"A 'World-Class' Military: Assessing China's Global Military Ambitions" Testimony before the U.S.-China Economic and Security Review Commission

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Commissioner Lewis, Commissioner McDevitt, members of the Commission, and staff, thank you for the opportunity to meet with you today. My remarks will briefly address how the Department of Defense views the military component of China's rise, and discuss implications for the Department and how we are working to address this challenge.

China's leaders have set major economic and political milestones for 2021, 2035, and 2049 in the lead up to the 100th anniversary of the founding of the People's Republic of China. China's military ambitions are linked to these milestones. By 2035, China's military leaders seek to complete military modernization and by 2049, they have characterized their goal as becoming a "world-class" military. In this regard, China's efforts are designed with a clear purpose in mind: to displace the United States in the Indo-Pacific region; to expand the reaches of its state-driven economic model; and to reorder the region in its favor.

This is in direct contrast to the U.S. vision for a free and open Indo-Pacific that promotes security, stability, and prosperity for all based on the following principles: respect for the sovereignty and independence of all nations; peaceful resolution of disputes; free, fair, and reciprocal trade based on open investment, transparent agreements, and connectivity; and adherence to international rules and norms, including those of freedom of navigation and overflight.

The Department views China's activities as seeking to erode U.S. military advantages. China is working to become the preeminent power in the Indo-Pacific region, while simultaneously undertaking plans to expand its overseas presence and developing capabilities to sustain military operations farther from Chinese shores.

The People's Liberation Army (PLA) is implementing a long-term, comprehensive military modernization effort to fight and win short-duration, high-intensity conflicts along its periphery, including against "strong military opponents." Some of its activities, including continued militarization in the South China Sea, erode the international rules-based order.

I want to briefly highlight some developments related to PLA modernization that the Department is monitoring closely.

First, China continues to implement a major restructuring of its armed forces, which has included reorganization; personnel reductions; and creating new institutions like the Strategic Support

Force and Logistics Support Force.

Second, China is developing and fielding new classes of weapon systems. In recent years, these have included precision-guided cruise and ballistic missile systems; its second and third aircraft carriers; modern combat and support aircraft; and a robust space launch program.

Third, China's nuclear forces are also undergoing significant reform, including expanding and diversifying China's nuclear arsenal, pursuing a viable nuclear "triad," and developing nuclear theater-range precision-strike systems capable of reaching U.S. territory and that of our allies and partners, as well as U.S. forces and bases in the region.

Fourth, the PLA is modernizing its training and exercises by increasingly using professional opposition forces during training to improve realism.

Fifth, China is also focused on widening the PLA's operational reach to match what its leaders consider to be the global nature of China's economic and national interests. Press reporting in 2018 indicated China sought to expand its military basing and access in the Middle East, Southeast Asia and the Western Pacific. Xi Jinping in January 2019 called for the completion of a "security system" for the "One Belt, One Road" Initiative to "strengthen protection of [its] overseas interests and ensure the security of major overseas projects and personnel." The PLA Navy has advocated for a long-term strategy to obtain bases in other countries, using methods such as the construction and purchase of ports, as well as long-term leases, to gain rights to foreign ports.

The Department is responding to China's activities as part of a whole-of-government response in line with the objectives of the 2017 U.S. *National Security Strategy* and the 2018 *National Defense Strategy*. The NDS is clear on the Department's priorities and lays out the central challenge we face, which is the return of great power competition. As such, the Department's military advantage vis-à-vis China is eroding. If inadequately addressed, this will undermine our ability to deter aggression and coercion.

A negative shift in the regional balance of power could encourage competitors to challenge and subvert the free and open order, which supports prosperity and security for the United States and its allies and partners.

The NDS explains how the Department will engage in long-term competition with China and calls for the Department to execute the strategy along three lines of effort.

The first line of effort is preparing a more lethal and resilient joint force. Our efforts span both near-term force employment activities and longer-term investments in the Joint Force, including new, asymmetric ways to upgrade and employ legacy systems, experimentation, and exercises to test evolving warfighting concepts and capabilities. With the help of Congress starting in 2017, we began to restore our competitive advantage. Recent budgets have allowed us to build readiness and invest in new capabilities while meeting our current operational requirements. We continue to put greater investment into modernization – including emphasis on space, cyber and new missiles, such as hypersonics.

The second line of effort is strengthening alliances and attracting new partners. America's alliances and partnerships are a crucial and durable asymmetric advantage that no other country can match. As China continues to leverage the economic, political, and military tools at its disposal to erode the sovereignty of others, we are redoubling our focus on alliances and partnerships.

The Department is strengthening traditional alliances, including with Japan, South Korea, Australia, the Philippines, and Thailand. We have also taken steps to expand partnerships with Singapore, Taiwan, New Zealand, and Mongolia. Within South Asia, we are working to operationalize our Major Defense Partnership with India, while pursuing emerging partnerships with Sri Lanka, the Maldives, Bangladesh, and Nepal. We are also continuing to strengthen security relationships with partners in Southeast Asia, including Vietnam, Indonesia, and Malaysia, and sustaining engagements with Brunei, Laos, and Cambodia. In the Pacific Islands, we are enhancing our engagement to preserve a free and open Indo-Pacific, maintain access, and promote our status as a security partner of choice. We are also working with the United Kingdom, France, and Canada, who have their own Pacific identities, to maintain a free and open Indo-Pacific.

A key focus of our efforts is expanding interoperability with allies and partners to ensure that we can work together effectively during day-to-day competition, crises, and, if necessary, conflict. To this end, the Department is building closer relationships through focused security cooperation, information-sharing agreements, and training for high-end combat missions in alliance, bilateral, and multilateral exercises.

As articulated in the NDS, the Department will work with allies and partners to develop a networked security architecture that is capable of deterring or decisively acting to meet shared challenges. In the Indo-Pacific, we are augmenting our bilateral relationships with trilateral and multilateral arrangements, and encouraging intra-Asian security relationships for partnerships with purpose. The desire is for a network capable of deterring aggression, maintaining stability, and ensuring free access to the global commons.

The third line of effort is reforming the Department for greater performance and affordability. Our efforts include organizing Department structures to promote innovation, protecting key technologies, and harnessing and protecting the national security innovation base to maintain the Department's technological advantage.

With regard to U.S.-China military-to-military relations, competition does not mean confrontation, nor must it lead to conflict. The United States seeks a constructive, resultsoriented military-to-military relationship with China. The Department of Defense is focused on: reducing the risk of misunderstanding or miscalculation; ensuring the safety of our forces operating in close proximity; and enhancing the ability for our countries to communicate in the event of a crisis. We are prioritizing defense engagements that promote safety and reduce risk, such as the Military Maritime Consultative Agreement. In addition, we are working to implement existing confidence building measures, such as the Defense Telephone Link mechanism to promote communication. The United States and China are not destined to be adversaries, and the United States is pursuing cooperation with China where our interests align. At the Shangri-La Dialogue earlier this month, Acting Secretary Shanahan met with Chinese Minister of Defense Wei Fenghe to exchange views and discuss areas of potential cooperation and collaboration. During their meeting, Acting Secretary Shanahan raised how China can do more to enforce U.N. sanctions against North Korea, which North Korea is evading by conducting ship-to-ship transfers of refined petroleum, including near or in Chinese territorial waters.

That said, the United States will call out China's behaviors that are counter to the rules-based international order and the norms of behavior that are expected of all countries. For example, the United States has called for all of China's maritime forces, including the China Coast Guard and the People's Armed Forces Maritime Militia, to abide by international rules and norms for safe encounters at sea.

Regarding nuclear issues, as the Commission is aware, China is expanding and diversifying its nuclear arsenal and may double the size of its stockpile over the next decade. The 2018 *Nuclear Posture Review* emphasizes the continued importance of the U.S. nuclear triad. That is why the United States has undertaken a nuclear modernization program intended to ensure an effective and credible nuclear triad for decades to come. The triad provides diversity and flexibility that allows us to tailor strategies to deter nuclear-armed competitors, like China. This approach is necessary given the scope and scale of China's nuclear modernization program and its continued lack of transparency on nuclear issues.

This issue speaks to the impetus for including China in multilateral arms control. President Trump has directed the Administration to think more broadly about arms control, seeking to bring both China and Russia to the negotiating table. As a major power, it is appropriate for China to act responsibly and join in multilateral arms control. The United States will continue to seek a meaningful dialogue with China on our respective nuclear policies, doctrine, and capabilities to reduce the risk of miscalculation and misunderstanding.

Ultimately, how constructive our relationship can be with China is contingent on the extent to which China is willing to engage in behaviors that support – rather than undermine – the rulesbased international order. Our vision for a free and open Indo-Pacific is inclusive and affirmative for any country – China included – that chooses to support the enduring principles embedded in this vision.