and in the late 1970s, territorial disputes were most frequent again, reflecting Indian and Vietnam border issues.

Level of Violence/Force The level of hostility per MID was very high during the PRC's first five years, then declined somewhat over the 50s and 60s, taking a dramatic drop during the Cultural Revolution. Reflecting Sino-Vietnam violence, the hostility level of MIDs was back up to early 1950s levels in the mid-70s. Therefore, during the Deng period, MID proneness is lower than in the 50s, but the level of violence per dispute is on par. Johnston also illustrated that the dispute management method of choice for China is the use of force, and China escalates to the highest level of violence per MID of all major countries, and the US is least violent. Chinese violence scores do not vary much across dispute type, in comparison to other countries. The Soviet Union, for example, was far more likely to resort to violence in MIDs over regime than territory.

In sum, Johnston said, China's dispute-proneness has declined over time, but as of the late 80s, China was the second most dispute-prone country of all major powers. The largest portion of these disputes were over territory, and when in a dispute, the likelihood that China would resort to the use of force tended to be greater than other countries. The level of coercion per dispute has not declined in the Deng period, but China's dispute proneness has.

In looking for an explanation for China's dispute behaviour, Johnston looked at several international relations theories on the topic. He concluded that based on the evidence, a territorial hypothesis seems to be the most applicable to China. This hypothesis holds that contiguous states are more likely to fight each other, and long borders usually mean more disputes. New states, especially, are more sensitive to territorial issues. This suggests that the centrality of territorial control and sensitivity to territorial integrity are critical to

understanding much of China's MID involvement. Johnston also found that a status inconsistency hypothesis helps to explain China's dispute-proneness. This hypothesis holds that during periods where the perceived gap between desired and actual status is greatest, the country will be most conflict-prone. Johnston noted that status inconsistency under Mao and Deng was a major issue; as the gap closes (as China becomes more powerful), China should become less dispute-prone.

In sum, Johnston posited that China is the second most dispute-prone of the major powers -- it is not uniquely pacifistic. However, its dispute-proneness is declining, especially as territorial disputes and status inconsistencies are resolved. Based on the data, China is not prone to crisis mongering for domestic political suppression or diversionary purposes. Therefore, increased domestic political turmoil is unlikely to result in increased MID involvement. The evidence illustrates that when Chinese leaders perceive themselves to be in a crisis in which they believe force is highly probable and efficient, they are most likely to resort to force. This particularly applies to territorial and sovereignty conflicts, and this problem is exacerbated by doctrinal developments in the PLA that stress preemption in early crises and deep strikes against enemy military targets using ballistic missiles, cruise and air power. All of this suggests that Taiwan is the most dangerous issue: it represents a confluence of territory, status threat (the Chinese believe that the US, in not recognizing Taiwan as part of the PRC, does not recognize China's full sovereignty), belief in the efficacy of force, and an offensive preemptive doctrine.

Discussion

One participant asked about China's proneness to escalating within crises, and also whether there is any correlation between status inconsistency and wealth. Johnston explained that in some instances and with some states, China is more likely to escalate to higher levels of violence than the other state does. Maoist strategic thought holds that what counts in the end is military strength. The need for superior military power may explain China's rapid escalation. On status inconsistency, the Chinese perceived it based on share of power. Frequency and intensity of discourse over status might be a good measure to explore. In response to a question about the influence within the PLA of traditional, unique approaches to strategy, Johnston stated that much of the discourse of uniqueness is self-justification. New ideas about doctrine that may be very similar to American ones have to be recast as uniquely Chinese to be seen as more legitimate. Everything has to be cast in terms of "Chinese characteristics". Discussions of conflict and crisis management techniques are a case in point. Some authors draw directly from Western theories, but they have been criticized for having insufficient Chinese content. So tensions in the discourse may not be the result of debates over the relevance of Mao but over how to cast thinking about modern warfare in terms of "Chinese characteristics".

Another participant asked whether the notion of winning a war by increasing costs to the other state to a level at which the opponent is forced to back down is apparent in the debate. Johnston stated that element is a part of the debate, as well as the notion of wearing down the morale of the people (especially through missile attack). Another participant suggested that it would be useful to include in the analysis China's claims to a strategic culture.

A participant asked whether there is any evidence in the data to suggest that China is likely to engage in conflict to recover its lost territories, especially in Russia and Central Asia. Johnston responded that China has come to recognize its boundaries and has resolved many of its territorial disputes with those countries. With regard to India, Vietnam, the South China Sea and Taiwan, however, should its claims be challenged dramatically, force would be viewed as effective by China's leaders. Johnston added that the five-power multilateral CBM agreement recently signed by China allows for the most intrusive

inspections China has ever agreed to. China is now debating how applicable this multilateral agreement is to other environments.

Aaron Friedberg, *Future Chinese Perspectives on Japan*

Aaron Friedberg spoke about future relations between what are soon to be Asia's two most powerful countries: China and Japan. In particular, he addressed the likelihood of a major geopolitical rivalry emerging between the two countries. He took an indirect approach to the question, by looking at the history of relations between Europe's two most powerful countries in the late 19th and early 20th centuries, Britain and Germany and drawing analogies with Japan and China. Friedberg developed a historical analogy because of a number of apparent similarities, including an ongoing shift in their relationship, with Germany rising to surpass Britain in wealth and power; Britain, like Japan, was an insular, democratic state; and Germany, like China, was a continental, authoritarian power in the throes of rapid economic, social, and political change. Friedberg recognized the substantive and methodological problems inherent in devising such analogies, but said the analogy could be useful.

Friedberg gave a brief historical overview of British-German relations from 1866 to 1914, during which he explained the decline in their relations as being due to a change in the relative power of the two countries, domestic politics, images and beliefs, economic relations, sequence and interaction, and competitive dynamics. He drew parallels to present-day and future Japanese-Chinese relations.

With regard to a change in the relative power of the two countries, Japan was in the late 1980s touted as the soon-to-be number one economic world power but has now fallen behind. Moreover, a RAND study now puts China at number two after the US, and China is now growing at a far greater rate than Japan. It would be surprising, Friedberg said, if Japan's displacement by China did not produce some anxiety on the part of Japan. He quoted Gerald Segal, who wrote in 1993, that "the Japanese have for so long anticipated Japan's arrival as the world's number-one economic power that they find it hard to accept that their country might be beaten at the finish line." On internal politics, Friedberg posited that the Chinese system, like the German in the late 19th century, still concentrates power, and a new "maximum leader" could be very important, as could a rising younger generation which might try to "make its mark". Also, in order to promote internal cohesion, the leaders might feel that it necessary to stimulate nationalism through foreign adventures.

Friedberg then discussed "images and beliefs", starting with the view of "the other". He stated that the Chinese already harbour ill-feelings toward Japan, and while Japan doesn't feel the same way about China now, its attitude could very well change. On self images, Friedberg said Japan's concern over its decline, or the potential for China's current optimism to turn into pessimism, are serious concerns because the greatest risks arise when countries that have been on a great growth path reach a plateau. With regard to general beliefs, Friedberg posits that a zero-sum game with regard to power could reemerge, over such issues as energy and natural resources; and, racial and civilizational rhetoric could resurface to strain relations. On the subject of economic interdependence, Friedberg noted that at the time of rising hostility between Germany and Britain, they were each others' main trading partners. Trade, in other words, does not necessarily mean peaceful relations. One reason could be the form of the links: in the case of Germany-Britain, pure trade and very little foreign direct investment. Trade can also be a source of friction if it is imbalanced, and the relationship could change over time as the two economies evolve. In the case of China-Japan, the trade links are very imbalanced: Japan is much more important to China than China is to Japan. Moreover, there is significant Japanese investment in China, which could have the effect of raising Chinese fears of exploitation. Also, there is some evidence that increased economic connections cause greater political frictions.

Friedberg discussed sequence and interaction next, stating that greater contacts at all levels will not necessarily lead to better relations -- it is possible that it could lead to greater friction resulting from the recognition of differences. Possible scenarios include: Chinese growth leading to greater heavy-handedness *via a vis* its neighbors; the character of relations changing substantially due to a US-Japan alliance collapse; crises in the region playing a role in the emergence of an antagonistic relationship, or, alternatively, preventing it (such crises could include a rough transition for Hong Kong once it comes into Chinese possession, or continued Chinese bullying of Taiwan); competitive dynamics between China and Japan that could exacerbate relations, such as subtle or unsubtle promises of protection or threats by China as its power grows, or by Japan in an effort to build an anti-China coalition; and finally, diplomatic maneuverings of various other types aimed by one at the other could serve to fuel competition between the two states.

Discussion

A participant addressed the sustainability of Chinese growth, arguing that it may be even less sustainable than that of Japan, especially if China does not become a WTO member, resulting in rapid economic hardship, decreasing competitiveness, and possible social unrest. China, argued the participant, is not producing a well-educated work force -- it is starving primary and secondary education -- and as a result, it could not easily move up the production scale. Also, the wealth that is being created by China is unobtainable because of taxation problems. All of this points to the fact that China will not, in this participant's view, overtake Japan and especially not the US. In this case, he said Friedberg's analogy to Britain and Germany is not applicable. Friedberg responded that if the economy of China takes the trajectory that the participant described, then the analogy of China to a fast-rising Germany might not work. But there is the question of the Chinese leadership and their perception of power. What effect would such an economic slowdown have on China? It could contribute to more foreign adventurism to compensate for economic problems.

Another participant mentioned the possibility of barriers to effective communication being a potentially large problem. While less interaction between the two countries is probably not an effective way to avoid disputes, more interaction will be detrimental as well if they do not understand each other due to cultural and language problems. One participant suggested that at the next China seminar, a Japanese expert be invited to attend so that participants can determine if indeed such miscommunication exists.

A participant mentioned that he has seen no evidence of a US government study of the possibility of a coming China-Japan rivalry or how to head one off. He asked for suggestions as to how researchers could add on to Friedberg's study and raise signposts that would signal when such a rivalry gets off the ground. Another participant argued that people do foresee a Sino-Japanese conflict, and that is one argument for the US to keep its base in Japan. Perhaps the analogies to World Wars I and II apply in that if the US had been involved diplomatically in Europe, it could have staved off war there -- thus we could argue for continued US engagement in the Asia-Pacific region.

Andrew Marshall, *Future US Basing Needs in Asia*

Andrew Marshall mentioned that the basing question comes out of the summer study. He asked whether we could get work that would look 20 years out -- what kind of base structure and forward presence will the US want? How will changes in military technology impact how DoD does forward presence? In discussing this, participants should look at three or four possible future Asias, such as those suggested in the Summer Study. Regarding the future, Marshall stated that other countries could use American technology to develop anti-access strategies to keep the US at a considerable distance. Forward bases may be more likely targets. Analysts need to examine changing modes of operations: maybe bases will be less useful. What makes military sense? The answer to that question may not have the most political sense. For example, the US will move from aircraft carriers to subs, but subs may not be as impressive to others. Therefore, analysts need to think about the transition from politically important systems such as aircraft carriers to other things that can demonstrate US strength. This discussion should focus on how to analyze or speculate on such matters, or on other matters of relevance.

Discussion

A participant noted that, looking four to five years out at issues related to US force presence in the region, there are several issues to consider. First, US bilateral alliances, which he stated are relatively stable. He said that there is long term concern in Japan about the potential threat of China -- will the US be able to maintain its relationship with China and consensus in Japan? And, what does the American relationship with Japan become in the event that Korea reunifies? With Korea, the US has begun a dialogue on post-unification scenarios. There is more frank concern from China recently about the precarious state of Pyongyang, and the US foresees about five to ten years until an ex- or implosion in North Korea. After that happens, the participant queried, what kind of access will the US be allowed to Korea? Beijing will want to neutralize or Finlandize the Korean peninsula. Despite American pullout from some bases in Southeast Asia, DoD continues, below the surface, to have a significant amount of interaction with Australia, ASEAN, and Northeast Asia. DoD will soon have to make decisions about what kind of bases and capabilities it will need in 15-20 years, with China a regional and perhaps global power. In Asia-Pacific, the US has already ascribed to China great power status because of its perceived future. There is deference among Asian countries toward China, but also fear. The participant said that the US will need to maintain naval and forward air capabilities. As for indications about the importance of Southeast Asia to the US: should the region be considered more of a strategic pivot-point? Should there be stronger relations between AP and Central Command? Possible bases include Singapore which could carry a battle group. There is speculation that Secretary Cohen's new interest in Asia will force more movement on these issues.

One participant discussed anti-access and deployment, and noted that DoD needs to look at deploying people on ships for months and the ships themselves for years. In the future, the US military should not rely on bases for fighting wars. Another participant asked what the Chinese are doing and saying to other countries in the Asia region in their efforts to break US alliances and prevent US access. Are they threatening punishment? How are they operating? Eikenberry responded that they are not making side payments, but this is emerging as a talking point in multilateral meetings. Chinese proposals at a recent ASEAN meeting include prenotification of bilateral or multilateral exercises. China does not clearly direct such moves at the US -- they are courting ASEAN assiduously. In sum, according to Eikenberry, the intent to weaken US regional bilateral alliances is there and it is fairly serious.

Another participant said that if the problem is how to provide the political function of bases and not the military, look back on what the countries of the region have found impressive among US military capabilities and ensure that it is possible to use those capabilities in Asia without bases. Can DoD show that without bases the US can reply to needs very quickly? Can the US develop a force that can be rapidly redeployed in a politically significant way? Analysts need to look at what technology is being developed which would show whether or not the US military can achieve that capability. Marshall added that in looking at the alternative futures and future capabilities, one might change one's idea of the direction in which important to go.

A participant said that when China chips away at US alliances, it is important to realize that no one in Asia, including China, foresees the US disengaging from the Asia-Pacific region. Their attacks are more designed to weaken what they perceive as a permanent alliance. Eikenberry suggested that in 15-20 years, the US will have a profoundly different rationale for being in Asia, after Korean reunification takes place. Another participant warned against transient perceptions of the situation: the US needs an institutional presence in AP. Korea really thinks the US will leave post-reunification. We therefore need to change the US-Korean security alliance from one based on ground forces to information systems sharing and naval cooperation. A participant asked about possibilities for a Southeast Asian strategic linchpin -- is Australia a better alternative? Will it be possible to maintain strong relations with China, Korea, and Japan? Key US concerns will be responding to crises, deterring adversaries, and reassuring allies of its intentions. Now it is important to overlay future technological issues and political utility. Marshall posited that the problem may be deterring the Chinese, in which case the scenario is very different. Eikenberry stated that looking 15 to 20 years out, and focusing on the entire AP region, the following questions need to be addressed: what is the utility of force in the region? What's it being applied for? What are other resource and demand issues that may evolve? How will military technology and capabilities affect these? Another participant added that this discussion is lacking in micro-scenarios, which would be part of the larger scenarios and account for nuances for which otherwise do not come into play. Finally, a participant said that the root of the problem is that there is such a vast range of possibilities, and it is necessary to figure out how to bracket them, how to account for possibilities from zero-base budgeting up to and including the present-day scenario -- a wide range of scenarios must be thought through, including the details.

Final Remarks

At the end of the seminar, several participants gave final remarks and brought up issues they thought still needed to be addressed.

The first participant spoke on China's territorial claims, and asked if China sought to fulfill all those it feels are unresolved, would we see it coming? Would we care? Will the political will be there to do anything? And should we do anything?

A second participant spoke about supplier competition -- what are the trends and dynamics in the future? Competition will be very important in terms of Chinese technical acquisition strategies. There is a debate on whether or not to develop their own systems or to find exogenous sources of technology. They are leaning now toward the latter. China does not think the US can control the technology flow to them. The Chinese believe that they will find sources for technology, the US will try to prevent its acquisition of technology, and that will bring the two of them into conflict. Europe and Russia have no core interests in Asia, and so will be apt to sell systems to China. On the subject of China's growth and expenditures, there are many different views. If moderate growth (4%) and moderate military expenditure (4% of GNP) are assumed, and 30% of that military expenditure is for acquisition, by 2006 China will have \$40 billion annually for new systems (compared with the Pentagon's expenditures today of \$43 billion).

Another participant said that he was struck by how few times over the past two days the subject of Russia, an important Asian power, has been raised.

Another spoke on the RMA and the real leap in military capabilities that would be required. What's being done in this area? He wondered if it is true that the Chinese simply are not good systems integrators. He also said that analysts need to look more at Northeast Asia scenarios. The potential for a clash of interests in this area is great -- Tyumen, Manchuria, Korea.

The following participant spoke on the rate of change in the Chinese military. First, he said that to look at the average performance of the military is a mistake -- one should look at their range of capabilities. Second, Chinese combined arms capabilities are great. They are shaping the Asian security environment.

A participant said that future scenarios should include Vietnam and Korea, since weaker countries can pose big problems. On misperceptions and will: how will China read American resolve? The lessons they draw from the US in Somalia and from the influence of business interests are surprising. The Chinese could pull the trigger because they think the US will not use its vast forces.

One participant said that the challenge for OSD/NA is to take all of this academic work and make fairly specific near-term actions to put us on a desired path. OSD/NA needs to know what they have to do today.

The next participant said that academics don't make policy recommendations -- senior management becomes more receptive to the work of academics when something goes wrong, as in March 1996. OSD/NA and the academics need to take the work, anticipate where things might go wrong and make analysis to provide strategically informed alternative crisis actions.

Another participant said the threats and enemies are often created, not natural. How do China and the US mutually create each other as threats? As for the Sino-Japanese rivalry,

the US may need to mediate such a rivalry but it is handicapped because of the Japan alliance. The interactive effects of offensive military doctrines must be examined. Finally, why is the US reluctant to put on the agenda of discussions with China issues of importance to China?

A participant said that Japan should not be counted out yet -- it could rejuvenate. It is a country of some efficiency surrounded by vast inefficiency. This should be seen as an opportunity, not as a bad thing. The real possibility of a restructuring should not be discounted. Finally, a capitalist China could be far more difficult for the US to handle than a communist China.

Andrew Marshall wrapped up the closing remarks. He said that his biggest concern is our deficiency in understanding the Chinese people, and the serious consequences this could have. His other major concern was China's officer corps: what are they going to be like? How well-trained are they going to be? OSD/NA needs good answers to these questions.

**China Seminar
Sponsored by OSD/NA
Navy War College
3-4 April 1997**

Program

3 April

- 8:30 Convene Mahan Hall, NWC; Coffee/breakfast
- 9:00 Opening remarks: **Andrew Marshall**
- 9:05 First Presentation: **Arthur Waldron**, *Chinese Ideas about Winning Wars*
- 9:50 Second Presentation: **Thomas Christensen**, *China's Changing Attitudes toward the US-Japan Alliance*
- 10:35 Break
- 10:45 Third Presentation: **Michael Salomone** presenting John Garver's paper, *Political and Strategic Constraints on China's Ability to Project Power around its Periphery*
- 11:30 Fourth Presentation: **Michael Pillsbury**, *Chinese Views of Future Warfare*
- 12:15 Lunch
- 1:00 Issue Discussion 1: **Aaron Friedberg**, Review of 1996 Summer Study: *Future Asian Scenarios*. Conducted in the summer of 1996, the Summer Study looked at scenarios for possible future relations among the Asian states. Review and update/elaborate on those scenarios.
- 3:00 Break
- 3:15 Issue Discussion 2: **Stephen Rosen**, *Long-Term US Strategy toward Asia*. What might a long-term US strategic approach toward China and the Asia region as a whole look like?
- 5:15 End Day's Proceedings

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4 April

- 7:45 Reconvene; Coffee/breakfast
- 8:00 Fifth Presentation: **Iain Johnston**, *Patterns in the Dispute Management Behavior of the People's Republic of China*
- 8:45 Sixth Presentation: **Karl Eikenberry**, *Sino-US Defense Security Issues*
- 9:15 Issue Discussion 3: **Aaron Friedberg**, *Future Chinese Perspectives on Japan*.
As Chinese economic and military power grow, what will China do with a relatively weaker Japan?
- 11:15 Break
- 11:30 Issue Discussion 4: **Andrew Marshall**, *Future US Basing Needs in Asia*.
Assuming major changes in Asia, what kind of bases will the US need in the region? How will we do presence? How will they be supplied? What types of changes will there be in warfare?
- 1:30 Working Lunch: General Discussion on Insights from Seminar
- 2:30 Adjourn

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