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It is always hard to separate strategic posturing from strategic reality, but the last year has seen a steady deterioration in U.S. and Chinese relations. Economic relations have deteriorated to the point of a very real trade war, and both countries now seem to be trying to create military forces that not only deter but could "win" a war in the Pacific. It is getting harder and harder to determine which of the four "Cs" will shape strategic relations: Cooperation, Competition, Containment, or Conflict.

China's emergence as at least an Asia superpower does pose challenges to an existing superpower like the United States, but it can also offer major benefits in terms of global economic development, trade, and technology gain. Nothing about the emergence of China must take place in the form of a two-player zero-sum game. In fact, the whole history of development is largely the history of steady cumulative benefits to all developed powers.

In the real world, the emergence of China must involve some degree of competition with United States. Nations like China and the United States, however, do not have to "win" every aspect of competition between them to gain benefits from it. They operate in a broad global environment where many forms of economic and technological competition result in net benefits in terms of global markets and internal development, regardless of which nation has the lead at any given time. There are many areas where each country can operate without competing with the other, and where cooperation clearly offers more benefits – *if* both states focus as much on finding such benefits as on peaceful competition.

At present, however, both China and the U.S. are focusing as much on trying to limit or exploit the other's economy as on cooperation. Worse, their main strategic focuses seem to have shifted to security and efforts to contain one another militarily. In the process, it is becoming steadily harder to distinguish between efforts designed to limit or contain the other state and those that might lead to actual conflict. U.S. and Chinese efforts to limit the other state's strategic influence and military power increasingly seem to end in pursuing a level of deterrence that may be designed to keep the peace, but ultimately focuses on increasing warfighting capability.

Learning from the Past

Here, it is worth noting that the United States and China are taking these positions roughly a century after the last major race for power between the world's lead military powers led to disaster. The political, economic, and military struggles for position between a then dominant Britain and an emerging Germany led to a naval arms race that tied them to competitions between virtually every land and naval power in Europe and a world of colonies. They too could never clearly decide on the balance between the four "Cs" in their relations, but they built up military forces and alliances with warfighting capabilities that became all too real and found themselves being dragged into World War I – laying the groundwork for World War II and many elements of the Cold War in the process.

Assessing the Cost of Containment and/or Conflict

It may be idealistic to point out such parallels. Historical parallels are never exact, and no one in the realist school of foreign policy should ever ignore the "Santayana Fallacy" in calling for others to remember the lessons of past. The real lesson of history is that it really doesn't matter whether one remembers the past or not. One repeats it anyway. (And, in fairness, it is Santayana who is quoted for pointing out that, "Only the dead have seen the end of war.")

At the same time, it does seem all too clear that both the United States and China need to do more in analyzing the risks is choosing conflict and containment over competition and cooperation. The new U.S. National Security Strategy and National Defense Strategy both identify China as an emerging peer threat and the key target for U.S. military planning. They also directly link U.S. strategy towards China to U.S. strategy towards Russia without clearly suggesting the need to divide U.S.A. policy towards each state and avoid pushing them together.

China's strategic white papers are more subtle and vague, but China's current military build-up and reforms goals, expanding its strategic role in the South China Sea and in its "One Belt, One Road," initiative, and seeking to lead in key technologies at some point between 2025 and 2035; are all moving China towards a posture of deterrence or containment of the U.S. that provide so many benefits in war fighting capability that it presents at least the same level of risk as the new strategy of the United States.

Like the Anglo-German naval arms race that took place between the late 1880s and 1914, the U.S. and China are seeking to preserve or achieve power and "containment" rather than take steps that lead to war or conflict. They are, however, embarking on a de facto arms race and competition for influence that can all too easily create the conditions where war becomes steadily more likely.

Efforts to deter and contain the other power and create and expand zones of strategic influence becomes steadily more directly competitive and time sensitive. Links to other powers increasingly tie each country to crises outside Chinese and U.S. control. Broad strategic perceptions become more hostile, and chains of events that can trigger misunderstanding and escalation become more possible. There is no reason that that the kind of chains of events that Graham Allison warns about in *Destined for War* should become inevitable or even probable. However, making war more likely "possible" is more than dangerous enough.

Moreover, a major war is only one possible bad outcome of containment and conflict. The financial cost to China could raise military and other security spending by as much as five percent or more of its annual GDP indefinitely into the future – money it needs to deal with the 20-25% of its population which is still poor and largely excluded from the modern sectors of its economy, to cope with an aging population, and deal with its rising cost of labor and need to make major shifts in its civil economy.

The financial cost to the United States could cause military and security spending to increase from less than four percent of its GDP to over 7% or more – the peak levels of the Cold War – at a time when its federal budget is already moving towards a debt crisis, cannot cope with rising entitlement costs, and would have to compete with civil economic growth and competition with China and other emerging economies.

The Broader Impact of Escalating Strategic Rivalry

The existing level of competition is already shaping the polarization of the rest of Asia, or states seeking to play China and the U.S. off against each other. Recent military exercises have seen China beginning to join with Russia, and almost inevitably, China will be forced to compete in

terms of strategic and theater nuclear forces at far higher levels – raising major new issues for an already deeply troubled nuclear arms control process and for every aspect of deterrence and plans for U.S. and Russian nuclear warfighting. (Somewhat ironically, the one area where the U.S. government shows no public sign of seeing any change growth in China's military posture is in its numbers and types of nuclear weapons even though it says China it is MIRVing its strategic nuclear missiles.)

Chinese and U.S military competition is already reshaping aspects of the much broader competition in technology between the two countries. It is already difficult to distinguish Chinese efforts to steal commercial technologies – and force U.S. companies operating in China to transfer them – from military efforts. Moreover, as cyber technology has already made clear, there is virtually no aspect of modern civil technology that does not have military applications that can transform the next generation of war.

An increasing competition between China and the U.S. in civil, military, and dual-use technology is already creating major problems for technology sharing and transfers at the civil level. It is redefining many aspects of proliferation ranging from biological weapons to cyber warfare, and leading to the development of long-range precision strike weapons armed with "conventional" weapons that can act as strategic weapons of mass effectiveness

At a different and more parochial level, the U.S. and China are already engaged in a major competition to dominate the waters and air space near the Chinese coast and increasingly out into the Pacific, approaching the "second island chain" and Guam. Chinese exercises, port acquisitions, naval building, and air/missile procurement make it clear that continuing this competition will increasingly extend itself to the Philippines, Japan, Southeast Asia, Hawaii, all the Indian Ocean, the oil-exporting states in the Gulf, and at least one port in the Red Sea.

The U.S. is already focusing on China's missile and developments, creation of islands in the South China Sea, and carrier & naval building. It has boosted its support of Taiwan, Japan, Korea, and other Southeast Asia strategic partners. The U.S. is also seeking to improve its ability to engage Chinese forces near China's coast and doing so in ways that allows the U.S. to preserve, as some advocates claim, an "entry" capability – the equivalent of a land war in Asia.

Spending the next few decades widening the potential area of conflict would be bad enough, but this seems likely to be only part of the story. Any form of a heightened range of efforts to deter or contain on a far broader level seems likely to increase the risk of incidents or low-level clashes and conflicts. Every such incident will make things worse and heighten the military and security efforts on each side. Every clash will have the potential to escalate, and every incident that does not escalate could do even more to push both sides towards more military and security efforts. Moreover, the growing emergence of two regional superpowers means that neither can ever really allow the other to "win" any limited clash or conflict. The loser, and even the side caught up in a stalemate or tie, may well find some new area to compete and react more strongly.

Learning the Hard Way

Both China and the U.S. – and their leaders – currently seem committed to economic and security policies that will increase the tension between them, heighten the cost and scale of their de facto arms race, and at least marginally increase the risk of incidents, clashes, or more serious conflict. Each is pursuing policies that are broadening the range of technologies and forces it can use against

the other. Each is adjusting its strategic posture to put more emphasis on containment and conflict. Each is effectively attempting to "win" the future at the other's expense.

It does not take much vision to see that key aspects of their relations are almost certain to continue to deteriorate – at least in the near term. History also warns that nations that begin such arms races and strategic posturing often find it steadily harder to reverse their positions and consider their risks and costs.

In remembrance of the ability to forget the past, it is worth pointing out that Norman Angel published the *Grand Illusion*, a convincing argument against both the Anglo-German naval arms race and a warning about the cost of new war in Europe, in 1909, the beginning of what became the century of the world's worst wars. Like all the previous and following works by those outside government and the military on the costs and risks of strategic competition – from *Lysistrata* to the present – Angels' work could not compete with the momentum of the growing emphasis on containment and conflict.

At least part of this momentum, however, comes from the degree to which governments narrow the scope of their internal strategic planning and net assessments to focus on containment and conflict. The governments of China and the U.S. cannot ignore the risks they face, but they both need to ask their national security planners to look beyond China's inevitable emergence as a superpower, and military force planning and strategy in the narrow sense of the term. They need to focus as much on the cumulative risks in creating the military forces needed for containment and conflict over the next two decades.

The new U.S. strategy, and China's existing actions, do make sense in considering the risk that the other side will be as an adversary. Seen from a grand strategic perspective, however, such an analysis will warn both countries that they can gain far more from cooperation and peaceful competition. This is also an area where research centers, think tanks, and academics can help by examining alternative futures and the trade-offs between security and civil efforts.

And yet, one has to admit that the precedents are not good and that learning from the past seems to be remarkably difficult even if one does remember it. As was mentioned earlier, it was Santayana that warned that, "Only the dead have seen the end of war."

For a detailed review of the current trends in China's strategic position and forces, see Anthony H. Cordesman, *Chinese Strategy, Forces, and Economics*, CSIS, September 19, 2018, <https://www.csis.org/analysis/chinese-strategy-military-forces-and-economics>.

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