

Technology and Power in China's Geopolitical Ambitions

The Hon. Christopher A. Ford
Assistant Secretary of State for International Security and Nonproliferation

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Good morning, Commissioners, and thank you for inviting me. I am pleased to offer some thoughts for you today on the subject of China's geopolitical technology strategy, and although I will only deliver an abbreviated version to you here in person, I request that the full text of my prepared remarks be entered into the record.

As someone who in my own scholarship has spent some time studying China – and especially as someone who has been [writing for more than a decade](#) about the challenges that the United States and the international community would likely face as the growth of China's wealth and power enabled the Chinese Communist Party to pursue Indo-Pacific regional hegemony in the near-term and displacement of the United States to achieve global preeminence in the future – it has been gratifying to see the U.S. policy community and our national security bureaucracy focus with increasing emphasis upon the challenges of competitive strategy vis-à-vis Beijing. I would argue that this emphasis is notably overdue. Nevertheless, as we develop an ever-better “whole of government” approach to meeting the challenges presented by China's power and its increasingly assertive self-aggrandizement in the international arena, we are developing improved answers to these national security challenges along the compass bearing provided in the 2017 National Security Strategy and the 2018 National Defense Strategy – which focus unmistakably upon the imperative of addressing threats from great-power “near-peer” competitors such as China.

In my current capacity at the State Department, I have spoken about these issues publicly on multiple occasions, including about the [challenges of developing a competitive strategy in the new geopolitical context](#), how [nonproliferation tools can be used in the service of competitive strategy](#), the [challenges that China presents to traditional models of export control](#), the importance of [building “coalitions of caution” in slowing the transfer of sensitive technology to China](#), and [how China intends to use technologies bought or stolen from the West to position itself to best the United States in the next anticipated “revolution in military affairs”](#) that Chinese strategists assess now to be getting underway. What I would like to do today is to try to shed a little additional light upon why this all matters so much – and specifically, upon how China itself appears to see technology acquisition fitting into its geopolitical strategy.

I. *The Geopolitics of Grievance and Ambition*

Understanding this strategy and context is vital, and not merely, because it is only upon the basis of such a clear understanding that we can take effective countermeasures. Honesty and clarity on these points are also vital. This is a time in which [some are trying to persuade the world](#) that the United States is merely making up spurious national security excuses to take umbrage at China in the service of specifically tariff-related economic interests. Ladies and gentlemen, I only wish it *were* true that our anger and distress over China's behavior related solely to matters of dollars and cents. Unfortunately, however, the security threats China presents in these and multiple other respects – not just to the United States but to China's neighbors, to states ever farther from its own shores, and indeed to the structure and function of the current international system – are very real indeed.

One key to understanding this context is to appreciate that despite decades of “win-win” and “peaceful rise” Chinese propaganda tropes, military muscularity – and, more to the point, a steadily *increasing* military muscularity – is central to Beijing's geopolitical vision. China has adopted a whole-of-system strategy to develop what it calls a “world class military” in order to achieve the so-called “Strong Military Dream” by 2049. By that date – the symbolically potent centennial of the conquest of China by the Chinese Communist Party (CCP) – the Party hopes to have legitimized its authoritarian rule by having achieved “the great rejuvenation of the Chinese nation” (*Zhonghua minzu weida fuxing*) as China reclaims for itself the geopolitical centrality it sees as its birthright, and of which Chinese nationalists feel their country was robbed in the 19th Century by predatory European imperialists.

This is a central priority for Xi Jinping, who explained at the 19th Party Congress that the “Strong Military Dream” is critical to China's national rejuvenation. But even though he is unprecedentedly unabashed in the pursuit of such global military power, this emphasis is hardly unique to Xi. China's military ambitions apparently have roots that go back to China's defeat by British ironclads in the Opium War of the 1840s – a defeat which impressed upon Chinese nationalists the ways in which military technological advancement can permit one empire to humiliate and displace another, and which set off a long countervailing Chinese scramble for technologically-facilitated global military power, over the most recent and most successful manifestation of which Xi now presides.

Our National Security Strategy describes China as one of “the revisionist powers” threatening U.S. security interests. As I have pointed out for years, China's conception of national identity and its national security strategy seem to be premised upon a strong sense of “mission,” in the form of acquiring greater power and status in the world. This power and status are, in turn, the currencies with which it is felt that China will rectify the historical grievances associated with the so-called “Century of Humiliation” that followed the Middle Kingdom's 19th Century defeats at European hands.

Despite the “win-win” propaganda rhetoric, then, this is no peaceable, benevolent live-and-let-live vision of 21st-Century international engagement. In the scope of its ambitions, the Chinese Communist Party is inescapably revisionist, even revanchist, in its approach to influence the rest of the world. Its self-conceived national mission is to make itself ever more powerful

vis-à-vis everyone else – and particularly vis-à-vis the United States – and it has devoted its national security policy to what Beijing’s 2002 Defense White Paper described as a policy of “unremittingly enhancing the overall national strength.”

Nor, it would appear, is the objective merely relative power and status. Fascinatingly – and worryingly – Chinese officials have made clear that in some sense their target is what I like to describe as the current socio-political “[operating system](#)” of the international community. This was a problem called out in our National Defense Strategy, which noted that China aims “to shape a world consistent with [its] authoritarian model – gaining veto authority over other nations’ economic, diplomatic, and security decisions.”

But you need not just take our word for it. Xi Jinping himself noted with alarming confidence that China’s development the past four decades had demonstrated to the international community what he described as a new model of modernization that other countries should look to and adopt. In effect, this model is one of state-controlled economics and authoritarian dictatorship, and thus one in direct competition with the liberal institutions of the current international system. Xi makes few bones about this, describing today’s world environment as a conflict between modernization systems. This makes him the first Chinese leader since Mao Zedong to openly state that China wishes to overturn the norms governing the international system and remake the world more in line with its own image.

This is not a new idea, however, nor one unique to Xi Jinping. Chinese leaders may once have been content – in Deng Xiaoping’s famous formulation – to “bide their time and hide their capabilities,” but such “biding” was inherently tactical, and its cautiousness was clearly understood to serve a broader purpose. (When you bide your time while hiding your capabilities, you are obviously *waiting* for some opportunity!) And indeed, as China’s power has grown, they have been increasingly disinterested in such coy postures and more inclined to act out.

Under Hu Jintao, officials in Beijing began to talk of creating a “harmonious world” explicitly modeled on China’s own, Party-managed “harmonious society” at home. They even spoke for a while about aiming for China’s “return,” before apparently toning down that rhetoric for fear that it would too clearly signal Beijing’s ambition to reacquire the position of global privilege and centrality vis-à-vis all other nations that gave the “Middle Kingdom” its ancient name. For his part, Xi has now raised the ante with his rhetoric of the “China Dream,” the “Strong Military Dream,” and geopolitical rejuvenation – and he seems uninterested in toning down his rhetoric just because it is beginning to alarm people who see it for what it is.

Today, China is working to export its model of authoritarianism through its “Community of Common Destiny” to reshape global governance, utilizing the power of the Chinese economy to coerce and to corrupt governments around the world that are already suffering from underdeveloped or unstable democracies and taking advantage of countries suffering from financial instability to push them toward the desired end state. Ultimately, China seems to think that it really can reorder the world. As a Chinese ambassador exclaimed some years ago during negotiations over China’s accession to the World Trade Organization, China expects eventually to dictate the rules for the world system: “[We know we have to play the game your way now, but in ten years we will set the rules!](#)” His timing may have been a bit off, but it seems very clear what he had in mind.

II. *Technology and Chinese Strategy*

So *this*, then, is the context for understanding China's whole-of-system strategy to modernize the People's Liberation Army (PLA) into a global military power to underpin the China Dream. To help facilitate this military power, China has adopted an approach it calls "military-civil fusion" (MCF), which seeks to break down all barriers between the civilian sector and China's defense industrial base in order simultaneously to achieve economic development and military modernization.

As I mentioned, some of the roots of this approach can be seen in China's painful experience, when encountering Industrial Revolution-era European power, of how military technology can facilitate global power. Beijing may have lost out on prior "revolutions in military affairs" (RMAs), but it is determined to *lead* the next one. Chinese strategic writers expect that the next RMA will be one of "intelligent warfare" – a whole new arena of state-of-the-art military power driven by the application of artificial intelligence (AI) and AI-enabled technology in to military systems and doctrine.

It is the objective of MCF to help fuel this success, permitting the seamless flow of materials, technology, knowledge, talent, and resources back and forth between the military and civilian industrial complexes. This is the context in which one must understand Chinese interest not merely in AI applications in traditional military sectors – including aviation, aerospace, nuclear, shipbuilding, and land systems – but indeed also in setting international norms for certain enabling technologies that are expected to provide the backbone for AI-enabled future warfare, including 5G and the Internet of Things.

III. *Evolving Responses*

And, in turn – to fuel MCF itself – China has focused relentlessly not just upon developing technology indigenously but also upon acquiring it abroad, by means both fair and foul, tilting the playing field in its favor at the expense of U.S. and global companies. Not surprisingly, this is one of the reasons we are focusing so much, in the U.S. Government right now, upon reforming national security export control rules and recalibrating export control policy, upon building out recent statutory changes designed to help close loopholes in our traditional methods of screening foreign investments in the United States for national security implications, upon screening visa applicants to try to weed out persons seeking sensitive technologies, and upon shoring up defenses against the cyber-facilitated intellectual property theft that former National Security Agency director Keith Alexander has suggested may constitute "[the biggest wealth transfer in history.](#)"

Some of what needs to be done in increasing awareness vis-à-vis high-technology engagements with China lies in such areas of government policy. Meeting these challenges, however – and doing so without throwing the proverbial economic baby out with the security bathwater of China tech-transfer policy – requires much broader involvement and buy-in across the civilian sector, not only in the United States but across the world. Business people,

researchers, academics, technologists, and scientists *all* need to understand the broader context of China's global strategy, and the implications of its "fused" military-civilian industrial complex. This is not a call for anything like a complete high-technology "boycott" of China, but there *is* a need for serious risk mitigation.

This is true in large part simply because there are so many points of contact between China's MCF industrial complex and the outside world. Authoritative Chinese sources, for instance, have explained that the entire Chinese university *system* is considered – in the words of the *Xinhua* state news agency in 2018 – the "front line" of MCF. As befits the priority given to the "front line" in any kind of struggle, the MCF system is working along multiple lines of effort to advance Chinese capabilities through the development of a talent pool of doctoral, masters, and undergraduate-level workers in STEM fields. The Chinese government certifies universities to undertake classified research and development on military contracts, as well as certifying them for weapons production – a policy known in China as the "three certifications." To date, more than 80 Chinese universities have already been certified to undertake Top Secret or Secret level military research and development under this program.

Significantly, this approach also includes implementing a policy under which state-owned defense enterprises fund the education of students at the undergraduate, masters, and doctoral level – even to the point of providing living stipends. These student subsidies turn their recipients into something akin to *employees* of China's defense industry, especially since this support is given in return for a service commitment from the students to the companies that fund their education.

As you might imagine, this well-developed system for leveraging military advantage out of China's enormous flows of outbound and returning students in STEM fields presents enormous challenges for those of us concerned with screening visa applications for proliferation risks – one of the responsibilities of my bureau at the State Department. It is extremely important to put some national security brakes on the Chinese system's massive technology-transfer bureaucracy. It is also important, however, to avoid the unjustified conclusion that all Chinese students or technicians seeking to come here are threats – or that the solution to the national security problem with which the CCP's strategy has confronted us is simply to shut down all ongoing engagements with the world's second-largest economy.

Striking the right balance is not easy. Even as we police against those who would take advantage of our openness to collect technology for those seek to collect knowledge with which to do us harm, however, we must also remain open and welcoming to Chinese talent that wants to work within our university and lab system to help push the frontiers of the emerging and even disruptive technologies that can help fuel mankind's flourishing in the years to come.

So that's one of our challenges. But this difficulty is inherent in the challenge of living out a relationship with China that is both cooperative *and* competitive in significant ways. This is one of the key challenges of our era, and while no one can guarantee you that we will always get the balance right, I can assure you that we are keenly aware of these imperatives and are committed to answering these challenges effectively.

Thank you.