

# A 'World-Class' Military: Assessing China's Global Military Ambitions The View of U.S. Allies and Partners

Testimony before the U.S.-China Economic and Security Review Commission

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Chairman Lewis, Chairman McDevitt, and Commissioners: I am honored to join you at the end of what I expect has been a long and fascinating day of testimony on China's ambitions to field a world-class military.

From my positions inside and outside of government for the past 15 years, I have both studied and interacted directly with both the People's Liberation Army (PLA) as well as our allies and partners across the Indo-Pacific. I was therefore pleased to be asked to focus my remarks on how U.S. allies and partners have reacted to China's ambitions to develop a world-class military. These are critical issues for the United States, and will have significant implications for the long-term prosperity and security of our country and the Indo-Pacific. With that said, I would like to note that my testimony today reflects my views alone, and are not those of the Wilson Center or of the U.S. government.

## **Geopolitical Context**

Commissioners, before delving into the specifics of how U.S. allies and partners are reacting to China's ambitions to field a world-class military, I want to begin with five observations regarding the geopolitical context of this subject:

**1. The perspectives of U.S. allies and partners on issues related to China are informed by their broad assessment of geopolitical trends – not solely military issues.** While most U.S. allies and partners are certainly concerned about China's expanding military power and Beijing's ambitions for regional dominance and global influence, they also see China as a critical source of trade as well as an unavoidable political power. In fact, for most U.S. allies and partners, China is not seen primarily as a military threat, but rather as both a geopolitical challenge and an economic opportunity.

**2. The significant economic connectivity between China and U.S. allies and partners has important geopolitical implications.** These close economic ties represent a potential avenue for

China to exert pressure, as we have seen when Japan, the Republic of Korea (ROK), and Australia have made decisions to counter Beijing's prerogatives. Yet this is not to say that the specter of China's economic coercion is decisive in the minds of our allies and partners. Indeed, the story of Chinese attempts at economic coercion has often been a story of Beijing's failure to use economic coercion to achieve its strategic objectives.

**3. U.S. allies and partners in the Indo-Pacific, therefore, confront a geopolitical dynamic that is entirely new and, for them, deeply challenging.** They must navigate a strategic conundrum in that their primary economic partner – China – is embroiled in an escalating strategic competition with their primary security partner – the United States. Moreover, they see China not only as a critical economic partner, but also as an increasingly problematic source of instability and, for some, as a threat to their sovereignty and territorial integrity.

**4. Within foreign policy circles among several U.S. allies and partners, there is a robust and active debate about the sustainability of American power, the reliability of American commitments, and the implications of intensifying competition between China and the United States.** While most have concluded that sustaining robust relations with the United States remains in their long-term interests, U.S. allies and partners also seek to build productive relations with China despite any lingering territorial disputes or diverging interests. Simultaneously, many are concerned that the intensifying geopolitical competition between China and the United States threatens to drive the region toward strategic decoupling, potentially forcing them to choose sides.

**5. U.S. allies and partners are supportive of the United States continuing to play a leading role in the Indo-Pacific and either support U.S. competition with China or understand the drivers and motivation of that competition, yet many are perplexed by Washington's unwillingness or inability to pursue policies that would better enable its ability to compete successfully.** Several policies that limit the ability of the United States to compete – including the withdrawal from TPP, the lack of a compelling alternative to Beijing's the Belt and Road Initiative, threats to sanction imports that are critical for allied economies, and elevated expectations for allied payments for host nation support – drive questions about U.S. intentions, commitment, focus, and priorities.

### **The View from U.S. Allies and Partners: Military Calculations**

Commissioners, as I'm sure you have heard throughout the day, and as described in the Pentagon's annual report to Congress, Beijing's military ambitions have expanded greatly. Xi Jinping's call from the 19<sup>th</sup> Party Congress of the Chinese Communist Party to “strive to fully transform the people's armed forces into a world-class military by the mid-21st century,”<sup>1</sup> seemed to divorce the PLA's

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<sup>1</sup> Xi, Jinping. “Xi Calls for Building a Strong Army.” *Xinhua*, 2017.  
[http://english.gov.cn/news/top\\_news/2017/10/27/content\\_281475922905044.htm](http://english.gov.cn/news/top_news/2017/10/27/content_281475922905044.htm).

development from any specific set of contingent capability requirements, and instead tied military modernization to China's future as a great power. The 2017 Party Congress report identifies two stages of development, the first occurring from 2020 to 2035 (during which China sees itself as growing its economic and technological strength while addressing domestic challenges that could cause instability) and the next coming from 2035 to 2050, which Beijing identified as a period during which China will become a prosperous, modern, and strong socialist country with a "world-class" military.

Across the Indo-Pacific, and especially in East Asia, China's military modernization and Beijing's expanding strategic ambitions are a source of concern. The 2018 U.S. National Defense Strategy accurately describes the challenge from China thusly:

China is leveraging military modernization, influence operations, and predatory economics to coerce neighboring countries to reorder the Indo-Pacific region to their advantage. As China continues its economic and military ascendance, asserting power through an all-of-nation long-term strategy, it will continue to pursue a military modernization program that seeks Indo-Pacific regional hegemony in the near-term and displacement of the United States to achieve global preeminence in the future. The most far-reaching objective of this defense strategy is to set the military relationship between our two countries on a path of transparency and non-aggression.<sup>2</sup>

This trend has not gone unnoticed around the world. While countries have welcomed China's prosperity and sought to benefit from it, many have grown increasingly concerned about the scope and pace of China's military modernization and how Beijing may seek to utilize its newfound military might. Speaking at the 2019 Shangri-La Dialogue, Singapore's Prime Minister Lee Hsien Loong gave voice to the concerns held by countries across the Indo-Pacific:

... now that China is a major power with the second largest defence budget in the world, its words and actions are seen differently. To protect its territories and trade routes, it is natural that China would want to develop modern and capable armed forces, and aspire to become not just a continental power but also a maritime power. At the same time, to grow its international influence beyond hard power, military strength, China needs to wield this strength with restraint and legitimacy.<sup>3</sup>

Each U.S. ally and partner has particular priorities and concerns about China's military modernization and ambitions. Broadly speaking, however, they see China as narrowing U.S. military

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<sup>2</sup> United State Department of Defense, *Summary of the 2018 National Defense Strategy*, by James N. Mattis, 2018, 2.

<sup>3</sup> Lee, Hsien Loong, "Keynote Address by Prime Minister Lee Hsien Loong at the 18<sup>th</sup> IISS Shangri-La Dialogue on Friday 31 May 2019." Speech, The International Institute for Strategic Studies, Singapore, 2019, 5.

advantages, exacerbating regional territorial disputes, and asserting Chinese interests and ambitions at increasingly greater distances beyond China's immediate periphery.

### *Perceived Diminishing U.S. Advantages*

U.S. allies and partners are broadly concerned that they see China as making progress in its ambition to acquire the ability to undermine the effectiveness of an armed U.S. intervention in a China-related contingency by building military capabilities to degrade core U.S. operational and technological advantages. This trend is especially worrying for those countries that have heated disputes with China and also rely on the United States for their security. If China succeeds in its stated ambition to eventually field a "world-class military," and if the United States were to fail to maintain its military advantages and perceived reliability as a security guarantor, U.S. allies and partners in the Indo-Pacific may examine options to either pursue a strategy of internal balancing (i.e., building their own military capabilities sufficient to defend their interests and deter conflict) or bandwagoning (i.e., acceding to Beijing's demands and aligning more closely with China).

There are two interrelated aspects of how U.S. allies and partners will evaluate the relative balance of U.S. and Chinese military capabilities. The first is the most straightforward: assessing the overall military balance of power between the PLA and what the U.S. military can plausibly deploy to a China-related contingency. There are both quantitative and qualitative aspects of these calculations. Any assessment of the military balance at any given time between China and the United States will be necessarily unspecific and reflective broader trends than a specific correlation of forces. Moreover, the potential role of the armed forces of a U.S. ally or partner in such a U.S.-China military contingency would also need to be taken into account.

The second aspect of how U.S. allies and partners will evaluate U.S. military advantages and disadvantages vis-à-vis China is not entirely military, per se, but political. Even if the United States maintains a technical military advantage, U.S. allies and partners in this scenario would be concerned that China would be able to inflict sufficient damage on the U.S. military to render the costs of an intervention unacceptable for Washington. In other words, they worry that a world-class PLA would have the ability to deter a U.S. intervention even before it has the ability to defeat it. Their calculation, therefore, will be based as much on their evaluation of the will of the American president to sacrifice American lives in defense of their country – a perpetual question for allies, but one that is exacerbated when the number of lives that may potentially be lost increases as a result of diminishing American military advantages.

So far, most U.S. allies and partners have decided to remain aligned with the United States, even while they may pursue a productive relationship with China. Australia's 2016 Defense White Paper made an assessment that I judge most others around the world would agree to: "The United States will remain the pre-eminent global military power over the next two decades. It will continue to be

Australia's most important strategic partner through our long-standing alliance, and the active presence of the United States will continue to underpin the stability of our region.”<sup>4</sup>

### *Exacerbating Regional Disputes*

Across the Indo-Pacific, several U.S. allies and partners are embroiled in some form of a dispute with China. As China's military capabilities continue to improve, U.S. allies and partners are concerned that the PLA is growing increasingly capable of asserting China's interests and claims or responding to crises, in the Taiwan Strait, in disputed claims in the East and South China Seas, along China's border with India, and on the Korean peninsula. Even for those allies and partners without a specific dispute with China, most are deeply concerned about China's regional assertiveness and how these disputed areas may impact regional stability and the course of China's rise.

While the security dynamics that Taiwan and Japan have with China are significantly different in several important ways, they also share similar concerns about China's rapid military modernization and the recent actions of its military forces. Both see Chinese forces as unilaterally escalating tensions by increasing the pace and scope of its military operations around Taiwan and in the East China Sea respectively, and both are concerned about Beijing's attempts to change the status quo by employing political, economic, and military coercion.<sup>5</sup> Finally, both are concerned – as described above – that China's growing military capabilities have the potential to eventually enable China to deter or defeat an armed U.S. intervention into a future crisis related to Taiwan or Japan.

The South China Sea is a different story, both as a result of the area's unique geography but also due to the different nature of U.S. relationships with the two countries with the most active disputes with China: the Philippines and Vietnam. While Manila is a long-standing treaty ally of the United States, and is therefore covered by American extended deterrence commitments, Hanoi has no such guarantees. Yet under President Rodrigo Duterte the Philippines has leaned closer toward China, and Defense Secretary Delfin Lorenzana has called for a review of the Mutual Defense Treaty with the United States out of fear it could pull the Philippines into an unwanted war with China.<sup>6</sup> The result is that both Hanoi and the Manila are hedging between Beijing and Washington, and seek to avoid scenarios that would drive them to lean heavily in either direction.

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<sup>4</sup> Australian Government Department of Defense. *2016 Defence White Paper*, 2016, 41.

<sup>5</sup> For example, see Japan Ministry of Defense, *Defense of Japan 2018*, 2019, 10.

<sup>6</sup> Jason Gutierrez, “Philippine Official, Fearing War With China, Seeks Review of U.S. Treaty,” *The New York Times*, March 5, 2019, <https://www.nytimes.com/2019/03/05/world/asia/philippines-defense-treaty-us.html>. It should be noted that views on this issue are not universally held in Manila, as Foreign Affairs Secretary Teddy Locsin has stated his opinion that a review of the treaty is unnecessary as he believes in the “old theory of deterrence.” See Patricia Lourdes Viray, “Locsin on US-Philippines treaty review,” *The Philippine Star*, March 5, 2019, <https://www.philstar.com/headlines/2019/03/05/1898877/lorenzana-contradicts-locsin-us-philippines-treaty-review>.

Countries with active disputes with China are concerned that China may continue to use so-called “gray-zone” tactics to advance its claims in disputed waters while staying below the threshold of conflict. In these cases, U.S. allies and partners are less concerned about China’s military modernization ambitions per se and more about China’s apparent ability to reclaim islands and militarize them with few significant consequences. Over time, China’s military modernization could allow it to solidify and enforce its claims across nearly the whole South China Sea, effectively turning the entire body of water into a Chinese territorial sea, and using it as a base of operations to enable power projection throughout Southeast Asia, deep across Oceania, and into the Eastern portion of the Indian Ocean.

India is also watching China’s military modernization very closely. Having already fought a war with China over their disputed northern border, many in Delhi believe that border tensions could generate more crises. Others are equally concerned about China’s rapidly improving naval capabilities and apparent interest in establishing overseas military facilities to support naval operations in the high seas, and fear that Beijing may be eyeing the Indian Ocean as a future locus for competition and crisis.<sup>7</sup>

Finally, Seoul is primarily and understandably focused on the military threat posed by North Korea. Yet below the surface, there are deepening concerns about the role China may play in contingencies on the Korean Peninsula. While this is a subject that is not often discussed publicly by Korean officials and scholars, it is a topic that deserves a greater degree of scrutiny. China already has significant land power capabilities, and there are critical open questions as to how China may respond in the face of instability on the Korean peninsula. As China’s military capabilities improve, these questions will gain even greater importance and urgency. While more analysis on this issue is warranted, I would point this commission to the excellent work by Dr. Oriana Mastro of Georgetown University, who wrote in *Foreign Affairs* that “in the event of a conflict or the regime’s collapse, Chinese forces would intervene to a degree not previously expected—not to protect Beijing’s supposed ally but to secure its own interests.”<sup>8</sup>

### *Concerns Further Afield*

As a result of China’s growing military capabilities, U.S. allies and partners are increasingly concerned about China’s expanding international interests and global footprint as driving a range of missions beyond China’s periphery, including power projection and sea-lane security. For countries further afield from the Chinese mainland, China’s expanding military interests and capabilities are uniquely troubling, but in some cases are also seen as a positive and beneficial development. For

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<sup>7</sup> Lee, Jeong-ho. “How Tiny Djibouti Became the Linchpin in China’s Belt and Road Plan.” *South China Morning Post*, 2019. <https://www.scmp.com/news/china/diplomacy/article/3007924/how-tiny-african-nation-djibouti-became-linchpin-chinas-belt>.

<sup>8</sup> Mastro, Oriana Skylar. “Why China Won’t Rescue North Korea,” *Foreign Affairs*, 2019. <https://www.foreignaffairs.com/articles/asia/2017-12-12/why-china-wont-rescue-north-korea>.

countries less concerned about China's strategic ambitions, China is seen as a potential partner for providing humanitarian assistance and disaster relief, military assistance, and potentially domestic security support.

For most African and Latin American countries, China's military modernization represents little more than an additional potential benefit building off of opportunities for Chinese trade, investment, and infrastructure assistance. Indeed, Djibouti saw benefits to expand its strategic relationship with China – and acquire some much-needed financial support – by hosting China's first overseas military facility. In all likelihood, Beijing expects this facility is to be the first of many. We can expect other countries in key geographic positions to also look favorably at potentially hosting Chinese military facilities, although I do not expect to see any such a facility in Latin America for the foreseeable future. Commissioners, considering the dearth of conflicting security interests between China and the nations of Africa and Latin America, I do not expect China's military modernization will play a significant role in the foreign policy calculations of either continent – beyond as a driver of competition between China and the United States and (for some) as a potential source of arms, training, and humanitarian assistance.

Europe, however, is another matter. For Europe's larger nations – especially France and the UK – China's military modernization and concerns about potential Chinese revisionism have recently drawn renewed attention to China as a geopolitical and security challenge. At the 2019 Shangri-La Dialogue, French Defense Minister Florence Parly described a more active and engaged role for France in the Indo-Pacific, and released a major report on the subject. The report describes France's concerns about China's actions in the South China Sea and elsewhere, and details France's expanded military engagements across the region.<sup>9</sup> Similarly, in April 2019, the UK House of Commons Foreign Affairs Committee published a report on the UK's relations and strategy toward China, noting that “the combination of a China characterised by strengthened Communist Party control and a desire to project its influence outwards, on the one hand, and ever-increasing economic, technological and social links between the UK and China, on the other, presents serious challenges for the UK.”<sup>10</sup> It calls for London to take a more balanced view of China and to recognize that China's interests and values are not always the same as those of the UK.

Even though they do not have specific territorial disputes with China, it is clear that Europe's major powers have deep concerns about China's ambitions and its approach to the liberal international order, and see a role for themselves in responding. Their position is nuanced, and they also continue to recognize the significant opportunities that China represents. Nevertheless, Europe's newfound concerns about the challenges posed by China and its expanding military positions are strategically significant and indicate an opening for the United States to deepen its engagement with European allies on these issues.

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<sup>9</sup> Ministère des Armées, *France and Security in the Indo-Pacific*,

<sup>10</sup> House of Commons Foreign Affairs Committee, *China and the Rules-Based International System*, April 4, 2019, 4.

## Recommendations

For the United States to successfully compete with China and sustain a robust and successful liberal international order, U.S. allies and partners will be critical to U.S. foreign policy. Not only do they facilitate American military presence and access around the world, but they are also vital partners to advancing shared interests and addressing mutual challenges.

Unfortunately, the U.S. approach to alliances and partnerships has recently seemed increasingly bifurcated. While officials in the Pentagon and State Department continue to laud the importance of U.S. alliances and partnerships, other parts of the U.S. government seem to see our allies and partners more as competitors or freeloaders. For example, President Trump's threat to invoke a Section 232 tariff on auto imports threatens a key sector of both the South Korean and Japanese economies. Additionally, President Trump's oft-repeated criticism of the levels of allied host nation support – as a candidate in July 2016, for example, he stated that the United States would defend only NATO allies who have “fulfilled their obligations to us” – suggests he sees the relationships less as based on mutual interests and shared values, but more as a financial transaction for protection.<sup>11</sup>

The United States should treat its allies for what they are: tremendous geopolitical assets and a critical source of American power, access, and influence. Not only should the United States continue to maintain a robust military presence in the region and sustain its commitments to its allies, but there are also a range of policy options the U.S. should consider to react to China's rapidly growing military capabilities. To these ends, I have several recommendations of how the U.S. can engage its allies and partners in response to China's ambitions to develop and field a world-class military.

**Avoid a False, Unnecessary Choice:** In recent months, there have been reports that some U.S. officials have sought to force U.S. allies and partners to “choose” between China and the United States. For example, U.S. officials have sought to dissuade allies and partners from pursuing trade and investment agreements with China,<sup>12</sup> and have criticized those that have agreed to allow Huawei to install telecommunications equipment in their networks.<sup>13</sup> Additionally, former Obama White House official Ryan Hass described the overriding message of Vice President Mike Pence's remarks on China in October of 2018 as “the United States is strong and determined, China is a significant threat, and countries should position themselves with the United States.” In doing so, Hass rightly

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<sup>11</sup> Sanger, David and Maggie Haberman. “Donald Trump Sets Conditions for Defending NATO Allies Against Attack - The New York Times.” 2016. <https://www.nytimes.com/2016/07/21/us/politics/donald-trump-issues.html>.

<sup>12</sup> Wong, Edward, and Alan Rappeport. “In Race for Global Power, U.S. and China Push Nations to Pick a Side.” *The New York Times*, 2018.

<sup>13</sup> Choudhury, Saheli Roy. “Trump to Threaten to Curb Intelligence Sharing with UK over Huawei: FT.” *CNBC*, 2019. <https://www.cnbc.com/2019/05/31/trump-to-threaten-to-curb-intelligence-sharing-with-uk-over-huawei-ft.html>.



argued that “the Trump administration risks embarking on a Cold War-like approach toward China, but without the clear backing of any ally anywhere in the world for joining the United States in a purely confrontational posture toward China.”<sup>14</sup>

Being forced to choose between Washington and Beijing is a nightmare for most of our allies and partners. Moreover, I believe it is an unnecessary choice at this juncture. Alliances are not relationships in which a smaller power cedes its sovereignty to the larger power. In fact, the health and success of U.S. alliances since the end of World War II can be attributed to American support for the sovereignty and independence of its allies – friends and allies can disagree. Recall that Canada did not officially send troops to support U.S. military operations in Vietnam, and that the Suez Crisis pitted Washington against London and Paris on an issue of tremendous geopolitical significance. Yet in both cases, NATO survived.

Issues such as China’s debt trap diplomacy, the South China Sea, and Huawei are certainly of great importance. We should be engaging with our allies and partners on these issues, and working with them to develop common strategies against common challenges. Yet this is done most effectively through dialogue and cooperation – not with threats and ultimatums. While eventually a choice may need to be made if some in the Trump administration succeed in truly “decoupling” the U.S. and Chinese economies, at this point they remain too interconnected at this time to force any sort of choice upon U.S. allies and partners whose economies are far more profoundly connected to China than is that of the United States. Prematurely demanding U.S. allies and partners to “choose” risks further alienating them, and could limit the ability of the United States to harness alliances and partnerships toward shared objectives.

**Empower U.S. Allies and Partners:** There are substantial opportunities for the United States to build the capabilities of its allies and partners across the Indo-Pacific, and empower them to defend themselves from potential Chinese aggression and contribute more to the health and success of the liberal international order. While I will primarily focus on military opportunities, I would briefly note that non-military cooperation in areas such as infrastructure development, creating and enforcing international laws and norms, supporting good governance, and promoting political and economic liberalism are all areas where U.S. allies and partners – large or small, close or distant – can contribute.

At the most fundamental level, the United States should work with its allies and partners to ensure that each country in the Indo-Pacific has the ability to peacefully pursue its interests and defend its sovereignty free of Chinese military coercion. For the larger and more advanced U.S. allies and partners in the Indo-Pacific – such as Japan, Taiwan, Australia, and India – this strategy will mean consistently providing military capabilities that are both effective and sustainable, while also relevant

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<sup>14</sup> Hass, Ryan. “Who Was Mike Pence Really Addressing in His Speech on China?” *Brookings*, 2018. <https://www.brookings.edu/blog/order-from-chaos/2018/10/04/who-was-mike-pence-really-addressing-in-his-speech-on-china/>.

and effective in blunting potential Chinese military aggression. This approach will also involve continuing to build and utilize bilateral, trilateral, minilateral, and multilateral military cooperation mechanisms that enable closer training, joint operations, and greater interoperability across shared contingencies.

For America's smaller and less advanced allies and partners, Washington should modulate its ambitions to match their lower capacities. This tactic will mean a greater emphasis on low-end security cooperation and support, such as building regional coast guards and facilitating greater maritime domain awareness cooperation, as well as assistance with maintenance, training, and sustainability. The unfortunate reality, however, is that there are few U.S. military platforms that are affordable for many of its smaller or developing allies and partners – they do not have the funds to purchase high-end U.S. military equipment, which is often more advanced than they require regardless. In these cases, the U.S. should prioritize developing Indo-Pacific allies and partners when distributing Excess Defense Articles in relevant security domains. Additionally, Washington should encourage its more advanced allies and partners, whose defense industries produce more appropriate systems, to deepen defense cooperation with the U.S. smaller allies and ensure that such cooperation contributes to a broader, networked approach to regional security.

There are a few challenges that the United States should consider, however, when pursuing a strategy to empower its allies and partners. For some allies and partners, China is not the only – or even the primary – security challenge. They may see the acquisition of additional military capabilities as a way to not only defend against potential Chinese coercion, but also as a means to assert other interests or claims against countries other than China. Clearly, the United States does not want to fuel an arms race that detracts from our shared objectives and could undermine – rather than buttress – regional stability. That is why such military cooperation must be done responsibly, emphasizing defensive rather than offensive capabilities, and alliance and partner relationships should continue to be strengthened.

Additionally, there is a danger that calling on other countries to “do more” to contribute to regional security and provide public goods may be interpreted as the United States withdrawing from the region. Perceptions that the United States was reducing its engagement and commitment to the Indo-Pacific, and attempting to use its allies and partners to fill the void, would precipitate a rapid geopolitical adjustment across the region, likely including broad realignment toward Beijing and some countries' pursuing indigenous nuclear capabilities. This means that the United States cannot look to its allies and partners as potential *replacements* for American military power, but rather, as *supplements* to American military capabilities that continue to grow more capable.

**Invest in American Military Advantages in the Indo-Pacific and Beyond:** While I have full confidence in the ability of the United States to achieve its military objectives across the Indo-Pacific, my confidence will diminish if Washington is unable to make significant investments in the kinds of military capabilities that would be necessary to sustain American military advantages vis-à-

vis China. This will mean investing in critical high-end military capabilities, while also practicing strategic restraint in other areas of the world where American priorities and interests are less critical.

**Reduce the PLA's Options to Expand:** The United States should work to limit the options Beijing has to build new military facilities abroad. This policy would mean engaging potential Chinese military partners, and offering the appropriate mix of incentives and disincentives to prevent the construction of additional Chinese military facilities abroad.

**Continue to Adjust U.S. Defense Posture across the Indo-Pacific:** During the Obama administration, the United States sought to build a defense posture in the region that is geographically distributed, operationally resilient, and politically sustainable.<sup>15</sup> While significant progress was made, this initiative remains incomplete – especially as China's military modernization continues to progress. The United States should continue to make progress on defense posture initiatives in Okinawa, Australia, Guam, the Philippines, and elsewhere in order to ensure the U.S. military is able to effectively defend the United States, its allies, and its interests. Yet to accomplish this goal, Washington will need strong, collaborative relationships with its allies and partners across the various government departments and, especially, between the countries' leaders.

## Conclusion

Mr. Chairman, Commissioners: China has been modernizing its military for decades, and is now reaping the benefits of decades of significant, targeted investments in its armed forces. While the PLA one day may achieve Xi Jinping's vision of being a world-class military, the United States has the opportunity maintain, and even expand, its military advantages. To stay ahead, the United States must be focused in its investments and policy decision-making, and prioritize strategic competition with China above other, less significant long-term challenges.

A critical aspect to any American strategy to successfully compete with China will require robust relations with its allies and partners. While China has significantly improved its military capabilities already and has grand ambitions for the future, there is still time to focus our policies and investments and successfully compete with China. But this strategic window of opportunities is closing. I hope that my recommendations can help adjust the U.S. approach to our allies and partners in the face of China's expanding military ambitions, and I look forward to your questions.

Thank you.

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<sup>15</sup> United State Department of Defense, *Quadrennial Defense Review*, by Chuck Hagel, 2014, 34.