

Chinese Political and Military Thinking Regarding Taiwan and the East and South China Seas

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Chinese Political and Military Thinking Regarding Taiwan and the East and South China Seas

Testimony of Timothy R. Heath¹
The RAND Corporation²

Before the U.S.–China Economic and Security Review Commission

April 13, 2017

This testimony seeks to answer how Chinese political and military leaders and thinkers regard the prospects for conflict with Taiwan and in the East and South China Seas over the near, medium, and long terms and how they might respond to a related military contingency. It also aims to illuminate how Chinese leaders might regard escalation in any conflict involving U.S. forces.

I will endeavor to answer the questions primarily through the study of Chinese documents. Two points are in order before proceeding. The first concerns sources. Chinese official documents, like those of any country, tend to use diplomatic euphemisms and downplay or avoid particularly sensitive issues. Because the topics addressed in this testimony are among the most sensitive for any nation, the authoritative sources should not be expected to provide direct answers. However, they do contain key concepts and directives that weigh on the issues at hand. To illuminate the logic and meaning of these concepts and directives, I will examine scholarly writings and analyses by experts. I will focus in particular on writings from organizations well positioned to participate in the drafting of official policies or that reflect the intellectual climate surrounding policy deliberations. These commentaries and scholarly writings can provide a rich source of analysis and exposition, but they are not necessarily authoritative. Both sources of information have strengths and drawbacks. Official documents carry a high level of authority but withhold important information, while less-authoritative sources may provide a great deal of information, but have less credibility. The best way to offset the drawbacks of both sources is to pair them together, which is what I will do.

¹ The opinions and conclusions expressed in this testimony are the author's alone and should not be interpreted as representing those of the RAND Corporation or any of the sponsors of its research.

² The RAND Corporation is a research organization that develops solutions to public policy challenges to help make communities throughout the world safer and more secure, healthier and more prosperous. RAND is nonprofit, nonpartisan, and committed to the public interest.

The second point concerns the intersection between the topics and the sources. Some of the questions in this testimony reflect political concerns, while others concern principally military issues. This matters because in China, each bureaucratic system is responsible for its own analytic and scholarly work. For insight into questions of strategy, policy, and overall threat assessment, officials and scholars associated with the Central Committee are best positioned to provide answers. Relevant sources include writings in the *People's Daily* (Renmin Ribao), the newspaper of the Central Committee, and in journals by key organizations in the Central Committee, such as *Outlook* (Liaowang), *Seeking Truth* (Qiushi), and *Study Times* (Xuexi Shibao). Experts in the foreign policy party-state apparatus help augment and expand on the foreign policy aspects of strategy and policy. For military topics, writings by military leaders and military research institutes provide the best sources. Appropriate venues include the Central Military Commission (CMC) newspaper, *PLA Daily* (Jiefangjun Bao), and journals by the “think tank” of the CMC, the Academy of Military Science (AMS), such as *China Military Science* (Zhongguo Junshi Kexue). Books by scholars at AMS, such as the authoritative 2013 book, *The Science of Military Strategy* (Zhanluexue), and by scholars at the Chinese National Defense University can be very helpful as well. These will be the principal sources for this testimony.³

Some of the questions raised by the testimony are unlikely to be directly answered by any of these sources, due to their hypothetical nature. None of these sources explain how China will handle conflict with the United States, for example. At most, military sources address the technical questions of countering military capabilities associated with U.S. intervention, while political sources may address strategic questions of how to manage bilateral relations in peacetime and in a crisis. Therefore, some degree of speculation is unavoidable, and a caveat is obviously in order as to the reliability of such conclusions.

Drawing from these sources and methods, this testimony will first outline how China's leaders and relevant thinkers view the country's strategic and political objectives as they bear on potential flashpoints that could involve the United States. Second, it will discuss how military thinkers regard the range of options to help the leaders manage related contingencies. Third, the testimony will draw from these sources and others to outline China's potential approach to military crisis, conflict, and escalation control in flashpoints that could involve the United States and its allies.

China's Strategic and Political Objectives

China's leaders seek an ideal of national revival, called the “China Dream.”⁴ The China Dream envisions a sustained improvement in the country's standard of living and the country's revitalization as a great power by mid-century under Chinese Communist Party rule. To sustain the economic growth needed to realize this vision, China requires international stability. China also needs to protect economic-related vulnerabilities abroad upon which its growth depends,

³ For a more thorough discussion of sources, authoritativeness, and the role of relevant research organizations, see Timothy R. Heath, *China's New Governing Party Paradigm: Political Renewal and the Pursuit of National Rejuvenation*, Farnham, UK: Ashgate, 2014.

⁴ “Background: Connotations of the China Dream,” *China Daily*, March 5, 2014.

such as vital sea lines of communication, access to markets, and natural resources.⁵ The need to uphold international stability and protect access to overseas interests factors heavily into any deliberation by Chinese leaders regarding the use of force in a contingency.

At the same time, China's leaders also appear to regard unification with Taiwan and control of disputed land and maritime territory as part of the China Dream. Chinese leaders have voiced, for example, a declining willingness to compromise on any sovereignty or territorial issue. In 2013, Xinhua reported that Xi Jinping directed "no compromise" on territorial and sovereignty issues, while affirming that China sought to resolve disagreements peacefully.⁶ The 2015 military strategy white paper similarly affirmed that the People's Liberation Army (PLA) will "uphold bottom-line thinking," a reference to the principle, announced by Xi, that China views control of its sovereignty and territorial interests as a non-negotiable "bottom-line."⁷

The tension between the need for international stability and the desire to see broad, steady progress in securing the nation's core interests is well captured in Xi's directive to both "safeguard stability and safeguard rights" (*weiwen yu weiquan*), which appeared in the 2013 defense white paper.⁸ The directive, absent in previous white papers, elevated the priority of defending the country's expanding rights and interests to a level co-equal with the old focus on upholding stability. This suggests China's leadership may be willing to tolerate more risk for the sake of securing gains regarding the nation's interests, but only to a point that does not endanger the international stability needed for economic growth.

Chinese analysts recognize that the changing security policy has increased the likelihood of tensions with the United States and with some of China's neighbors. In a 2012 article, PLA General Zhang Qinsheng anticipated that China's situation would be "more difficult and arduous" in the second decade of the 21st century.⁹ The 2013 *Science of Military Strategy* acknowledged the growing possibility of "contradictions and conflicts" arising from China's expanding interests.¹⁰ Official documents and military writings regard the maritime region as the arena that carries the highest potential for conflict. The military strategy white paper focused on dangers emanating from China's maritime direction, namely the U.S. presence in Asia, as well as Taiwan, Japan, and unnamed countries in the South China Sea. Accordingly, the paper prioritized the development of a "modern maritime military force structure" capable of "safeguarding" China's "national sovereignty and maritime rights and interests."¹¹ In 2013, Meng Xiangqing, deputy director of the Strategic Studies Institute of the National Defense

⁵ Mathieu Duchâtel, Oliver Bräuner, and Zhou Hang, "Protecting China's Overseas Interests: The Slow Shift Away from Non-Interference," SIPRI Policy Paper 41, June 2014.

⁶ "Xi Jinping Vows Peaceful Development While Not Waiving Legitimate Rights," Xinhua, January 29, 2013.

⁷ "Full Text: Military Strategy White Paper," *China Daily*, May 26, 2015.

⁸ "Full Text: The Diversified Employment of China's Armed Forces," Xinhua, July 31, 2013.

⁹ Zhang Qinsheng, "Firmly Grasp the National Development Important Period of Strategic Opportunity," *Seeking Truth*, December 3, 2012.

¹⁰ Peng Guangqian and Yao Youzhi, *Science of Military Strategy*, Beijing: Academy of Military Sciences Press, 2013, p. 104.

¹¹ "Full Text: China's Military Strategy," 2015.

University, observed that “the main threat in our peripheral security environment comes from the sea.”¹²

An Expanding Menu of Options for Employing Military Force

The shifting focus in security policy directed by Chinese leaders has elevated military power in importance. The 2015 military strategy white paper stated that Chinese leaders will place “greater emphasis on the employment of military power” to achieve national objectives. The link between national objectives and military power deserves special emphasis. According to military writings, the articulation of feasible political objectives stands as the starting point for military options in any contingency. Carefully crafted objectives that take into consideration the nation’s broader strategic imperatives provide a clear sense of the acceptable limits of escalation and the proper parameters for military action. In 2014, Liu Shenyang, deputy commander of the Jinan Military Region, explained this logic well, when he observed that in any contingency, China should set goals that “avoid aiming too high,” as this might result in a “politically passive position,” since “excessive military action” could result in “international isolation.” However, he also argued that China should also avoid “aiming too low,” or else China would “fail to make appropriate gains at the negotiation table.”¹³

To provide decisionmakers the flexibility needed to meet a variety of political objectives, military thinkers have expanded the menu of potential military actions for any contingency. Several key trends can be detected. First, to reduce risk while maximizing potential gains, the focus has shifted to peacetime and crisis applications. Second, military thinkers have paid more attention to the issue of the controlled use of military force to achieve objectives, or “war control.” Third, military writings emphasize coordinating with nonmilitary power to advance political goals as a way to control risk. Many of these themes appeared in military writings in the early 2000s, but have gained prominence in recent years owing to gains in military modernization, a maturing of theoretical and academic work, and the political directives of Xi Jinping.¹⁴

Focus on peacetime and crisis. Since the early 2000s, military thinkers have placed more emphasis on peacetime shaping, war containment, and crisis management. Peacetime shaping includes an array of military nonwar missions to build good will and influence, such as military-to-military engagement, bilateral and multilateral exercises, and humanitarian assistance. Chinese writers define “war containment” as whole-of-government efforts to prevent a crisis from escalating to conflict. In a 2002 article, AMS researcher Yuan Zhengling stated that war containment includes “preventing and delaying the outbreak of war, and avoiding the escalation

¹² “PRC Military Expert: China's Peripheral Security in ‘Fragile’ Period,” *Beijing Liaowang in Chinese*, September 23, 2013 No. 38, p 48–49

¹³ Liu Shenyang, “On War Control: Primarily from the Military Thought Perspective,” *China Military Science*, April 1, 2014, pp. 1–8.

¹⁴ Timothy R. Heath, Kristen Gunness, and Cortez A. Cooper, *The PLA and China's Rejuvenation: National Security and Military Strategies, Deterrence Concepts, and Combat Capabilities*, Santa Monica, Calif.: RAND Corporation, RR-1402-OSD, 2016.

of war once it breaks out.” He explained that it includes the “comprehensive employment of military, political, economic, diplomatic, and other means,” and that the military’s role may include deterrence and intimidation activities.¹⁵ Interest in crisis management flourished in the early 2000s, especially in the wake of the 2001 collision between a Chinese fighter and a U.S. reconnaissance airplane near Hainan Island. The 2001 *Science of Military Science* defined crisis as a “state of danger in which there is a possibility of military conflict between nations” and recommended measures to de-escalate a situation and reduce the risk of conflict.¹⁶ More recent writings have shown a strand of opportunism well suited to the shifting focus of China’s security policy. The 2013 *Science of Military Strategy* stated, for example, that the military should seek to “guide circumstances to transform crisis into opportunity.” Crises, it argued, present both “risks and windows of opportunity to resolve contradictions and issues.”¹⁷

War control. Military writings emphasize the “controlled” use of force to achieve objectives, a concept epitomized in the idea of “war control” (*zhanzheng kongzhi*). War control is the employment of all elements of comprehensive national power to shape the international environment and manage conflict in a favorable direction if war does break out.¹⁸ In recent years, the meaning of war control has evolved to support the changing security policy. The 2013 *Science of Military Strategy* explained that China requires a transition in focus from “defense” to “control,” from “combat” to “momentum,” and from “combat victory” to “early victory.”¹⁹ Military thinkers highly prize capabilities provided by guided munitions, sensors, and information technologies to achieve more precise effects. Liu Shenyang regards “target-centric warfare” as the practice of war control in conflict. He explains that its goal is to “achieve operational objectives as quickly as possible,” “sabotage links and nodes,” and “paralyze the enemy’s entire command system.”²⁰ Military thinkers also recommend methods to scale the use of military power to a level appropriate to political needs. In a 2014 article, the deputy commander of the Shenyang Military Region, Lieutenant General Wang Xixin, recommended a range of military options from military demonstrations, exercises, simulated bombings, and adjustments to deployments to the deployment of troops to “seize a disputed territory” or “establish military bases in a conflict area.”²¹

Coordination with nonmilitary power. To advance the goals of protecting the nation’s interests while upholding stability, military thinkers advocate closer coordination with non-military authorities. For example, the 2013 defense white paper advocated for closer

¹⁵ Yuan Zhengling, “An Active Defense Strategy to Protect National Interests,” *National Defense*, December 24, 2002.

¹⁶ Peng Guangqian and Yao Youzhi, 2013, p. 205.

¹⁷ Peng Guangqian and Yao Youzhi, 2013, p. 115.

¹⁸ Lonnie Henley, “War Control and Escalation Management,” *Assessing the Threat: The Chinese Military and Taiwan’s Security*, by Michael Swaine, Andrew Yang, and Evan Medeiros, eds., Carnegie Endowment for International Peace: Washington, D.C., 2007, pp. 85–110.

¹⁹ *Science of Military Strategy*, 2013, p. 112.

²⁰ Liu Shenyang, 2014, p. 6.

²¹ Wang Xixin, p. 65.

collaboration between the military and law enforcement to defend maritime interests. The Chinese Coast Guard, created from disparate maritime agencies in 2014, has played a leading role in managing tensions in the maritime domain.²² The increasing complexity of security, and of military-civilian coordination, has also raised demand for centralized security-related decision making. The creation of a National Security Commission in 2013 and the promulgation of a “National Security Law” in 2015 are measures consistent with this logic.²³

In conclusion, China’s military thinkers have outlined a diversity of potential applications of military power to provide central authorities the flexibility needed to manage disputes. To minimize risk while maximizing potential gains, these thinkers have focused especially on potential peacetime and crisis applications, developing a menu of escalation options, and increasing the role of nonmilitary assets in defending the nation’s interests.

Threats in the Near, Medium, and Long Term

How do Chinese analysts regard the potential for conflict over the near, medium, and long term? Chinese sources provide greater clarity in assessing the near-term threat and varied and somewhat contradictory views regarding dangers over the medium to long term. In the near term, official documents suggest that the overall risk of conflict remains relatively low. According to the Asia security policies white paper, “Regional hotspot issues and disputes are basically under control.”²⁴ The positive assessment likely reflects Chinese satisfaction with its peacetime approach. Even as the Chinese steadily increase administration of the disputed maritime regions, no country has shown a willingness to risk military conflict. And in the face of growing PLA advantage, Taiwan’s pro-independence leaders have accepted that they cannot declare independence.

Whether the flashpoints erupt over the medium to long term depends on a large number of variables. The Chinese sources reflect uncertainty with their contradictory assessments. On the one hand, some official documents, such as the 18th Party Congress report, assert that “peace and development remain the underlying trends of our times” and that the “balance of international forces” has “tipped in favor of world peace.”²⁵ On the other hand, the same report noted “growing factors of instability and uncertainty” and trends towards “hegemonism” and “power politics.” The Asia Security Policies white paper similarly acknowledged both the hopeful prospects for peace and the potential for longer-term problems, observing that “the Asia-Pacific region still faces multiple destabilizing and uncertain factors.”²⁶

Some clarity may perhaps be reached through a closer look at each dispute issue. Taiwan remains the most dangerous flash point, due to the clash between Beijing’s commitment and

²² Ryan Martinson, “The Militarization of China’s Coast Guard,” *The Diplomat*, November 21, 2014.

²³ Zhao Kejin, “China’s National Security Commission,” Carnegie-Tsinghua Center for Global Policy, July 14, 2015.

²⁴ “China’s Policies on Asia-Pacific Security Cooperation,” Xinhua, January 11, 2017.

²⁵ “Full Text of Hu Jintao’s Report at the 18th Party Congress,” Xinhua, November 17, 2012.

²⁶ “China’s Policies on Asia-Pacific Security Cooperation,” Xinhua, January 11, 2017.

Taiwan's growing disinterest in unification.²⁷ Reflecting Chinese frustration at the lack of progress, less-authoritative media has aired threats of attack in recent years, probably as a tactic of intimidation. A retired PLA lieutenant general declared in 2016 that “definitely there will be military conflicts before 2020. Before or after 2020, there will be a cross-strait war and China will get Taiwan in a massive conquest.”²⁸

In the South China Sea, Chinese sources indirectly assess a higher risk of some sort of military crisis arising from maritime disputes.²⁹ However, the overall risk of war over the longer term appears low. The difficulties in projecting military power over vast distances pose a major hurdle. Chinese scholars also highlight deepening economic integration and the generally lower level of enmity between Beijing and its southern neighbors—Vietnam, the Philippines, and Malaysia—as reasons why the risk of war with those countries will remain low.³⁰

Chinese commentators do not discount the possibility of conflict with Japan.³¹ The two countries argue over ownership of the Senkaku Islands, but intensifying strategic competition, historic animosities, and their relative parity in national power raises the risk that some escalation in a major clash could prove difficult to control. Ominously, in a 2014 poll in China, a majority regarded war with Japan as “inevitable.”³² In Japan, 80 percent of respondents in a 2016 poll feared a military clash near the Senkakus.³³

Chinese official media and commentary offer contradictory assessments about the future of U.S.–China relations. Diplomatic speeches and official policy documents unsurprisingly downplay the risk of war and project hopeful confidence about the bilateral relationship.³⁴ However, a few commentators have hinted at the potential for conflict if Washington does not change some of its policies to accommodate Chinese demands. For example, in 2013, Admiral Sun Jianguo observed that “without struggle, it will become impossible for the United States to respect our core interests.” He warned that failure by the United States to accede to China's framework for bilateral ties would increase the risk of “falling into the Thucydides trap”—a reference to the argument that a rising and a status quo power are destined to fight one another.³⁵

²⁷ Chiu Yan-ling and Jonathan Chin, “Majority Reject Unification,” *Taipei Times*, March 31, 2016.

²⁸ “Wang Hongguang: War Will Break Out in the Taiwan Straits Before or After 2020,” *Global Times*, December 17, 2016.

²⁹ Zhao Zijin and Zhao Jingfang, “On the Control and Management of Military Crises,” *China Military Science*, July 2, 2013, pp. 62–71.

³⁰ Wu Jianmin, “We Should Remain Calm, Look at the Whole Situation, and Be Confident on the South China Sea Issue,” *Global Times*, April 8, 2016.

³¹ “Former Chinese Commander Warns of War if Japan Shoots Down Drone,” *Bloomberg*, November 4, 2013.

³² Christina Larson, “A Majority of Chinese Expect War with Japan is Inevitable,” *Bloomberg*, September 12, 2014.

³³ Jesse Johnson, “80% of Japanese Fear Military Clash Near Senkakus, Poll Finds,” *Japan Times*, September 14, 2016.

³⁴ “China, U.S. Agree to Work for Greater Development of Relations,” *Xinhua*, February 18, 2017.

³⁵ Sun Jianguo, “China is in Danger of Being Invaded; Using Struggle to Seek a Win-Win for China and the United States,” *Global Times*, March 2, 2015.

How China Might Manage Contingencies

These sources provide clues as to how China might manage disputes related to Taiwan and the East and South China Seas. First, one should expect China to seek incremental gains at the lowest cost, always balancing tactical gain against strategic risk. Too aggressive a military action could prove a pyrrhic victory that generates an anti-China coalition or that severely damages Chinese aspirations to lead the region. Second, one should expect China to prioritize peacetime shaping efforts. Third, Chinese leaders may be tempted to employ brinksmanship behavior in a military crisis in hopes of securing some favorable change in the status quo. Finally, should a crisis escalate to conflict, China can be expected to pursue a controlled, precise use of force to achieve limited political objectives while seeking de-escalation.

Taiwan

Peacetime. Chinese military modernization has complemented economic and political incentives to encourage cross-strait integration, although to date the combined effect has done little to reverse the decline in Taiwan's support for unification. The PLA supports Beijing's drive for unification in part through intimidation. In January 2017, the Liaoning aircraft carrier carried out exercises in the Taiwan Strait.³⁶ The PLA has also held highly publicized exercises designed to improve its ability to carry out amphibious combat operations against Taiwan.³⁷ China can be expected to continue to use military coercion as part of a broader effort to drive the two sides towards unification.

Crisis. A crisis could easily emerge if Beijing grows frustrated by declining prospects for peaceful unification. In a crisis, China could demand Taipei adopt at least symbolic gestures towards unification. Media reports that claim Beijing may revise the Anti-Secession Law or enact a National Unification Law could provide legal pretext for such an ultimatum.³⁸ In a hypothetical scenario, Beijing could cite Taipei's intransigence in the face of demands as a violation meriting some sort of punishment. Beijing could then provoke a clash involving Taiwan military airplanes, ships, or other assets. Alternatively, the PLA could launch missiles near the island or carry out cyber attacks. Any of these actions could spur a serious military crisis, and the risk of escalation would grow if casualties mounted. The instigation of military crisis to coerce concessions carries risks, however. Such actions could embolden Taiwan and harden sentiment against unification. Worse, they could lead the U.S. to deploy military forces into the theater, potentially escalating the crisis into a high stakes standoff. If mishandled, Beijing could find itself in an unwanted war or be forced to back down in a humiliating manner.

Conflict. Large-scale war to compel unification remains a remote possibility. The most plausible pathway to war would be one in which Chinese brinksmanship backfired and the leadership found itself in a spiral of escalation. The trigger could be any of the conditions listed

³⁶ Jon Sharman, "China Sends Aircraft Carrier 'Liaoning' Through Taiwan Strait, as Tensions Remain High," *The Independent*, January 11, 2017.

³⁷ "Chinese Army to Hold Military Exercise," *China Daily*, September 9, 2013.

³⁸ Jake Chung, "China Mulling More Conditions for Invasion: Report," *Taipei Times*, February 9, 2017.

in the National Anti-Secession Law, or future legislation if passed. Three major options present themselves: a conventional missile attack, a joint blockade, or an invasion. A conventional missile attack campaign would consist principally of salvos of ballistic and air-launched missiles against military targets with minimal warning.³⁹ These could inflict great havoc, but missile attacks alone are unlikely to compel Taiwan's capitulation. On the contrary, mounting military and civilian casualties from missile bombardment would probably strengthen Taiwan's resolve. A "joint blockade campaign" could aim to sever Taiwan's economic and military connections with the world through a combination of firepower strikes and the deployment of intercepting naval vessels.⁴⁰ But a joint blockade similarly lacks a clear mechanism to compel Taiwan's capitulation. The effect would probably once again be a hardening of Taiwan sentiment against China. Worse, the open-ended timeline provides U.S. forces ample opportunity to marshal forces and attack the blockading naval platforms. An invasion of Taiwan provides the only sure way to replace the leadership with a more compliant authority and ensure unification.⁴¹ Despite gains in PLA capability, an opposed amphibious invasion remains a high-risk operation, especially given the PLA's limited amphibious assault capability and lack of experience. Moreover, a large-scale amphibious invasion would require considerable mobilization, offering ample warning to the United States and Taiwan.⁴² The demanding requirements and the risk of major war with the United States make this course of action among the riskiest available to China.

South China Sea

Peacetime. The PLA has worked with civilian authorities to strengthen the country's administration of its maritime regions. The military coordinates closely with the Chinese Coast Guard to patrol and protect occupied features, while national leaders incentivize regional accommodation through diplomatic pressure and economic initiatives like the "Maritime Silk Road."

Crisis. Festering and overlapping disputes make the South China Sea ripe for crisis. In the 2012 standoff over Scarborough Reef with the Philippines and the 2014 standoff over the oil rig Haiyang 981 with Vietnam, China demonstrated a growing tolerance for brinksmanship. In the latter incident, the PLA coordinated with fishing vessels; coast guard ships; and political, media, and diplomatic pressure to strong-arm Vietnamese vessels as China deployed the oil rig in its neighbor's exclusive economic zone. A Philippine or Vietnamese misstep in a similar crisis involving disputed reefs, fishing grounds, or drilling for resources, could provide the PLA the pretext needed to act aggressively. In such a crisis, China would probably seek some favorable change in the status quo or demonstration of Chinese superiority before seeking to deescalate. Although neither side would necessarily have the motivation to escalate the conflict, the risk of miscalculation remains high.

³⁹ Yu Jixun, ed., *The Science of Second Artillery Campaigns*, Beijing: PLA Press, 2004.

⁴⁰ Zhang Yuliang, ed., *The Science of Campaigns*, Beijing: National Defense University Press, 2006, p. 292.

⁴¹ Bi Xinglin, ed., *Campaign Theory Study Guide*, Beijing: National Defense University Press, 2002, pp. 225–226.

⁴² Office of the Secretary of Defense, "Annual Report to Congress: Military and Security Developments Involving the People's Republic of China 2016," April 26, 2016.

Conflict. Although crisis is possible, major conflict remains unlikely in the South China Sea. The most plausible path to war would be an escalation from the type of militarized crisis mentioned above. If China decided to exploit a crisis to seize a Vietnamese occupied feature, for example, Vietnam could retaliate by targeting the Chinese forces. Any Chinese troops on an occupied feature in the Spratlys or Paracels would be extremely vulnerable. China could escalate with forces stationed on the features, but these are limited in number and relatively vulnerable.⁴³ If China suffered setbacks in the South China Sea, it might involve air and naval forces from the mainland or consider actions on the border with Vietnam. Beijing would probably respond with greater caution to any incident involving Philippine forces, however, due to Manila's alliance with Washington.

East China Sea

As in the South China Sea, China has found the peacetime strategy of incremental administration effective. The PLA Navy can be expected to continue coordinating with the Chinese Coast Guard to administer the disputed waters near the Senkakus and deter their Japanese counterparts. In addition, the PLA announced an Air Defense Identification Zone in the East China Sea in 2013 to justify an increase in military aviation patrols over the islands.⁴⁴

Crisis. The risk of crisis near the Senkakus ebbs and flows as tensions rise and relax between Beijing and Tokyo. The intensifying rivalry between the two Asian giants raises the risk that any incident near the Senkakus could rapidly escalate. The precipitating incident could involve a collision of fishing or maritime law enforcement vessels. An accident involving military platforms, such as aircraft, cannot be ruled out either. Because of the relative parity of conventional military power, escalation would be tempting for both sides seeking an advantage in any subsequent crisis. The most likely outcome would be stalemate, a deepening of frustration and hostility, and an increasing militarization of the problem. This would raise the likelihood of a reinforcing spiral of intensifying hostility, crisis, and potential conflict. The largest risk for China would be one of misjudgment. Nations seeking to exploit military crises have historically frequently miscalculated, resulting in a war that they did not actually want.⁴⁵

Conflict. Because of the political opprobrium of aggression and the risk of U.S. involvement, an unprovoked Chinese assault on Japanese forces or seizure of the Senkakus would offer little benefit and carry extremely high risks. A more plausible scenario would be an escalation or continuation of hostilities from the type of crisis outlined previously. A spiral of intensifying and protracted crises with little resolution and a deepening of suspicion and hostility would provide a powerful incentive for China to attempt a larger-scale military operation to assert its dominance

⁴³ Timothy R. Heath, "China's Military Modernization and the South China Sea," in Murray Hiebert, Gregory B. Poling, and Colin Cronin, eds., *In the Wake of Arbitration: Papers from the Sixth Annual CSIS South China Sea Conference*, January 2017, p. 80.

⁴⁴ Michael Pilger, "ADIZ Update: Enforcement in the East China Sea, Prospects for the South China Sea, and Implications for the United States," testimony to the U.S. China Economic and Security Review Commission, March 2, 2016.

⁴⁵ Richard Lebow, *Between War and Peace: The Nature of International Crisis*, John Hopkins University Press, Baltimore, Md.: 1984.

and humble its foe. A military operation with limited objectives that could be achieved in a short amount of time and appeared largely punitive could demonstrate Chinese prowess, rally public support, and provide the satisfaction of humiliating Japan. Examples might be missile strikes against Japanese naval combatants or fighter aircraft near the Senkakus. This course of action would carry high risks, however. An attack on Japanese military platforms would trigger U.S. involvement, and China could not be sure of its ability to control subsequent events. In the event Japan sought to escalate the conflict, or if the United States decided to support Japanese retaliation, Chinese leaders could find themselves forced to either head down the path to regional war or accept a humiliating retreat.

United States

Chinese leaders and experts recognize that war with the United States would be catastrophic due to potential economic devastation, high attrition from major conventional war, and possible nuclear exchanges. To head off the possibility, officials have proposed a diplomatic framework that they call “new model major country relations,” premised on greater U.S. accommodation to Chinese demands. The PLA has played a role in the peacetime approach to reducing the overall risk of war with the United States through military-to-military engagements, agreements, and cooperation on select issues. The PLA also seeks to deter U.S. intervention by building its military strength through the expansion of conventional and strategic capabilities.

Crisis. The greatest danger of crisis lies in the possibility of a U.S.–China confrontation stemming from a dispute involving a U.S. ally or partner. Of all the potential dispute areas, perhaps the South China Sea is the most likely candidate for military crisis involving U.S. and Chinese forces. China’s success in outmuscling the Philippines and Vietnam to consolidate control of the South China Sea has left the region dependent on U.S. power to contest Chinese control of those vital waters. Beijing may be tempted to consider brinkmanship if it concludes that Washington’s commitment to the region has weakened and its national power declined. In such a situation, a violent crisis resulting in casualties could alarm Washington to the point that decisionmakers question the relative worth of military operations to the risk of war. However, brinkmanship always carries a significant risk of miscalculation, and China could misplay its hand with disastrous results in such a situation as well.

Conflict. War between China and the United States remains improbable for now. The most plausible pathway to conflict would consist of an escalation of tensions following a series of militarized crises involving any or all of the flashpoints mentioned above. The cumulative effect could drive decisionmakers in both capitals to conclude that the hazards of war could determine the premier power in Asia. Escalation in a war for supremacy would prove extremely difficult to control.

Escalation and U.S. forces. In a clash involving Chinese and U.S. forces, Beijing would be unlikely to seek an escalation to major war due to the catastrophic effects major war would have on the nation’s economy and political stability. At the same time, China is positioning itself to prevail in a clash involving U.S. forces. To succeed in a clash and avoid escalation into nuclear war, China would likely rely on two principles. First, it would rely on the value of its own conventional and nuclear powers to deter the United States’ ability to retaliate with such

weapons.⁴⁶ Second, Beijing would try to avoid providing Washington the incentive to consider such escalation by setting political objectives far below a level that might merit nuclear attack. For example, China could be satisfied with the mere demonstration of its willingness and ability to fight U.S. military forces at a small scale in any flashpoint and thus opt to seek de-escalation even if its forces lost. It could also limit the geographic area of combat to a desolate reef, thereby putting the onus on the United States to justify why such a small-scale clash merited escalation. In any case, the precedent broken by such a fight between Chinese and U.S. military forces would be ominous. Both sides would likely respond by enacting hostile policies, mobilizing popular opinion, and increasing arms build-ups and alliance-building activities in anticipation of subsequent conflict. Having drawn blood, China could be emboldened to risk another fight. Research on past wars offers little ground for optimism in such a situation. Scholars have established that the risk of major war increases dramatically following a series of militarized crises.⁴⁷

Conclusion

China's calculus regarding the use of force may be evolving, owing to its growing national power, the political imperative to demonstrate its strength, and improvements to military preparedness. However, the need for international stability and access to vital overseas interests continues to weigh heavily on any consideration regarding the use of force. Although Chinese leaders can be expected to generally behave cautiously in a contingency, Beijing may be tempted to risk brinkmanship behavior in a crisis to change the status quo in its favor. In the medium to longer term, China may be willing to risk a limited conflict to demonstrate its dominance or secure gains, while seeking to avoid escalation. Militarized crises of any type open opportunities for misjudgment, however, and the risks will only grow should China breach the perilous threshold of engaging in hostile fire with any of its antagonists.

⁴⁶ Eric Heginbotham, Michael S. Chase, Jacob L. Heim, Bonny Lin, Mark R. Cozad, Lyle J. Morris, Christopher P. Twomey, Forrest E. Morgan, Michael Nixon, Cristina L. Garafola, Samuel K. Berkowitz, "China's Evolving Nuclear Calculus," Santa Monica, Calif: RAND Corporation, RR-1628-AF, 2017.

⁴⁷ Brandon Prins, "Interstate Rivalry and the Recurrence of Crises: A Comparison of Rival and Nonrival Crisis Behavior, 1918–1994," *Armed Forces and Society*, April 1, 2005. See also William Thompson and Michael Colaresi, "Hot Spots or Hot Hands? Serial Crisis Behavior, Escalating Risks, and Rivalry," *Journal of Politics*, Vol. 64, No. 4, November 2002, pp. 1175–1198.