



ALLIANCE POLICY COORDINATION BRIEF

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# Bolstering the Alliance Amid China's Military Resurgence

Michael S. Chase, Mori Satoru, and Iida Masafumi

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## China Risk and China Opportunity for the U.S.-Japan Alliance

How should the risks and opportunities presented by a continually rising, increasingly self-assertive China be addressed? This is a pressing issue for the international community, particularly for the United States and Japan, whose alliance has proactively helped form and maintain the liberal, rules-based international order for the past several decades.

To enhance mutual understanding and encourage effective policymaking, the Japan Forum on International Relations (JFIR) and the Carnegie Endowment for International Peace have convened a small group of U.S. and Japanese scholars to examine the risks and opportunities accompanying China's ascendance. This group includes China specialists, alliance experts, and authorities on trade and security issues in the Asia Pacific.

Led by Mataka Kamiya and James L. Schoff, the group has conducted research and facilitated dialogue since April 2017 through private roundtables and public symposia that seek to further U.S.-Japan cooperation and coordination on China policy. The project examines different perspectives between the alliance members and discusses ways in which Washington and Tokyo can effectively respond to China's rise. An accompanying series of policy briefs explores various China-related risks and opportunities for the U.S.-Japan alliance in the areas of regional and international order, trade and technology, security, and foreign relations. To learn more about the project, [click here](#).

*JFIR, together with the project's U.S. team members, wish to thank the Japanese Ministry of Foreign Affairs and the Japan Foundation Center for Global Partnership respectively for their generous support, without which this project would not have been possible.*

—Mataka Kamiya and James L. Schoff, Project Leaders and Co-editors

## Policy Brief Series:

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## Introduction

Recent tensions between the United States and China over trade and security issues mark the emergence of a more competitive U.S.-China economic, diplomatic, and security relationship. Indeed, this more competitive relationship between the two major powers is becoming a defining feature of the security environment in the Indo-Pacific region and beyond.

Under President Xi Jinping, China has shown its determination to push forward with a more assertive regional security policy. A number of developments have reflected this shift, such as attempts to challenge Japan's administrative control over the Senkaku Islands and Chinese island building and construction of military facilities in the South China Sea.<sup>1</sup> Beijing appears to be aiming to create a regional security order characterized by greater Chinese influence and reduced U.S. influence, one that will make other countries feel as though they have little choice but to defer to Chinese preferences, or at least refrain from any activities that China sees as an affront to its interests.

An increasingly capable and confident People's Liberation Army (PLA) plays a key role in enabling China to achieve these goals. Moreover, the PLA is no longer content to simply copy from other countries to try to close the gap with the world's advanced military powers. Instead, it aims to join their ranks. The arrival of a more advanced and operationally capable PLA will have important implications for the United States, Japan, and the U.S.-Japan alliance.

## Recent Developments

Xi has stated that the PLA must be absolutely loyal to the Chinese Communist Party politically, must be capable of fighting and winning future wars, and must have a clean work style (meaning that endemic corruption must be rooted out). The membership of the new Central Military Commission (CMC) unveiled at the Nineteenth Party Congress in October 2017 reflects these priorities, with its inclusion of officers responsible for political work, joint operations, and the implementation of Xi's unprecedented anticorruption campaign.

More broadly, Xi articulated ambitious goals in his speech at the Nineteenth Party Congress. He indicated that the modernization of the PLA would be basically completed by 2035 and that, by 2050, it would become a world-class military. That appears to mean a PLA that is technologically second to none and that is capable of defending Chinese interests around the world.

The growth of China's defense budget appears to be slowing modestly along with the overall growth rate of the Chinese economy. Annual [budget increases](#) have fallen below 10 percent in recent years, and they will probably continue to roughly track China's overall growth rate absent a major change in Chinese threat perceptions.



As reflected by recent [reports](#) about the downsizing of the ground force, the PLA's top modernization priorities include further development of its air, naval, and missile forces, as well as its space, cyber, and electronic warfare capabilities.

## Military Innovation

As the PLA aims to secure its place as a military that is second to none, it is increasingly focused on pursuing military innovation, broadly defined to include major advances in science and technology, organizational structure, and operational concepts. There are clear indications of Chinese military innovation under way in all three of these areas.

China is advancing the military application of advanced technology. The military-civil fusion approach is a major national effort directed at achieving synergistic development of advanced weaponry.

One important example of China's approach to military technological innovation is the country's development of anti-ship ballistic missiles (ASBMs) to counter U.S. aircraft carriers. China's development of the DF-21D ASBM—and later the DF-26 intermediate-range ballistic missile, which is available in nuclear, conventional land attack, and ASBM versions—illustrates an innovative approach to leveraging Chinese strengths in missile technology to address the problems posed by U.S. carrier strike groups.

China is also developing advanced technology in areas such as hypersonic weapons, artificial intelligence (AI), and unmanned systems. Beijing is also achieving breakthroughs in basic research and the development of quantum technologies such as quantum cryptography, communications, and computing that could be leveraged for a range of defense applications, including the creation of so-called unhackable networks and the capability to crack prevalent types of encryption.

China's emphasis on technological innovation illustrates that the PLA is no longer aiming simply to avoid falling further behind or to narrow the gap between it and more advanced militaries through a combination of developing domestic capabilities, copying from other countries, and conducting industrial and cyber espionage, as was once its focus. Beijing still employs all of these tools, but it now seeks to pursue technological innovation in ways that could be truly disruptive.

China is also forging ahead with organizational innovation. The PLA continues to implement an ambitious reorganization and downsizing plan that has been under way since December 2015. The effects of this plan are likely to be disruptive in the short term, but if implemented successfully, these efforts will help the PLA achieve its longer-term goals.

Notably, the military reorganization included the establishment of the PLA Strategic Support Force (SSF), which is in charge of the PLA's space, network, and electronic warfare capabilities. The SSF is said to have assumed three primary missions and functions: information support, information warfare, and force development.

Joint operations command centers have been created at the CMC and at each of the five theater commands that have been assigned operational authority over most combat forces, except the nuclear units that could be controlled by the CMC itself.

The People's Armed Police (PAP) was reorganized into a purely military institution under the sole control of the CMC. The China Coast Guard (CCG) was integrated into the PAP. This militarization of the CCG might induce closer cooperation between the PAP/CCG and the PLA Navy (PLAN) in terms of operations, logistics, and procurements.

### Rising Challenges in New Domains

In addition, China continues to focus on innovation in military theory, including the development of new concepts in areas such as space and cyber warfare and joint operations.

China's [2015 Defense White Paper](#) announced that the PLA's concept of operations was going to change from "local wars under conditions of informationization" to "informatized local wars." At the center is the concept of "system-vs-system operations" that features information dominance, precision strikes, and joint operations.

The [PLA's thinking](#) on modern warfare rests on the concept of system confrontation, in which war is understood to be a contest not between particular units, services, or weapons platforms but between various adversarial operational systems in land, sea, air, space, cyberspace, electromagnetic, and even psychological domains. What is termed system destruction warfare seeks to deprive the adversary of its will and ability to resist by paralyzing or destroying the enemy's operational system.

The [2015 Defense White Paper](#) stated, "outer space and cyberspace have become new commanding heights in strategic competition among all parties." Many experts understand this statement to signify China's formal designation of outer space and cyberspace as new warfighting domains.

China is reportedly developing direct-ascent anti-satellite systems. Beijing has also launched several kinds of experimental satellites. In addition, China is making progress in the area of counterspace weapons by developing directed energy technologies that can dazzle or blind space-based sensors. Moreover, China is also developing satellite-jamming systems and offensive cyber capabilities to be used against satellites and ground stations.

The SSF's Network Systems Department is said to be the headquarters of its cyberspace operations forces. The department is believed to be charged with the responsibility to wage information warfare, including cyberwarfare, electronic warfare, and potentially psychological warfare.

The PLA may seek to use its cyberwarfare capabilities to collect data for intelligence and cyber attack purposes; the Chinese military may also strive to constrain an adversary's actions by targeting network-based logistics, communications, and commercial activities, or it may aim to serve as a force multiplier when coupled with kinetic attacks during times of crisis or conflict. Chinese military strategists appear to believe that the U.S. military's reliance on civilian infrastructure is a key weakness they can exploit.

## Potential Risks

Japan and the United States can expect China, backed by its growing military power, to continue to pursue a more assertive security policy over the next five to ten years. For example, Beijing should be expected to continue using maritime militia and coast guard vessels to advance its maritime claims around the Senkaku/Diaoyu Islands and in the South China Sea; as these vessels do so, they are likely to increasingly coordinate with, or at least be accompanied by, the PLAN and PLA Air Force displaying their power for purposes of deterrence and intimidation. China also may increase military pressure on Taiwan.

Tokyo and Washington can also expect Beijing to attempt to exploit regional uncertainty about the sustainability of U.S. leadership, by—for example—using uncertainty about U.S. economic engagement or regional security policy to heighten concerns about Washington's approach among U.S. allies and partners. Whenever and wherever there is a chance to capitalize on uncertainty about U.S. leadership or commitment, or simply whenever the United States is seen leaving room for China to try to fill, Beijing can be expected to seize the opportunity to expand its influence in pursuit of its regional and global goals.

China's defense spending can thus be expected to continue to grow at a pace that reflects economic growth. Over the next five to ten years, a more operationally capable Chinese military will pose challenges to U.S. interests not only in the Indo-Pacific region but also potentially more globally, as Beijing seeks to acquire more overseas bases, and as the PLA continues to improve its power projection capabilities. This could present new bureaucratic coordination challenges for the United States and its allies, as the PLA's activities increasingly stretch beyond the U.S. Indo-Pacific Command's area of responsibility and across a number of regional boundaries.

China's advances in military innovation could impact the future military and strategic balance. Chinese breakthroughs could undermine traditional U.S. military-related technological advantages.

- **Quantum networks:** If China shifts its most sensitive military communication and data traffic into quantum networks—although the actual timing of realizing this goal is uncertain—that could frustrate U.S. cyber intelligence and signals intelligence capabilities. The development of quantum radar, imaging, and sensing could potentially undermine stealth technologies.
- **Hypersonic weapons:** China’s development of hypersonic weapons in addition to conventional missiles would create a dilemma for the United States and Japan. Washington and Tokyo would be compelled to defend and enhance resiliency against Chinese conventional missile threats through their missile defense systems, yet Chinese hypersonic weapons could potentially render these defenses obsolete.

If a crisis erupted, China would likely use various means including cyber capabilities (based on its concept of system confrontation) to attack or influence the Japanese and U.S. economies and social fabrics. In addition to government networks, civilian networks are thus exposed to this kind of risk. As cyber operations are conducted even during peacetime, risks of cyber manipulation exist continually.

## Potential Opportunities

The PLA’s more global profile could also create some new opportunities for cooperation with China in areas such as humanitarian assistance and disaster relief, antipiracy campaigns, and military medical operations. At the same time, however, Beijing can be expected to leverage its participation in these types of operations to support its diplomatic objectives, which may sometimes conflict with those of the United States and its allies, and to give the PLA more operational experience, as it continues to pursue its ambitious modernization goals.

If China believes that the regional military balance is shifting in its favor, this would mean that the U.S.-Japan alliance’s deterrent power is eroding. If increasingly more regional states believe that China would withstand or prevail in a military conflict with the United States, they could become even more susceptible or vulnerable to Chinese coercion and persuasion to accept Chinese positions or claims on various issues including territorial sovereignty. Such an outcome would change regional notions of what would constitute a legitimate status quo—one in which regional states accept Chinese claims with revulsion.

## Next Steps

- **Prioritize coordination:** Japan and the United States should continue to explore effective, coordinated responses in situations short of war, particularly in the cyber and the maritime domains.
- **Emphasize joint operations:** Tokyo and Washington should develop the capability to wage combined multidomain joint operations. Doing so would require accelerating operational response times to enhance firepower and maneuver, synchronizing operations that span multiple domains, and enabling units to operate with greater independence in dispersed deployments if operating in a network-degraded environment.
- **Bolster the alliance's resiliency:** Tokyo and Washington should continuously reconfirm their common vision of security in the Indo-Pacific and review their respective roles and missions to defeat China's attempts to divide the alliance.
- **Reinforce the existing security order:** Japan and the United States should jointly seek to demonstrate to countries in the Indo-Pacific their shared resolve to uphold the existing security order and deter any coercion by the Chinese military. To this end, both nations need to significantly enhance defense cooperation with other regional countries as much as possible, aiming to form a multilateral security architecture to oppose China's predominance. Cybersecurity engagement should be significantly boosted to tackle risks emanating from some countries' adoption of Chinese digital communication equipment.

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## Notes

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- <sup>1</sup> Although Japan has exercised administrative control over the islands since 1972, China also claims sovereignty over them and refers to them as the Diaoyu Islands.

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