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Worrying about the future is a primary concern in the field of security studies. One of the top themes in this respect is the possibility of major conflict between the US and China. Traditionally, two camps are posed one against another. Crudely put, on the one hand we have liberal theories with their mantra of interdependence, on the other hand we have realist thinking preoccupied with power politics and national interest. Each theory has its assumptions about what the future relations between the US and China will look like.

Number of factors has been identified on the both sides of Pacific as potential determinants for conflict. In China these include need for resources, territorial ambitions, Chinese nationalism and quest for great power status\(^1\) or even random miscalculation. In the US we hear of the interest in retaining the “sole military superpower” status, while the economic and political predominance is fading.\(^2\) However, projections anchored in both theoretic strands suffer from certain biases leading to rigidity, while we deal with living process of changing perceptions and reformulation of strategies.

In this paper I will focus on the military developments in the US and China in the last ten years, on how it is demonstrated in changing rhetoric of US leading figures, how it is connected to actions taken and what can we read out of the US military budget appropriations. And as the blue waters of Pacific and Indian Ocean are identified as the major playing field for China and the US, I concentrate mainly on China’s naval buildup and US reaction to it. The proposed hypothesis holds that over the last decade we witnessed a gradual arrival of naval security dilemma between China and the US. The security dilemma is defined as a process whereby increasing security of one state (China) leads to perception of decreasing security in another state (the US). The latter then strives to enhance its security vis-à-vis the former.\(^3\) This does not mean that conflict is likely, nor – as liberal theory would claim – that it is near to impossible.

I will look to the trajectory of current development, hoping it will not follow patterns of the historical analogy used by Robert Jervis in his famous article written in 1978: “…one reason for the collapse of the Franco-British entente more than a hundred years earlier was that decision makers on both sides felt confident that their own country could safely pursue a policy that was against the other's interest because the other could not afford to destroy the highly valued relations.”\(^4\)

\(^3\) This definition is used in YANG, Yi (2011, p. 8) and it comes from John Herz’s 1951 book Political Realism and Political Idealism. It was also adopted in JERVIS (1978).
The paper proceeds in three chapters. First it outlines China’s military modernization policies as they were presented to American audience, using the official reports on Chinese military power prepared by the US Department of Defense. Then it analyzes two basic games. The division goes along the line between “engagement” and “hedging”, two mutually non-exclusive elements of the US policy towards China’s naval buildup, as they were presented by Carter and Bulkeley (2007). The second chapter analyzes the quantity and quality of the US-China Military-to-military (M2M) contacts (engagement), formalizing these into two matrices according to different perceptions and willingness of states to cooperate. The third chapter looks into US response to China’s naval modernization and armaments (hedging), this time formalized into a single matrix. The input for evidence is provided by various reports on armament; numbers are taken from US military budget. The findings are then summed up in the Conclusion.

**Dynamics of China’s military modernization and US perceptions**

**1.1 China as the status quo challenger**

China’s military modernization has been watched closely among general public as well as military planners both in the region and globally. In 2000, the US introduced special legislation (National Defense Authorization Act for FY2000, P.L. 106-65) which requires the Department of Defense (DoD) to publish Annual Report on Military Power of People’s Republic of China (later renamed to Annual Report on Military and Security Developments Involving the People’s Republic of China). These reports are the primary sources for the first chapter.

From these reports it is obvious that the US sees China increasingly as a status quo challenger. Status quo for the US means retaining its military superpower status. For our purposes, let’s define military superpower as the one able to project power globally while there are no constraints in accessing regional “theatres”. From the reading of the reports published throughout the period between 2002 and 2011, I identify the gradual change in the perception of China’s military modernization.

The 2003 report states: “PLAN [People’s Liberation Army Navy] will remain a force growing in size and capability that could pose a threat to regional navies.”

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5 It shall be acknowledged that what is presented as reaction on the part of the US might as well be interpreted as the action driving reaction on the part of China. Thus, the distinction is rather analytical.

6 According to Google Insights for Search, since 2004 the “China military” entry was mostly googled in the littoral countries in South China Sea and India: Singapore, Malaysia, Hong Kong, India, Philippines and Australia, while the US ended on eighth place after seventh Canada. This was despite English is not the mother tongue in most of these states and it suggests the more pressing nature of China’s growing military in the region than globally. (Google Insights for Search, [accessed 2012-01-25]).

7 US relations with China are institutionalized by law perhaps to the greater extent than relations with any other country. This is to constrain government in dealing with non-democratic regime. The laws (such as Taiwan Relations Act or the NDAA FY2000) also give the US Administration an excuse for carrying out diplomatically sensitive policies.
Already in 2005, we can read that “[o]ver the long term, if current trends persist, PLA capabilities could pose a credible threat to other modern militaries operating in the region [emphasis added],” suggesting that not only regional militaries (or navies), but also others (such as the US military) could be concerned. While this may seem as a play with words, in sensitive relations like the one between the US and China every word has its well-weighted value.

Furthermore in 2011 there is more on the issue: “China’s growing economic, diplomatic and military presence and influence in Asia and globally is raising concerns among many countries about China’s ultimate aims – and the threats this could present to them. These regional concerns could catalyze regional or global balancing efforts [emphasis added].” Here the “threat assessment” is not limited only to PLA, but more importantly it openly talks about global balancing, which inherently points to the US. To understand US changing perception of „China threat“ to status quo we have to engage in „cannon counting“ and characterize briefly the context of China’s modernization of navy and components of its military connected with naval warfare.

1.2 Chinese armaments and modernization policies

I will discriminate between two types of changes in Chinese naval and other related capabilities: (1) quantitative buildup and structural modernization and (2) introduction of radically new defense systems.

First change is gradual. It means building on what China has already have, but striving for higher capability relative to other militaries. US reports on China’s military power rely mostly on enumeration of most significant acquisitions citing types of submarines, destroyers, frigates or fighter aircraft that were procured. This offers only partial insight and generally defies comparison. Same problem is with quantitative assessment, which counts the overall numbers of certain types of hardware. An example is provided by following table compiled by Ronald O’Rourke.

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11 Very important element of China’s military strategy are its nuclear forces. Here, these are not analyzed as they are not seen as a primary source of tensions.
When we look at the table, it becomes clear that there’s no outstanding trend in China’s naval armaments in quantitative terms. Numbers of weapons tell us almost nothing about what makes the US concerned with China’s growing capability.

Similar problem emerges with the financial side of Chinese modernization. Despite consensus among military and academic experts alike that the official information on total Chinese military budget is unreliable, the real amount and how it is spent is unknown. Thanks to different prices, methodic of accounting and supposed deception on the Chinese side, the estimates for the 2009 budget varied between 105 and 150 billion USD\(^\text{12}\) (20-30% of US 2009 budget).\(^\text{13}\) Relatively better insight into China’s modernization efforts is thus provided when we look at the share of arms in its arsenal classified as “modern”\(^\text{14}\) by the US.

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\(\text{12}\) CHEN, FEFFER, 2009, p. 52.


\(\text{14}\) The 2011 Report describes “modern” in the following manner. „For surface combatants ‘modern’ is defined as multi-mission platforms with significant capabilities in at least two warfare areas. ‘Modern’ for submarines is defined as those platforms capable of firing an anti-ship cruise missile. For air forces, ‘modern’ is defined as 4th generation platforms (Su-27, Su-30, F-10) and platforms with 4th generation-like capabilities (FB-7). ‘Modern SAMs’ [surface-to-air missiles] are defined as advanced, long-range Russian systems (SA-10, SA-20), and their PRC indigenous equivalents (HQ-9).“ (Annual Report to Congress: Military and Security Developments Involving the People’s Republic of China 2011 [online])

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Figure 1 gives the idea about the pace of modernization. Thus, while the quantitative numbers changed only slowly, modernization of the navy and air forces proceeded rapidly. The share of modern weapons was at 10% and less in all four modernization areas in 2001. Until the 2010 China’s submarine forces were modernized to the largest extent (around 55%), followed by air defense forces (40%) and naval surface forces and air forces (both around 25%). This means that China invested primarily into so called anti-access/area-denial (A2AD) capabilities, enhancing its security by increasing its ability to limit access of other militaries to regional seas (Taiwan Strait, Yellow Sea, East China Sea, South China Sea).\(^\text{15}\)

The US perceives China’s naval interests with superiority over Taiwan being the priority. Five other interests of China perceived by the US are:

1) strengthening and gradually expanding China’s maritime buffer zone,
2) advancing China’s maritime territorial claims,
3) protection regional sea lines of communication (SLOCs),
4) advancing China’s image as a „great power”,
5) survivable, sea-based nuclear deterrent in the foreseeable future.\(^\text{16}\)

The gradual character of China’s structural modernization allowed the US security discourse to adopt a non-confrontational tone, as China still has long way to go to match the US capability. But certain elements of China’s modernization challenge the status quo to larger extent than others and may be considered as radical leaps forward affecting the US security discourse.

\(^{15}\) Area defined also as waters within the “first island chain”.

While US media often report on the construction of China’s first ever aircraft carrier (to be deployed in 2015) with more being built by 2020, in the near future this is not apparently the main concern of the US. An aircraft carrier rather plays a role of an important symbol. More than need for distant power projection China’s motivation is related to status, i.e. prestige and dignity as the underlying values. To illustrate this, we can point to argumentation of some among Chinese military officials designating possession of carrier as a “dream of the Chinese people”. But three other recently emerged innovations are perhaps better candidates for US counter-reaction.

First are the medium-range anti-ship ballistic missiles (ASBMs) which appeared for the first time in the 2008 report. If integrated with reliable reconnaissance and guiding mechanism, such missiles could be capable of destroying aircraft carriers at distance over 1500 kilometers. These weapons proved to be discursively very powerful, though militarily still questionable, as only little evidence of its actual effectiveness was presented in the recent reports. The US considers them as offensive rather than defensive part of A2AD (this concept started to appear in 2004 and 2005 reports) providing an example of different perception of offense-defense balance described by Robert Jervis.

Two other innovations are more concerned with the overall military capability; these are anti-satellite weapons (ASATs) and growing cyber-warfare capability. The former became a hot topic after China’s launch of direct-ascent missile which took down China’s own weather satellite in January 2007. Also other counter-space weapons were tested, such as lasers or high-powered microwave technology. Similarly to ASATs, teams of experts trained for cyber warfare could blind the enemy, which links them to naval modernization that increasingly relies on electronic systems and satellite navigation (China’s nascent BeiDou satellite network).

**US-China Engagement**

In the short commentary titled *America’s Strategic Response to China’s Military Modernization* Ashton Carter and Jennifer Bulkeley suggest that US answer to Chinese military buildup should include balanced combination of engagement and hedging. They conceptualize engagement as a strategy whereby the US encourages China to become “responsible stakeholder.” This has been an ongoing process well since Clinton administration and perhaps even since the late 1970s when the US and China officially started diplomatic relations and China began with its liberalization and modernization endeavor.

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18 YANG, 2011, p. 6.
20 There’s only one repeatedly published graphic of ASBM flight trajectory in 2009, 2010 and 2011 report, taken from Chinese source.
US strategy was epitomized for instance by September 2005 speech by Robert Zoellick, then Deputy Secretary of State, titled *Whither China: From Membership to Responsibility?* In Zoellick’s account this is a larger political effort focused on cultivating China to adhere to international norms championed by the US. In Carter’s and Bulkeley’s conception the strategy is reduced to military-to-military (M2M) contacts which should concentrate on crisis management strategies to deal with times of fiction. M2M should be guided by the principle of „value-based reciprocity“, where each side obtains equal benefits and contacts, and should also include joint action (e.g. search and rescue, counter-terrorism, counter-piracy, counter-narcotics, counter-people smuggling, humanitarian relief, non-combatant evacuation and peacekeeping).  

US motivation for engagement in form of M2M contacts was characterized by Under Secretary of Defense for Policy Douglas Feith in December 2002 as „reducing the risks of mistake, miscalculation, and misunderstanding. If these military-to-military exchanges actually lead to our gaining insights into Chinese thinking and policies and capabilities and the like, and they can gain insights into ours, then it doesn’t mean we’ll necessarily agree on everything, but it at least means that as we’re making our policies, we’re making them on the basis of accurate information.” Shortly put, US goal was the reduction of uncertainty.

### 2.1 Formalizing M2M contacts: evidence

I formalize M2M contacts between the US and China as simple iterated game. While we do not know the actual preferences of both states beforehand, we have to observe the reality to understand what makes them either cooperate or defect. Cooperation shall be understood as willingness to engage in M2M contacts, while defection shall be understood as non-willingness to take part in (some) M2M events. Various types of cooperation include mostly “Track I” diplomacy:

- visits by military representatives,
- meetings within the framework of Defense Consultative Talks (DCT), started in 1997,
- consultations under the Military Maritime Consultative Agreement (MMCA), signed in 1998,
- Defense Policy Coordination Talks (DPCT), first held in 2006,
- port calls,
- special missions, e.g. recovery of WWII pilots’ remains in China,
- participation in exercises either actively or passively as an observer.

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26 Shirley Kan also mentions Sanya Initiative and other informal talks involving U.S. retired senior generals and admirals or nongovernmental “track two” researchers. KAN, 2011, p. 27.
The “value” of individual types of M2M contacts varies significantly and is not easy to observe. Some of them might have more multilateral elements, as exercise observations. Importantly, some are held regularly while others are held ad hoc. Here I focus on simple number of events as indicators of cooperation during terms of Bush and Obama administrations. The US and China engaged in M2M contacts with varying intensity as illustrated in Figure 2 based on non-exhaustive list presented by Shirley Kan. The classification serves for basic orientation and is open to further discussion.

What can be observed from this figure is that frequency of M2M contacts reached between 10 and 15 in most of the years with four notable exceptions – 2001, 2006, 2007 and 2010.27 First comes year 2001 with five M2M events in first three months. Promising series was interrupted by the EP-3/F-8 crisis in April of that year. Collision of US reconnaissance aircraft which was hit by Chinese jet fighter while operating in international airspace near China resulted in death of Chinese pilot and emergency landing of American plane on Hainan Island. US crew was then detained by Chinese authorities for 11 days. In minor disagreement with White House, Defense Secretary Rumsfeld suspended all ship visits and social contacts, commenting “it really wasn’t business as usual.”28 M2M contacts continued since September 2001 and the US has not suspended contacts despite several air and naval incidents in recent years (e.g. the “harassment” of USS Impeccable in March 2009).29

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27 Figure for 2011 is counted mid-year. Total number of events for that year would probably exceed 10 events.
29 US surveillance ship USS Impeccable was forced to stop in Chinese Exclusive Economic Zone after it was surrounded by Chinese „fishing“ boats. For details see RAHMAN, TSAMENYI, 2010, p. 326.
In different manner, 2006 marked the apogee of M2M events during selected decade. This is in line also with higher frequency of presidential meetings, three of which were held that year.

Years 2007 and 2010 both brought about Chinese suspensions of M2M events. In June 2007, Taiwan’s President Chen Shui-bian proposed referendum on independence. While the US opposed the referendum, it provided Taiwan with security assistance. In reaction, China cancelled annual MMCA meeting and denied port visits at Hong Kong to US minesweepers and carrier group led by the USS *Kitty Hawk* later that year. While there was also minor suspension on China’s part in 2008 because of arms sales to Taiwan, 2010 saw more radical Chinese approach. In retaliation to US-Taiwan arms deal announced by Obama Administration in January, China threatened to adopt sanctions against US companies on its “black-list” and also partially suspended M2M cooperation.30

Apart from suspensions, there were also some bright moments in US-China security and defense cooperation. In 2006, joint Search-and-rescue exercise was held. After US efforts, important confidence building measure in form of defense telephone link (or “hotline”) was established in November 2007. Also Strategic & Economic Dialogue was set up in 2009 and the US and China coordinated operations in the Gulf of Aden to certain extent.

### 2.2 M2M contacts through matrices

After this brief sum-up of the M2M contacts, I draw up several preliminary assumptions to formalize US-China interaction:

1. the US has been pursuing cooperative strategy (C) towards China, unless major crisis appeared.
2. The US has been willing to cooperate even when China temporarily defected (D).
3. China has been cooperating, unless it perceived that the US was not cooperating.
4. China’s perception of US cooperation was conditioned by US respect to China’s interests. China links cooperation to political goals.

Using two matrices: “perception matrix” (M1) and “reaction matrix” (M2), I derive three scenarios. In the first situation in the “perception matrix” (M1CC), the US sees itself as cooperating, while China shares that view. Both have the same perception and both act cooperatively (M2CC). Alternatively, the US might see itself as cooperating, but China might see defection (the US sells arms to Taiwan, M1CD). In that case, China defects and the situation it sees is M2DD, while the US sees M2CD and waits until China changes its mind and returns to cooperation (M2CC).

While situation M1DC (US sees defection and China sees cooperation) seems implausible, situation M1DD is stable and automatically translates into M2DD in the “reaction matrix” for both states (EP-3 crisis scenario). Thus, unless major crisis appears, cooperation between the US and China will oscillate between periods of reserved mutual cooperation and periods of China’s non-cooperation in retaliation for the US disrespect to its interests.

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30 KAN, 2011, p. 34.
China sees US action as

US sees its action as

1: (C;C)  
2: (C;D)  
3: (D;C)  
4: (D;D)

Table 2: "Perception matrix"

China sees US action as

US

1: (C;C)  
2: (C;D)  
3: (D;C)  
4: (D;D)

Table 3: "Reaction matrix"

Throughout cycles of discontinued M2M contacts, the US expressed frustration that little progress has been achieved. Importantly, the US experience with China contributes to reduction of the scope of desired cooperation purely to “miscalculation and misunderstanding avoidance”. The ambition to “just” set the rules of the game leaves relations with China without truly creative cooperation, or rather collaboration. Decreasing ambitions on the side of engagement also lead to increased emphasis on side of hedging, which is often seen as containment by Chinese.

Hedging

As China’s military power grew throughout the years, the US realized it might lose its superiority, if it does not hedge against China. Quadrennial Defense Review of 2006 states that “of the major and emerging powers, China has the greatest potential to compete militarily with the United States and field disruptive military technologies that could over time off-set traditional U.S. military advantages absent U.S. counter strategies.” Thus, the hedging element has been overtly present in the US strategy at least since 2006.

Chinese suspensions of M2M contacts and perceived opaqueness of Chinese military continued to mount in recent years and even rhetorically prudent Obama Administration questioned China’s intentions and cited need for multi-dimensional strategy, which implied also military hedging. On the other hand there were some improvements in China’s transparency from the American point of view, such as the "publication of Defense White Papers, establishment of a MND [Ministry of National Defense] spokesperson, launch of an official MND website, wider media coverage of military issues, and growing availability of books and professional journals on military and security topics."
3.1 Rhetoric and discourse

Hedging outlined in 2006 Quadrennial Defense Review was linked to strong US military presence in Pacific, which was reaffirmed in Hillary Clinton’s paradigmatic article from November 2011. There Clinton wrote about the America’s Pacific Century. The major discursive change was that the policy towards China (and Asia in general) made the US put emphasis on its Pacific character, designating itself “Pacific nation” or “Pacific power”. Change in the US official discourse is an important element of the hedging strategy, as it enables the Obama Administration to invest into material buildup in Asia, while it seeks major reduction in military spending elsewhere.

In Leon Panetta’s words, the US is “continuously re-evaluating [its] global defense posture, including efforts to modernize [its] basing arrangements in Northeast Asia and enhance [its] presence in Southeast Asia and into the Indian Ocean. [The US is] looking at a number of ways to do this, including increased defense activities and cooperation in Australia and the deployment of a Littoral Combat Ship to Singapore.”

3.2 US growing military posture in Pacific

Innovations in the US strategy in Pacific include strengthening of alliances (recently with Australia) in the region and effort to deepen security cooperation with ASEAN, introducing new Air-Sea Battle Concept mentioned in 2010 Defense Review and redirecting of the military assets to Pacific. Here I will consider the latter two.

Air-Sea Battle Concept has been interpreted among some academics as direct reaction to China’s growing A2AD capabilities. To overcome China’s rise, the US looks for potential in increased naval and air interoperability. Some elements of this quest for new quality (rather than quantity) were listed by Ronald O'Rourke, e.g. building a new long-range bomber, conducting joint submarine and stealth aircraft operations, using Air Force aircraft to deploy sea mines or increasing the mobility of satellites to make attacks more difficult.

Move to Pacific in terms of redirecting naval assets is an ongoing process. Despite Middle East being the regional priority in the last decade, 2006 Defense Review directed the Navy “to adjust its force posture and basing to provide at least six operationally available and sustainable carriers and 60% of its submarines in the Pacific to support engagement, presence and deterrence.” O’Rourke lists several other new arrangements such as:

- shifting three Pacific Fleet Los Angeles (SSN-688) class SSNs to Guam;
- basing all three Seawolf (SSN-21) class submarines—the Navy’s largest and most heavily armed SSNs—in the Pacific Fleet (at Kitsap-Bremerton, WA);
- basing two of the Navy’s four converted Trident cruise missile/special operations forces submarines (SSGNs) in the Pacific (at Bangor, WA).

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36 CLINTON, 2011.
37 Statement to ASEAN Defense Ministers [online], 2011.
38 For the developments in defense diplomacy field, see O’Rourke, 2011.
42 O’ROURKE, 2011, p. 46.
We can observe changing American strategy also in different way by looking at structure of procurement appropriations. Figure 3 shows shares of navy, army, air-force and defense expenditures on the total defense procurement. We can observe trajectory of relative increase of the navy and air-force procurement budget while investment into army assets decreased from its peak in 2007 (36,3%) to its low projected for 2012 (19,8%).

Figure 4 shows the relative increase in naval procurement, suggesting also rise of its importance in the long-term American strategy. Both lines illustrate the share of the gap between procurement for the navy and army, and for navy and air-force on the total planned procurement expenditures. Blue line depicts rather bumpy trend of increasing navy-army gap, while the red line shows smooth ride of the navy relative to air-force.

![Figure 3: Distribution of military procurement expenditures, based on Budget Estimate data books 2005-2011 of the Department of the Navy](image-url)
3.3 Formalizing the security dilemma

In formalizing M2M contacts, I relied on evidence derived from experience, here I rely on interpretation of US strategic choices. Following text shall be regarded as proposition rather than ready conclusion. This time we perceive that the world is as the US sees it, meaning that China wants to challenge the US superiority by denying it its military superpower status, while pursuing its own interests related to Taiwan, South China Sea, Great Power status etc. By cooperation (C) in the context of Pacific military balance it is meant policies, which do not challenge status quo by significantly altering the balance either on the US or the Chinese side. By defection it is meant the opposite, i.e. policies that change relative US-China standing.

The choices are assigned numbers (not payoffs) according to preferences (4 – highest, 1 – lowest). Beside interests, factors that influence choices are legitimacy and budgetary resources. For the US the order of preferences would be CC > DC > CD > DD.

CC: When both cooperate, for the US it means it can retain its superiority; the relative balance of power is conserved. The US will also save on military budget and maintain legitimacy thanks to lower need to be militarily present in Asia. However, this is unlikely as China is seen as status quo challenger.

DC: Second situation means relative strengthening of the US power in Pacific, while China would remain at the same level. The US would be more powerful, but at larger cost. Also, because of excessive military posture, legitimacy of US strategy in the region could be questioned. The situation is also not likely, as American defection would not be tolerated by China.
CD: Third situation is the one which was identified as potentially threatening US superiority. While China arms and modernizes its navy, US power decreases.

DD: If there are enough resources in the US, it will try to answer with strengthening its presence in Pacific. This time, status quo is challenged by both states in non-cooperative manner.

Unlike the US, China always prefers defection before cooperation, China is a non-cooperator. In the US view, China is not saving on military, but increasing its budget rapidly. And although the question of legitimacy and the way China is seen by others is also important, for China this is rather a question of how to communicate its relative rise, rather than question of whether to invest in its military buildup. Thus, the order of preferences for China is CD > DD > CC > DC.

Table 4: US-China security dilemma: Proposed preferences

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During the last decade, developments resembled following pattern. Cooperation in terms of Chinese support to US superiority was missing from the outset. The US first perceived China’s military modernization as relatively controlled process, which did not challenge status quo. With time China’s military power grew and the US started to see the situation differently, with China as a challenger or defector (CD). Threshold of tolerance in the US was met eventually with arrival of such innovations as A2AD and the US started to respond in redirecting its resources towards naval and air counter-balancing China (DD). While for China this is the second preferred strategy, for the US it is the third out of four. This situation has some economic repercussions for the US, which makes it unstable for the future. China’s marginal growth in military capability (change in relative capability with increased investment) is higher than the one of the US and the US is also limited by need for fiscal austerity.

Conclusion

The paper advocated hypothesis that over the last decade we witnessed a gradual arrival of naval security dilemma between China and the US. First it described Chinese modernization and armament efforts and how these are interpreted in the US. It found out that the US increasingly sees China as a status quo challenger and thus potential threat to its superpower status. The strategy of the US was analyzed in two aspects: engagement and hedging. It was argued that so far the military contacts followed up-and-down trend with China repeatedly suspending exchanges for political reasons. This is caused by different perceptions of what cooperation mean on the both sides of Pacific.
The hypothesis was supported in the third chapter in three steps. First, the discursive foundations of the US Pacific counter-strategy were outlined. Second, the material buildup was discussed, particularly the new Air-Sea Battle Concept and redistribution of assets. Procurement expenditures were analyzed to support growing priority of navy as part of US answer to China’s naval modernization. Thirdly, security dilemma was formalized as a simple two-by-two matrix to analyze US strategic choices. Based on evidence, I argue that the dilemma is already here. And while the engagement stagnates, hedging is on the rise.
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