

The Stealth Superpower

How China Hid Its Global Ambitions

Oriana Skylar Mastro

China will not, repeat, not repeat the old practice of a strong country seeking hegemony,” Wang Yi, China’s foreign minister, said last September. It was a message that Chinese officials have been pushing ever since their country’s spectacular rise began. For decades, they have been at pains to downplay China’s power and reassure other countries—especially the United States—of its benign intentions. Jiang Zemin, China’s leader in the 1990s, called for mutual trust, mutual benefit, equality, and cooperation in the country’s foreign relations. Under Hu Jintao, who took the reins of power in 2002, “peaceful development” became the phrase of the moment. The current president, Xi Jinping, insisted in September 2017 that China “lacks the gene” that drives great powers to seek hegemony.

It is easy to dismiss such protestations as simple deceit. In fact, however, Chinese leaders are telling the truth: Beijing truly does not want to replace Washington at the top of the international system. China

has no interest in establishing a web of global alliances, sustaining a far-flung global military presence, sending troops thousands of miles from its borders, leading international institutions that would constrain its own behavior, or spreading its system of government abroad.

But to focus on this reluctance, and the reassuring Chinese statements reflecting it, is a mistake. Although China does not want to usurp the United States’ position as the leader of a global order, its actual aim is nearly as consequential. In the Indo-Pacific region, China wants complete dominance; it wants to force the United States out and become the region’s unchallenged political, economic, and military hegemon. And globally, even though it is happy to leave the United States in the driver’s seat, it wants to be powerful enough to counter Washington when needed. As one Chinese official put it to me, “Being a great power means you get to do what you want, and no one can say anything about it.” In other words, China is trying to displace, rather than replace, the United States.

The way that China has gone about this project has caused many observers to mistakenly conclude that the country is merely trying to coexist with American power rather than fundamentally overturn the order in Asia and compete with U.S. influence globally. In fact, ambiguity has been part of the strategy: Chinese leaders have recognized that in order to succeed, they must avoid provoking an unfavorable response, and so they have refrained from directly challenging the United States, replicating its order-building model, or matching its globally active military. Although Beijing has pursued an indirect and entrepreneurial

ORIANA SKYLAR MASTRO is Assistant Professor of Security Studies at Georgetown University and Jeane Kirkpatrick Visiting Scholar at the American Enterprise Institute. She is the author of the forthcoming book *The Costs of Conversation: Obstacles to Peace Talks in Wartime*.

strategy of accumulating power, make no mistake: the ultimate goal is to push the United States out of the Indo-Pacific and rival it on the global stage.

Until now, China has succeeded in growing without provoking. Yet there is a limit to how powerful a country can get without directly challenging the incumbent power, and China is now reaching that point. Under Xi, China has begun confronting American power head-on. Given the country's internal challenges, China's rise could still stall. But history has shown that in the vast majority of cases in which a country was able to sustain its rise, the rising power ended up overtaking the dominant power, whether peacefully or through war.

That does not mean that the United States cannot buck the historical trend. To remain dominant, Washington will have to change course. It will have to deepen, rather than lessen, its involvement in the liberal international order. It will have to double down on, rather than abandon, its commitment to American values. And perhaps most important, it will have to ensure that its leadership benefits others rather than pursue a strategy based on "America first."

HOW CHINA ROSE

Throughout history, would-be powers have invented new ways of growing. The Mongol Empire connected lands through trade, the Qing dynasty built a tributary system, the United Kingdom collected colonies, the Soviet Union created ideologically linked spheres of influence, and the United States established an institutionalized order and a global military presence. China, too, has looked for new sources of power and has used it in ways not previously attempted.

In the political realm, China has undertaken a combination of covert actions and public diplomacy to co-opt and neutralize foreign opposition. To shape the discourse on sensitive topics, it has set up hundreds of Confucius Institutes at universities around the world and launched English-language media outlets to disseminate the Chinese Communist Party's narrative. Chinese intelligence agents have even recruited Chinese citizens studying abroad to act as informants and pass along what Chinese students and professors are saying about their country. In Australia and New Zealand, China has sought to influence politics more directly, secretly donating money to preferred candidates.

Beijing has been especially innovative in its use of economic power. The strategy here has been to finance infrastructure in the developing world in order to create dependent, and thus compliant, foreign governments. Most recently, those efforts have taken the form of the Belt and Road Initiative, a massive regional infrastructure project launched in 2013. China has spent about \$400 billion on the initiative (and pledged hundreds of billions of dollars more), and it has convinced 86 countries and international organizations to sign some 100 related cooperation agreements. Chinese aid, which primarily takes the form of loans from banks controlled by the Chinese Communist Party, doesn't come with the usual Western strings attached: there are no requirements for market reforms or better governance. What China does demand from recipients, however, is allegiance on a number of issues, including the nonrecognition of Taiwan.

As the analyst Nadège Rolland has written, the Belt and Road Initiative "is intended to enable China to better use



Containing a superpower: at the Port of Shanghai, January 2011

its growing economic clout to achieve its ultimate political aims without provoking a countervailing response or a military conflict." The key is that Beijing has left the military dimensions of this project ambiguous, generating uncertainty within Washington about its true intentions.

Many observers have wondered whether the Belt and Road Initiative will eventually have a strong military component, but that misses the point. Even if the initiative is not the prelude to an American-style global military presence—and it probably isn't—China could still use the economic and political influence generated by the project to limit the reach of American power. For instance, it could pressure dependent states in Africa, the Middle East, and South Asia to deny the U.S. military the right to enter their airspace or access their ground facilities.

China's entrepreneurialism is not limited to the economic and political realms; it also has a hard-power component. Indeed, perhaps nowhere has Beijing been more entrepreneurial than in its military strategy. Its "anti-access/area-denial" (A2/AD) doctrine, for one thing, was a masterstroke of innovation: by developing relatively low-cost asymmetric military capabilities, the country has been able to greatly complicate any U.S. plan to come to the aid of Japan, the Philippines, or Taiwan in the event of war. For another thing, instead of confronting the United States to push its military out of the Asia-Pacific region, China has engaged in subtler activities, such as harassing U.S. ships and aircraft with nonmilitary means, which allow it to maintain a degree of deniability and discourage a U.S. response. Thanks to

such tactics, China has made significant political and territorial gains without crossing the threshold into open conflict with the United States or its allies.

China has also avoided sparking a concerted response from the United States by deliberately delaying the modernization of its military. As Chinese leader Deng Xiaoping famously put it, “Hide your strength, bide your time.” Since countries tend to draw inferences about a challenger’s intentions from the size and nature of its armed forces, China opted to first build up other types of power—economic, political, and cultural—in order to project a less threatening image.

When, in the 1970s, Deng started pursuing the “four modernizations”—of agriculture, industry, science and technology, and national defense—he saved military modernization for last. Throughout the 1980s, China focused first on building its economy; it then supplemented its burgeoning economic power with political influence, joining international institutions throughout the 1990s and the first decade of this century. At the turn of the millennium, China’s military was still remarkably backward. Its ships didn’t have the capability to sail safely far beyond visual range of the coastline, its pilots were not adept at flying at night or over water, and its nuclear missiles relied on outmoded liquid fuel. Most of its ground units did not have modern, mechanized equipment, such as up-to-date tanks.

It was not until the late 1990s that China began modernizing its military in earnest. And even then, it focused on capabilities that were more appropriate for dominating Taiwan than projecting power more broadly. China also signaled that it sought to use its military for the global good, with Hu publicly announcing

that its forces would focus more on peacekeeping and humanitarian relief than on war. Even China’s infamous A2/AD doctrine was initially framed as a way of limiting the United States’ ability to intervene in Asia rather than as a method for projecting Chinese power. China didn’t launch its first aircraft carrier until 2012, and not until 2013 did it undertake the structural reforms that will eventually allow its military to contest U.S. primacy in the Indo-Pacific region in all domains.

MINDING THE GAP

Another key part of China’s strategy of accumulating power concerns its relationship with the U.S.-led global order. Beijing has created uncertainty about its ultimate goals by supporting the order in some areas and undermining it in others. This pick-and-choose approach reflects the fact that China benefits greatly from parts of the current order. Permanent membership in the UN Security Council allows it to help set the international agenda and block resolutions it disagrees with. The World Bank has lent China tens of billions of dollars for domestic infrastructure projects. The World Trade Organization, which China joined in 2001, dramatically opened up the country’s access to foreign markets, leading to a surge in exports that drove a decade plus of impressive economic growth. But there are parts of the global order that China wants to alter. And the country has discovered that by exploiting existing gaps, it can do so without triggering immediate concern.

The first type of gap in the order is geographic. Some parts of the world fall largely outside the order, either because they have chosen to absent themselves

or because they have been low priorities for the United States. In those places, where the U.S. presence tends to be weak or nonexistent, China has found that it can make significant inroads without provoking the hegemon. Thus, China initially chose to focus on leveraging its economic power to build influence in Africa, Central Asia, and Southeast Asia. It also doubled down on close relationships with unsavory regimes that the international community had ostracized, such as Iran, North Korea, and Sudan, which allowed it to increase its political power without threatening the United States' position.

The second type of gap is thematic. In issue areas where the established order is weak, ambiguous, or nonexistent, China has sought to establish new standards, rules, norms, and processes that advantage it. Consider artificial intelligence. China is trying to shape the rules governing this new technology in ways that favor its own companies, legitimizing its use for domestic surveillance and weakening the voice of civil society groups that inform the debate about it in Europe and North America.

When it comes to the Internet, meanwhile, China has been pushing the notion of "cyber-sovereignty." In this view, which contrasts with the Western consensus, cyberspace should be governed primarily by states, rather than a coalition of stakeholders, and states have the right to regulate whatever content they wish within their borders. To shift the norm in this direction, China has put the brakes on U.S. efforts to include civil society groups in the UN Group of Governmental Experts, the main norm-setting body for Western governments in cyberspace. Since 2014, it has also held

its own annual World Internet Conference, which promulgates the Chinese view of Internet regulation.

In the maritime realm, China is exploiting a lack of international consensus on the law of the sea. Although the United States insists that naval vessels' freedom of navigation is enshrined in international law, many other countries contend that warships have no automatic right of innocent passage through a country's territorial waters—an argument made not just by China but also by U.S. allies such as India. By taking advantage of these discrepancies (and the United States' failure to ratify the UN Convention on the Law of the Sea), China is able to contest U.S. freedom-of-navigation operations within the rubric of the existing international order.

THE NEW COMPETITION

Thanks to this novel strategy, China has been able to grow into one of the most powerful countries in the world, second, perhaps, only to the United States. And if it had chosen to persist with this strategy, the country would have continued to stay off the United States' radar screen. But rising powers can delay provocation for only so long, and the bad news for the United States—and for peace and security in Asia—is that China has now entered the beginning stages of a direct challenge to the U.S.-led order.

Under Xi, China is unabashedly undermining the U.S. alliance system in Asia. It has encouraged the Philippines to distance itself from the United States, it has supported South Korea's efforts to take a softer line toward North Korea, and it has backed Japan's stance against American protectionism. It is building offensive military systems

capable of controlling the sea and airspace within the so-called first island chain and of projecting power past the second. It is blatantly militarizing the South China Sea, no longer relying on fishing vessels or domestic law enforcement agencies to exercise its conception of sovereignty. It has even started engaging in military activities outside Asia, including establishing its first overseas base, in Djibouti. All these moves suggest one thing: China is no longer content to play second fiddle to the United States and seeks to directly challenge its position in the Indo-Pacific region.

For the United States, competing with China today cannot be a matter of confronting the country or, as Secretary of State Mike Pompeo said in October 2018, opposing it “at every turn.” Washington should focus on building U.S. power and influence everywhere else in the world—making the United States more attractive as a political, economic, and military partner—instead of undermining China’s attempts to do the equivalent. By focusing on self-improvement over confrontation, Washington can reduce the risk of creating an enemy and triggering unnecessary conflict.

The first step is for the United States to expand the reach of the order it leads, thus reducing the gaps China can exploit. Contrary to the worldview of U.S. President Donald Trump, the world needs more order, not less. Washington should add new institutions to cover the parts of the order that have none and revise old ones for the parts that are outdated. It should, for example, lead an effort to update the Missile Technology Control Regime, a 1987 partnership to stop the proliferation of nuclear delivery systems, to better account for the advent

for unmanned drones. It should also create new treaties aimed at preventing warfare in cyberspace (and in outer space, too, for that matter). And when China sets up its own institutions, as it did with the Asian Infrastructure Investment Bank in 2016, the United States should join the new organizations early on to influence their development rather than attempt to undermine them. The goal should be to build a more comprehensive international order that cannot be pulled in China’s illiberal direction.

The United States also needs to step up its economic game. China has nearly as many formal trade agreements in place as does the United States, which, in Asia, has struck bilateral free-trade agreements with only Australia, Singapore, and South Korea. The Trans-Pacific Partnership, signed by 12 countries in 2016, was a step in the right direction, but the Trump administration withdrew from the proposed deal, thus dooming what would have been the world’s largest free-trade agreement, covering 40 percent of the global economy. Instead, the administration has preferred protectionist policies, which will serve only to facilitate Chinese economic dominance in Asia. As if on cue, China has launched its own version of the Trans-Pacific Partnership, the Regional Comprehensive Economic Partnership, which is set to include 16 Asian countries.

Washington should also rethink the way it offers economic assistance. To get more bang for its buck, it will need to coordinate more closely with its allies. In the Pacific Islands, for example, the United States lags well behind China in terms of trade, investment, and development assistance. But by pooling its resources with Australia, which has announced a massive infrastructure

project there, the United States could multiply its influence in the region. The same goes for Central Asia: if the United States coordinated its priorities with Japan, Switzerland, and the United Kingdom (all of which are major investors in the region), it could more effectively promote liberal political and economic policies there. Cooperation is not enough on its own, however; Washington also needs to increase its own unilateral aid.

Another way the United States can maintain its edge is to take a cue from China and become more entrepreneurial in how it acquires and exercises power. The standard playbook Washington has been following since the end of the Cold War will no longer do. If the United States is upset with a country over its human rights abuses, for example, reducing or even cutting off economic and diplomatic ties as punishment risks ceding influence to a less discriminating China. Instead, Washington should increase its engagement with the unsavory government, pursuing U.S. interests not just on a diplomatic level but also on a people-to-people level. Similarly, when it comes to military relations, the United States needs to upgrade its tool kit. Port visits, air shows, and even foreign military sales and joint exercises are often merely symbolic and fail to demonstrate the United States' commitment to a country. Far more effective in preparing for conflict would be efforts to create common threat perceptions through enhanced intelligence sharing and joint contingency planning.

U.S. policymakers must also undertake a thorough consideration of what costs would (and would not) be worth bearing in order to maintain the United States' dominant position in Asia. Most

agree that the United States should try to maintain its preeminence in the region through competitive but peaceful means. The irony, however, is that if the United States succeeds in doing that, the likelihood of conflict with China may go up. That's because Chinese leaders emphatically believe that the failure to rejuvenate their nation is a fate worse than war, and they will not shy away from a conflict if that is what it takes to succeed. As a result, if U.S. leaders deem primacy in Asia worth protecting, they should brace themselves for the possibility that doing so may require the use of military force. The worst of all worlds would be to fail to compete in peacetime, thus accommodating Chinese power by default, and then—once a conflict erupts—decide that U.S. primacy is important, after all. By that time, however, the United States would be in a poor position to prevail.

The United States must also consider what costs it is willing to bear to defend the countries in Asia that are not its allies yet whose subjugation would threaten the bedrock principles of the international order. In the South China Sea, for example, the United States claims that its naval operations are aimed at defending the general principle of freedom of navigation, but in practice, it has proved willing to physically protect the passage rights only of U.S. and allied ships. Washington's failure to stand up for non-allies whose rights to sail freely are being restricted puts its preeminent position at risk. So the United States should start laying the groundwork for a coalition, similar to the antipiracy task force it developed in the Gulf of Aden, whose ships would escort any vessel in need of protection in the South China Sea, regardless of nationality.

Other scenarios are even more dire. When China's first round of military reforms are completed, which is projected to be around 2025, Beijing will be tempted to test its new capabilities against a weak country that does not enjoy U.S. protection. Take Vietnam. Even though the United States has no obligation to defend the country, if China forcibly took an island in the South China Sea currently occupied by Vietnam and Washington stood by, its role as the guarantor of peace in the region would be thrown into question, and China would be emboldened. Washington thus needs to be prepared for the unfamiliar possibility of using military force to defend a country with which it has no alliance.

RISING TO THE OCCASION

Great-power competition is not just about military calculations or economic pull. The United States also needs to recommit to protecting its values. Some in the Washington establishment speak longingly about Beijing's ability to get things done, thanks in part to its disregard for liberal norms. Indeed, this sort of agnosticism does give China an advantage. It is able to win over Asian governments by doling out money with no strings attached, its state-owned enterprises receive not just state support but also proprietary information through espionage, and its authoritarian political system makes it far easier to control the narrative about its goals and missions both at home and abroad. But China has an Achilles' heel: its leaders have failed to articulate a vision of global dominance that is beneficial for any country but China. That is why, unlike the United States, it prefers to

work with weak partners that can be easily controlled.

To be competitive, Washington cannot stoop to Beijing's level. The United States does not by any means have a perfect track record of living up to its values, but by and large, it has chosen to lead the world in a way that ensures that others also benefit. Now is not the time to abandon this inclusive approach. Washington should support the international institutions that make up the liberal order. It should dedicate greater resources to defending its allies and partners. And in its economic assistance, it should focus on quality over quantity, seeking to make sure that as many people as possible benefit from development. What has made the United States number one is that it thinks globally—not just about “America first.” Only by expanding the reach of its own liberal values can the United States weather China's challenge. ●

The contents of Foreign Affairs are protected by copyright. © 2004 Council on Foreign Relations, Inc., all rights reserved. To request permission to reproduce additional copies of the article(s) you will retrieve, please contact the Permissions and Licensing office of Foreign Affairs.