

1 THINKING ABOUT COMPETITIVE STRATEGIES

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THE UNITED STATES today faces the most complex and challenging security environment in recent memory even as it must deal with growing constraints on its ability to respond to threats. Three challenges in particular are likely to influence U.S. national security in coming years. The first is the ongoing war with Al Qaeda and its affiliates: a protracted conflict that spans the globe with irregular adversaries using unconventional means. The second is the threat that nuclear-armed hostile regimes, such as North Korea and prospectively Iran, pose to U.S. allies and the stability of key regions. The third, and most consequential, challenge is the rise of China. Chinese military modernization promises to reshape the balance of power in Asia in ways inimical the United States and its interests. China may be able not only to deny the United States access to areas of vital national interest but also to undermine the alliances that have served as the foundation of regional stability for over half a century.

Although each of these challenges is very different, meeting each successfully will require the United States to formulate and implement a comprehensive long-term strategy. With the possible exception of the threat posed by the regime in P'yongyang, these challenges will likely remain defining features of the security environment for decades. Further, each demands a comprehensive response. Military power has a role to play, to be sure, but so too do other instruments of statecraft. The United States possesses a broad array of political, diplomatic, and economic tools that it has yet to fully bring to bear in dealing with these challenges. Nor should the United States meet these challenges alone. America's allies can and should play an important role as well.

Although it is axiomatic that states formulate and implement strategy with finite resources, the United States will face increasing constraints in coming years. For reasons of domestic politics as much as economics, resources for, and attention to, national security will likely be limited in coming years. These constraints make it increasingly clear that the United States can no longer seek to reduce risk merely by throwing money at the problem. Similarly, it cannot afford to simply do more of the same. Rather, U.S. leaders need to develop a well-thought-out strategy for competing over the long term. Specifically, the United States needs to clarify and prioritize its goals, conduct a net assessment of enduring U.S. strengths and weaknesses, and formulate and implement a strategy to leverage American competitive advantages against the range of competitors. Indeed, only by adopting such a strategy can the United States hope to achieve its objectives.

This volume emphasizes the need for a long-term strategic approach to the Sino-American competition. The chapters that follow acknowledge that formulating and implementing such a strategy is difficult for a variety of reasons, but they also demonstrate that such an approach is feasible because it has been done before, most recently during the period of U.S.-Soviet competition during the Cold War.¹

At least since World War II, the United States has pursued a consistent set of objectives in Asia. These include defending U.S. territory, including the continental United States, Hawaii, Alaska, Guam, and the Northern Marianas; protecting U.S. allies such as Australia, Japan, and South Korea and quasi-allies such as Taiwan; assuring access to the global commons; and preserving a favorable balance of power across Eurasia. Over the last century, the United States has repeatedly used force when its territory or allies were attacked and when a would-be hegemon has threatened the balance of power in Eurasia.

The rise of China could again jeopardize these interests. Since the end of the Cold War, China has sought to expand its influence in the Western Pacific and constrict that of the United States. The expansion of Chinese military power, which has been underway for some time now, is already tipping the military balance against the United States and undermining the perceptions of U.S. commitment to the region and security guarantees to our allies. A preponderance of Chinese power in the Western Pacific would also jeopardize the free flow of goods, technology, and resources on which the United States and its allies depend.²

The competition between the United States and China is but the most recent case of a contest between a dominant power and an emerging one. Past examples include the competition between the United States and Great Britain that spanned the late 19th and early 20th centuries, that between Great Britain and Germany during the same period, and that between the United States and the Soviet Union during the second half of the 20th century.

Competition is not the same as conflict. Indeed, as used throughout this book, competition lies midway on a spectrum whose ends are defined by conflict and cooperation. In fact, elements of both cooperation and conflict can coexist in a competitive relationship. It is worth recalling, for example, that in the early 20th century Great Britain and Germany were both military rivals and highly interdependent economically. Prior to the outbreak of World War I, Britain was Germany's second-largest trading partner and its leading export market.³

To say that the United States is involved in a long-term geostrategic competition with China is not to prejudge its outcome. History contains examples of rising powers coming to blows with dominant powers, as Germany did twice with Great Britain during the 20th century. It also contains instances when competitions between emerging and established powers ended amicably, as when Great Britain accommodated the rise of the United States in the late 19th and early 20th centuries.

The U.S.-Soviet competition represents an intermediate case. Although the superpowers managed to avoid direct conflict for four decades, the Cold War was far from bloodless. It spawned conflicts that cost the United States alone more than 100,000 dead. And, indeed, on a number of occasions it led to direct combat between the United States and the Soviet Union, as when American and Soviet pilots clashed in the skies over Korea during the Korean War.

Today's circumstances differ considerably from those of the Cold War, and we should thus be wary of drawing too many analogies to it. During the Cold War, the Soviet Union was the overwhelming focus of U.S. national security policy. Today, the United States faces a range of challenges. As a result, the United States is unlikely to enjoy the sort of strategic focus it had in the decades after World War II. Similarly, during the Cold War, the United States pursued a strategy of containment across all dimensions of the U.S.-Soviet relationship—political, economic, ideological, and military. Today, the Sino-American relationship is more complex, incorporating elements of cooperation, competition, and conflict that vary in proportion across different

elements of national power: The Sino-American military relationship tends toward the competitive, whereas the two powers' economic relationship has tended toward the cooperative.

Over time the United States developed a deep understanding of the Soviet Union and of the Soviet military. Today, however, there are substantial gaps in our understanding of competitors. Certainly there has been as yet no attempt to understand Chinese strategic culture, decision-making, strategy, operational art, and science and technology on the scale of the effort to understand the Soviet Union during the Cold War.⁴ Most fundamentally, during the Cold War there was widespread agreement that the United States and Soviet Union were engaged in a competition, even as there was disagreement as to the character, course, and potential outcome of that competition. Today, the very notion that the United States and China are competing is contested.

Some American strategists are reluctant to cast the Sino-American relationship in competitive terms, fearing that to do so would breed conflict where none previously existed. Chinese strategists are less reticent when it comes to talking about competition with the United States. As Rear Admiral Yang Yi, the former director of the PLA National Defense University's Institute for Strategic Studies, said in an interview on the eve of Secretary of Defense Robert Gates's January 2011 visit to Beijing, "We hope the competition will be healthy competition."⁵

The Sino-American competition has been underway for some time but has largely been one sided. It appears, for example, that China began developing weapons to defeat U.S. forces in the mid-1990s as part of its reevaluation of the security environment after the collapse of the Soviet Union and the U.S. victory in the 1991 Gulf War.⁶ Subsequent years have seen a major buildup of Chinese military power in the Western Pacific. The United States, however, has been slow to recognize and respond to the shifting military balance. Since 2001 Washington has focused its attention on fighting two land wars in Southwest and Central Asia. As a result, the military balance in the Western Pacific has begun to shift dramatically in favor of China and against the United States and its allies. This brings into question the ability of the United States not only to guarantee the status quo across the Taiwan Strait but also to assure U.S. allies in the region as well as to protect U.S. territory in the Western Pacific from attack.

America's allies in the region, alarmed by Chinese military modernization, have begun to take action. Japan's 2010 National Defense Program Guidelines

call for a shift in Japan's defense priorities and deployments.⁷ Australia's 2009 Defense White Paper envisions the expansion and modernization of its submarine force.⁸

The long-term competition with China could yield conflict, but it need not. Prognoses regarding the future arc of the Sino-American relationship vary and are in any event in the realm of speculation rather than accomplished fact.⁹ Indeed, perhaps the most reliable way of averting conflict is to strengthen deterrence; a long-term strategy should aid that effort.

The time is thus right for the United States to adopt a long-term strategy for dealing with China, one that includes but is not limited to military means and one that fully includes U.S. allies and friends in the region.

THE CONCEPT OF COMPETITIVE STRATEGIES

States have formulated and implemented long-term strategies in pursuit of their aims for millennia. It was, however, only in the 1970s, during a period of similarly constrained resources, that a competitive strategies approach took hold within the U.S. government.¹⁰ This section describes the competitive strategies approach and its key features.

Carl von Clausewitz famously defined war as "an act of force to compel our enemy to do our will."¹¹ The competitive strategies approach focuses on the peacetime use of latent military power—that is, the development, acquisition, deployment, and exercising of forces—to shape a competitor's choices in ways that favor our objectives. Specifically, the competitive strategies approach focuses on peacetime interaction among and between defense establishments.

Five features distinguish the competitive strategies approach from other methods of planning. First, it presupposes a concrete, sophisticated opponent. Strategy is concerned with how one applies one's resources to achieve one's aims. In the military sphere, it is concerned with how to employ military means to influence a particular competitor. Moreover, that competitor needs to be a strategic actor in that it must possess aims and formulate a strategy to achieve them.

Second, the competitive strategies approach assumes interaction between competitors. That is, it assumes that one competitor make strategic choices at least in part due to the actions of the other. Interaction need not be tightly coupled, however. Frequently a competitor's choices are only partially influenced by the other side's actions. The history of past competitions shows that states interact through the prism of their own strategic culture and preferences,

domestic institutions, and bureaucratic politics.¹² The experience of the Cold War, for example, shows that action-reaction arms race models fall far short in explaining the actual course of the U.S.-Soviet competition.¹³

Third, the competitive strategies approach acknowledges that the choices competitors have open to them are constrained. States face a series of obvious limitations, including the availability of economic resources, personnel, and technology. But they also face other barriers, including those stemming from strategic culture. The competitive strategies approach seeks to identify and exploit those constraints.

Fourth, the competitive strategies approach acknowledges that interaction may play out over the course of years or decades. It is interested not only in influencing the use of forces but also in research and development, acquisition, and deployment over time. Competitive strategies may in fact employ time as a key variable. The competitive strategies approach also focuses on shifting perceptions of the utility of various types of forces. It may thus take years or decades to determine the full effect of a strategy.

Finally, the competitive strategies approach assumes sufficient understanding of the competitor to be able to formulate and implement a long-term competitive strategy, a task that requires not only an understanding of what a competitor is doing but also why he or she is doing it. Effective competitive strategies are predicated on an understanding of a competitor's decision-making process and doctrine.

ABOUT THIS VOLUME

The chapters that follow examine the theory and practice of competitive strategies. The first section explores the theory of peacetime strategic competition. In Chapter 2, Stephen P. Rosen reviews the logic of the competitive strategies approach as developed in the United States with an eye as to how it can be applied to current or future competitions. Bradford A. Lee's contribution in Chapter 3 discusses the two megaconcepts of strategy—rationality and interaction—and uses them to develop four types of strategy for peacetime competition and war: denial strategies, cost-imposing strategies, other ways of attacking the enemy's strategy, and attacks on the enemy's political system. The chapter evaluates some historical cases relevant to each of them, both in long-term peacetime competition and in war. Strategy is a difficult business, however, and in Chapter 4 Barry D. Watts explores reasons that it is difficult to formulate and implement strategy.

The essays that comprise the second part of the book focus on the practice of competitive strategies during the Cold War. Gordon S. Barrass's Chapter 5 examines the evolution of U.S. strategic thought and practice from the Nixon through the Reagan administrations. He argues that, although under Nixon and Ford the U.S. government began exploring competitive approaches to dealing with the Soviet Union and that under Carter the United States stepped up the pressure on Moscow, it was only under Reagan that such approaches were institutionalized. Daniel Gouré's Chapter 6 picks up the narrative by examining the development of net assessment as a discipline within the U.S. Defense Department and the origins and implementation of the Competitive Strategies Initiative. Finally, in Chapter 7 John Battilega explores the U.S. Competitive Strategies Initiative and Soviet reactions to it. He argues that initial Competitive Strategies Initiatives directly targeted what Soviet military thought viewed as key aspects of their approach. He notes, however, that some Soviet initiatives designed to deal with U.S. competitive strategies were already in motion when the United States launched the Competitive Strategies Initiative. Given the end of the Cold War and the collapse of the Soviet Union, estimating the effectiveness of Competitive Strategies against the Soviet Union is problematic.

The volume's Part III explores the U.S.-China military balance. In Chapter 8, James Holmes explores the nature of the U.S.-China competition from an American perspective through a discussion of enduring U.S. strengths and Chinese vulnerabilities. Then in Chapter 9 Jacqueline Newmyer Deal provides the Chinese view of the competition, examining the elements of China's strategy for competition and describing the Chinese leadership's assessment of China's progress. The chapters that follow explore the competition in greater detail. In Chapter 10, Dan Blumenthal examines the competition between U.S. power projection efforts and China's growing anti-access capabilities, while in Chapter 11 Owen Coté explores the undersea balance. And in Chapter 12, Michael S. Chase and Andrew S. Erickson describe China's nuclear and missile forces. They explain that China's growing missile force is emerging as one of the central elements of its anti-access approach and cornerstones of its strategic deterrence posture. They argue that China is currently moving toward a strategy based on a combination of "effective nuclear deterrence" and conventional deterrence based on the Second Artillery's growing conventional strike capabilities.

America's allies in Asia are an important element of the military balance and could play a central role in a long-term strategy for competing with

China. Toshi Yoshihara's Chapter 13 explores the maritime competition between China and Japan. He argues that Japan could severely complicate Chinese maritime ambitions in Asia if it engaged in competitive strategies that exploited Beijing's enduring vulnerabilities at sea. In Chapter 14, Ross Babbage explores China's military modernization from an Australian perspective and provides recommendations for how Australia and the United States can more effectively compete over the long term.

Finally, Part IV of the book explores strategies for the Sino-American competition. Jim Thomas and Evan Montgomery, in Chapter 15, and Paul Giarra, in Chapter 16, lay out approaches for the United States and its allies to pursue their interests more effectively in the face of Chinese military modernization. Finally, James R. FitzSimonds's Chapter 17 injects a note of caution regarding the prospects of competitive strategies. He notes that the United States has options for competing that it has not pursued because those options threaten deeply held cultural proclivities within the U.S. military officer corps—specifically issues relating to personal accountability and the dominant warrior ethos. Just as the United States needs to identify and exploit Chinese proclivities, its leaders must be aware of its own tendencies that inhibit effective competition.

NOTES

1. See also the essays in Williamson Murray, Macgregor Knox, and Alvin Bernstein, *The Making of Strategy: Rulers, States, and War* (Cambridge, UK: Cambridge University Press, 1994).

2. Aaron L. Friedberg, *A Contest for Supremacy: China, America, and the Struggle for Mastery in Asia* (New York: W. W. Norton, 2011), 6–7.

3. Paul M. Kennedy, *The Rise of the Anglo-German Antagonism, 1860–1914* (London: Allen and Unwin, 1982), 291–305.

4. See, for example, David C. Engerman, *Know Your Enemy: The Rise and Fall of America's Soviet Experts* (Oxford, UK: Oxford University Press, 2009).

5. "Political Trust Needed to Further Military Ties," *Global Times* (China), January 7, 2011.

6. David M. Finkelstein, "China's National Military Strategy: An Overview of the 'Military Strategic Guidelines,'" *Asia Policy* 4 (July 2007), 67–72.

7. "National Defense Program Guidelines for FY 2011 and Beyond"; retrieved on December 17, 2010, from www.kantei.go.jp/foreign/kakugikettei/2010/ndpg_e.pdf.

8. *Defending Australia in the Asia Pacific Century: Force 2030* (Canberra: Department of Defense, 2009). Retrieved from www.defence.gov.au/whitepaper/docs/defence_white_paper_2009.pdf.

9. For two sides of the debate, see Aaron Friedberg, "Menace," *The National Interest* (September/October 2009): 19–25; and Robert S. Ross, "Myth," *The National Interest* (September/October 2009): 19, 25–34.

10. David J. Andre, *New Competitive Strategies Tools and Methodologies*, volume 1, *Review of the Department of Defense Competitive Strategies Initiative, 1986–1990* (McLean, VA: Science Applications International Corporation, 1990).

11. Carl von Clausewitz, *On War*, edited and translated by Michael Howard and Peter Paret (Princeton, NJ: Princeton University Press, 1989), 75.

12. See, for example, the essays in Emily O. Goldman and Leslie C. Eliason, eds., *Adaptive Enemies, Reluctant Friends: The Impact of Diffusion on Military Practice* (Stanford, CA: Stanford University Press, 2003).

13. A. W. Marshall, "Long-Term Competition with the Soviets: A Framework for Strategic Analysis," R-862-PR (Santa Monica, CA: RAND Corporation, 1972).