



# Washington Cries Wolf

Don't believe the hype: Beijing's military buildup isn't as scary as it seems.

By ANDREW MORAVCSIK

**A**S ALWAYS WITH CHINA, THE numbers look scary. So it wasn't surprising that, when Beijing announced its new military-spending figures earlier this month, the Pentagon reacted with alarm. China announced a 17.6 percent increase in its 2008 defense budget, up to \$58.8 billion. This followed a 17.8 percent increase last year, for a country that already has a 2.3 million-person military—the world's largest.

The U.S. Defense Department, in its annual report to Congress on China's military power on March 3, cast the news in the darkest of ways. The Pentagon painted a portrait of a secretive society seeking to become a superpower by the "acquisition of advanced foreign weapons," "high rates of investment in defense, science and technology," "improved nuclear and missile technologies" and rapid "military transfor-

mation"—Pentagon speak for the adoption of U.S.-style high-tech warfare. The report described Chinese cyberterrorism and Beijing blowing satellites out of the sky. And it warned ominously that, while China is needlessly, perhaps deliberately, ambiguous about its strategic goals, its growing capabilities "have implications beyond the Asia-Pacific region."

But hold on. Look more closely at the numbers, and China—while hardly benign—starts to look a lot less sinister. The fact is that China's military modernization is not accelerating; it's been slowing for decades. China's military means are not excessive; they're appropriate to its geopolitical situation. And Beijing's intentions are relatively clear.

Start with its total defense budget. Beijing's new tally, \$58.8 billion, is high—but it pales in comparison with the U.S. total, which is \$515 billion, or about half of the world's military spending. Even if, as

many experts think, China (like the United States) actually spends more than its official stats indicate, it's still far behind America. And Washington has been spending like this for generations—which is why the U.S. aircraft carriers and submarines can sail right up to the Chinese coast, while the Chinese can't come close to the United States. At best, China is generations away from catching up with America—if it ever can.

As for Beijing's intentions, the best way to gauge them is to measure China's military spending as a percentage of national income. This year's increase may look high, but with China's economy growing at about 10 percent and inflation at close to 8 percent, the 17.7 percent hike is barely enough to keep the share of defense spending constant. And this share

**NOT SO BAD:** *Troops practicing tactics*

has fallen over the years, from more than 6 percent during the Cultural Revolution to 2.3 percent during the 1980s, to 1.4 percent in the 1990s, to near 1 percent at the beginning of this decade. It's since gone up a few tenths of a percent, yet even if China's true budget is twice what it says, Beijing's expenditures are still well below the 4 percent of GDP spent by the United States.

Nor is the quality of China's military impressive or threatening. The DoD report speaks of the "accelerating" quality of Chinese weapons systems, pointing to high-tech purchases from abroad. But Singapore-based defense analyst Richard Bitzinger argues that China's acquisitions are actually mundane: "Forget transformation or leap-frogging," he writes; "the Chinese are simply engaged in a frantic game of 'catch-up.'" According to the DoD's own stats, 70 percent of China's Army vehicles, 60 percent of its submarines and 80 percent of its fighters are old. There is little evidence it has a preemptive strike capability based on aircraft carriers and advanced fighters (despite past DoD predictions that China was acquiring one). Arms purchases from Russia have actually declined tenfold over the past few years, and large naval acquisitions seem to have stalled.

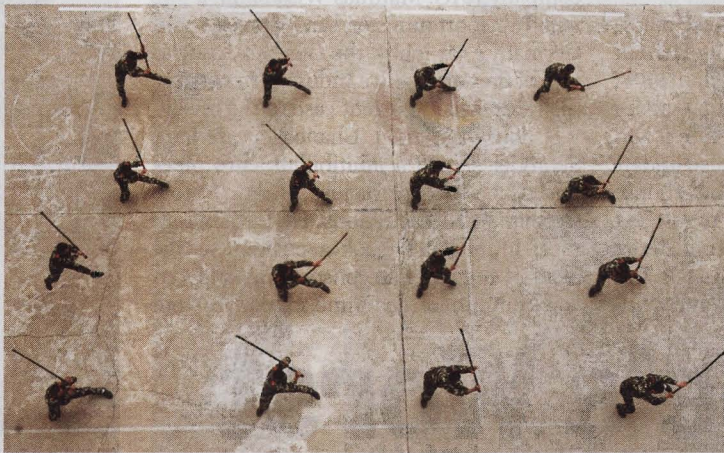
China also has legitimate reasons for spending what it does—a judgment shared by no less an authority than Mike McConnell, the U.S. director of National Intelligence, who recently told Congress that China's military buildup is appropriate to its circumstances (he also reportedly tried to block publication of the Pentagon's alarmist summary). To the dismay of conservatives, McConnell said that "any Chinese regime, even a democratic one, would have similar goals."

This makes sense. If China hopes to attract educated soldiers of the sort necessary for high-tech warfare, or to merely placate its troops, it's going to have to start paying them more, for salaries and benefits haven't kept up with the country's boom. "Two decades ago, a military man was an attractive spouse," one Chinese researcher told me last week. "But today no one in a city like Shanghai lets their daughter marry one. They just don't earn enough."

The Middle Kingdom, moreover, sits in the middle of a tough neighborhood.

It's not only the U.S. fleet off its shores Beijing must contend with. Of China's four nuclear neighbors—Russia, India, Pakistan and North Korea—two (Russia and India) spend almost as much on defense as China does (so does nonnuclear Japan), and at least two (Pakistan and North Korea) are potentially unstable. Just a generation ago, China was defeated in war by tiny Vietnam.

The Pentagon's report suggests there is some uncertainty about China's intentions toward its neighbors. Yet in recent years, Beijing's local behavior has been fairly benign: it has settled border disputes



**ON GUARD:** Chinese paramilitary forces train in Hubei province

## China has legitimate reasons for its spending—it's located in a tough neighborhood.

with six neighbors, joined and sponsored multilateral institutions and become the hub of a booming network of Asian trade and investment. Far from uncertain, China's strategic intentions seem relatively clear and stable: to promote peace and prosperity.

Beijing has one other pressing local concern—Taiwan, which it regards as a breakaway province. China's government has said that it seeks peaceful reunification with the island, but Beijing reserves the right to use force in response if Taipei declares independence. China also disputes the sovereignty of some resource-rich islands in the surrounding seas, but it has shown a willingness to compromise on such claims. China sees both these issues as domestic, so National People's Congress spokesman Jiang Enzhu was

surely sincere when he stated on March 4 that "China's limited armed forces are totally for the purpose of safeguarding independence, sovereignty and territorial integrity." In recent years, it has been Taiwan—not China—that has threatened the status quo.

To sum up: Beijing's strategic priorities today are to maintain missile bases across the Taiwan Strait, build a substantial short-range naval presence, improve its anti-satellite technology and seek other means to balance U.S. power in the event of a regional conflict. There's little evidence China has greater strategic ambitions—let alone any desire for the sort of global hegemony that American alarmists sometimes warn of.

Given all this, what explains the Pentagon's position? Former assistant secretary of Defense Charles Freeman, who was President Nixon's interpreter at his epochal meeting with Mao Zedong in 1972, argues that the U.S. military's hype is motivated by a "need to justify R&D and procurement." Freeman, who has participated in behind-the-scenes

"track two" sessions with Chinese military brass, also believes U.S. officials often "blame the Chinese for a lack of transparency that [actually] reflects only our own intellectual laziness, linguistic incompetence and complacent ignorance." Perhaps. But it is also a means to promote deeper military-to-military links and information exchanges with China—a controversial course for Beijing (and also for some in Washington), but one that is already underway. On February 29, for example, the two countries agreed to establish a telephone link between their respective defense departments. Military talks are also planned. These are hopeful signs.

Still, the Pentagon's insinuations could inflame bilateral relations and distract Washington from the more limited but very real threats posed by China's modest buildup—and the possibility that a Taiwan crisis could spiral out of control. The Bush administration, which began its tenure with a hostile view of Beijing similar to the Pentagon's, has since changed course dramatically, recently working closely with China to avoid conflict. Seems that almost everyone in Washington has finally gotten the message—except the Pentagon. ■

CHINA'S SLOW ARMS BUILDUP

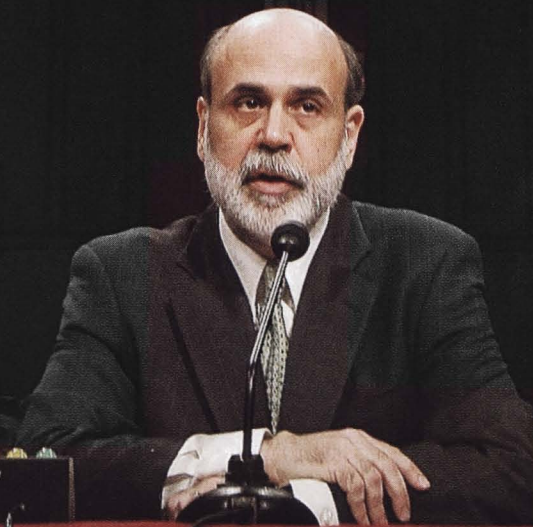
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