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The Strategy of a Great Power Competitor

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Introduction

The following discourse offers an assessment of China's grand strategy and what the grand strategy of the United States should be toward China, first by defining the term and introducing the concept of the instruments of national power. With these general ideas established, it is possible to understand the particular grand strategies of China and the United States, allowing the defense community to draw conclusions regarding future action that the United States should undertake in its own grand strategy to counter that of China.

The Concept of Grand Strategy

The first line of thought central to developing an understanding of Chinese interests is establishing a baseline characterization of the concept of grand strategy. To start, the exact confines of grand strategy are constantly debated; no one definition is accepted by all. However, Hal Brands, an American historian and author of *The Promise and Pitfalls of Grand Strategy*, offers that "British military historian Sir Basil Liddell Hart popularized the term during the mid-20th century, and most subsequent definitions of the concept have been based, in one way or another, on his insight that grand strategy involves synchronizing means and ends at the highest level of national policy." Brands says "grand strategy is defined as the theory, or logic, that binds a country's highest interests to its daily interactions with the world. Policy-makers who are doing grand strategy are not simply reacting to events or handling them on a case-by-case basis; they are operating in accordance with a more structured and coherent idea of what their nation is out to accomplish in international affairs."¹

As detailed, grand strategy involves synchronizing means and ends, but how do we define those? Brands posits that "grand strategy involves combining all aspects of national power to accomplish important objectives."² Noticeably, Brands's terminology differs from the generally agreed upon foundation of grand strategy from Hart. Brands uses "combining national power" while Hart uses "synchronizing means." A variation is also present when Brands offers that a grand strategy is used "to accomplish important objectives," whereas Hart prescribes "ends at the highest level of national policy." Both are identifying that a nation must use a strategy to advance interests, but Brands introduces the instruments of national power to describe the ways to achieve the ends. Means, on the other hand, can be interchangeable with resources. Subsequently, derived from the comparison is the framework of ways, means and ends.

In his paper, "The International System in the 21st Century," former U.S. Army War College associate professor Alan Stolberg outlines the instruments of national power as diplomatic, informational, military and economic elements, or DIME.³ He provides valuable context about these instruments by distinguishing between hard and soft power. Stolberg classifies the direct use of the military instrument and economic means as hard power. He describes the use of hard power with the examples of when a country threatens military force, restricts financial assistance, provides bribes or imposes economic sanctions to induce the other country to perform or stop performing an action. Stolberg also details that soft power indirectly influences the behavior of another country with diplomacy, ideology, culture or history.⁴

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Laying out the instruments of national power and distinguishing between hard and soft approaches is essential to evaluating a grand strategy and proposing the use of instruments to countervail a competing state. The instrument choices are impactful since resources are not unlimited and since each instrument consumes a varying amount of resources. Consequently, the cost of employing an instrument should be consciously recognized by those determining the highest levels of national policy to achieve ends.

Chinese and U.S. Grand Strategies

The *Summary of the 2018 National Defense Strategy of the United States of America* declares that “it is increasingly clear that China and Russia want to shape a world consistent with their authoritarian model—gaining veto authority over other nations’ economic, diplomatic, and security decisions.”⁵ This declaration leads into William Donnelly’s view that “China wants to return to what it perceives to be its rightful, historic place as a world power through growth, development, and modernization. China will take the path of least resistance to achieve this objective and to protect its core interests.”⁶

Donnelly, author of “China’s Rise: What Does it Mean for the United States?,” specifically highlights a white paper from China titled “China’s Peaceful Development Road” that presents China’s core aims.⁷ The white paper propagates that:

China will unswervingly follow the road of peaceful development, making great efforts to achieve a peaceful, open, cooperative and harmonious development.

- Striving for a peaceful international environment to develop itself, and promoting world peace through its own development;
- Achieving development by relying on itself, together with reform and innovation, while persisting in the policy of opening up;
- Conforming to the trend of economic globalization, and striving to achieve mutually beneficial common development with other countries;
- Sticking to peace, development and cooperation, and, together with all other countries, devoting itself to building a harmonious world marked by sustained peace and common prosperity.⁸

Donnelly finds that the Chinese are incongruent with the stances above and conveys that “China’s actions reveal that it will not accept being contained and will challenge the United States and the rules-based international order if it feels its path to development is threatened.”⁹ The *2018 National Defense Strategy* surveys China’s unwillingness to be contained by stating “China is leveraging military modernization, influence operations, and predatory economics to coerce neighboring countries to reorder the Indo-Pacific region to their advantage. As China continues its economic and military ascendance, asserting power through an all-of-nation long-term strategy, it will continue to pursue a military modernization program that seeks Indo-Pacific regional hegemony in the near-term and displacement of the United States to achieve global preeminence in the future.”¹⁰

A U.S. Department of Defense review of China’s predatory economics determined “acts, policies, and practices of the Chinese government related to technology transfer, intellectual property, and innovation are unreasonable or discriminatory and burden or restrict U.S. commerce, resulting in harm to the U.S. economy of at least \$50 billion per year.” Synergistically, China does not abide by the World Trade Organization (WTO) rules in order to disadvantage foreign firms and restrict inbound investment.¹¹ Complicating the matter is that China leverages the United States by holding \$1.15 trillion, the largest amount of the \$6.2 trillion held by foreign countries, of the projected \$15.7 trillion of total U.S. debt held by the public.¹² China’s stake in foreign debt enables currency manipulation, which can stimulate Chinese exports and retard foreign imports.¹³ The results of China’s economic practices are that the country garnered the world’s highest gross domestic product (purchasing power parity) in 2017 with \$23.2 trillion and a 6.9 percent gross domestic product growth rate. The United States lags behind that amount with \$19.49 trillion (ranking second in the world) and a 2.2 percent gross domestic product growth rate for 2017.¹⁴ Lukas K. Danner, author of *China’s Grand Strategy: Contradictory to Foreign Policy?*, attributes a return to honor after the “century of humiliation” ended in 1945 as the reason for the contradictory nature of China’s foreign policy.¹⁵ The U.S. Department of Defense says China asserting itself now is a result of gauging “the 21st century’s initial two

decades as a ‘period of strategic opportunity.’” Under those auspices, China seeks to facilitate comprehensive national power, the China Dream of national rejuvenation, One China, and the Belt and Road Initiative.¹⁶

U.S. Grand Strategy

Regarding U.S. grand strategy, Brands explains that:

since World War II, the United States has pursued an ambitious and highly engaged grand strategy meant to mold the global order. The precise contours of that grand strategy have changed from year to year, and from presidential administration to presidential administration; however its core, overarching principles have remained essentially consistent. America has sought to preserve and expand an open and prosperous world economy. It has sought to foster a peaceful international environment in which democracy can flourish. It has sought to prevent any hostile power from dominating any of the key overseas regions—Europe, East Asia, the Middle East—crucial to US security and economic wellbeing. And in support of these goals, the United States has undertaken an extraordinary degree of international activism, anchored by American alliance and security commitments to overseas partners, and the forward presence and troop deployments necessary to substantiate those commitments.¹⁷

The U.S. and Chinese grand strategies clearly conflict based on Brands’s overview. The first rift is the United States competing with China to mold the world order. The second is the United States’ pursuit of an open and prosperous world economy. The third is China striving to dominate the Indo-Pacific region first and then achieving superiority over the United States. Lastly, China is threatening U.S. economic well-being by pursuing advancement in the current manner.

How the United States Should Proceed

The United States arguably does not need to alter the prevailing grand strategy to subdue China, since a grand strategy is not a reaction to events. Sandra K. Minkel, senior advisor to U.S. Indo-Pacific Command for the U.S. Agency for International Development, offers that the United States should: continue high-level diplomatic exchanges, involve itself in the Asia Infrastructure Investment Bank, support the World Bank, boost the Asia Development Bank, quickly fill the voided space of the Trans-Pacific Partnership fallout with economically beneficial bilateral and multilateral trade deals, communicate consistent U.S. policy in multiple fashions, cultivate a team of highly skilled personnel in executive branch agencies to implement administration priorities and refrain from reducing foreign assistance funding.¹⁸ Minkel’s recommendations span the gamut of the instruments of national power (DIME). Moreover, her suggestions conceivably fall within the construct of U.S. grand strategy and therefore are complementary to confronting other strategically competitive nations in chorus with allies.

Minkel’s initiatives summary seems light on the military component, but she does assert “the military initiated its portion of the pivot by shifting 60 percent of the force to the Asia-Pacific to protect U.S. interests while strengthening and modernizing bilateral relationships with treaty allies.” Minkel’s conclusion about U.S. strategy cautiously articulates “recent years indicate that a whole-of-government approach, led by soft power first and hard power as a last resort, will yield dividends—because no one ‘wins’ because of a war.”¹⁹ A reluctance for use of military force is particularly applicable to China based on the rhetoric committing to peaceful development and the exorbitant monetary cost of war.

The United States, however, clearly needs to be ready to combat the Chinese military. China persistently does not adhere to the mantra of peaceful development and is devoting significant resources to improve its military. China now possesses nuclear capabilities in three domains, seeks cyberspace superiority and is strengthening space capabilities. Under the One China initiative, there are several territory disputes to regain control over previously held territory. China continues to expand its presence in areas like the South China Sea and is starting to gain footholds in other countries by developing military bases. This falls in line with a military strategy that generated the requirement to secure ever-growing Chinese national interests abroad.²⁰

To bolster already provided recommendations, one might venture to suggest the United States in conjunction with allies take an invigorated approach through worldwide (WTO, International Monetary Fund, World Bank, etc.)

and various regional economic governing bodies to adjudicate China's economic malpractices. A tertiary approach would involve developing the economies of allied nations, in particular India, to diffuse the regional economic swagger of China. The United States should also consider revising multiple aspects of the internal workings of its economy. The United States should pursue pro-growth economic and fiscally prudent national policies, including reigning in unsustainable intergovernmental and public debt amounts, limiting deficit spending and removing the vulnerabilities posed by foreign-held debt. Brands insists:

grand strategy ultimately begins and ends with macroeconomics, and perhaps the single most important insight from the Cold War is that geopolitical success is a function of economic vitality. It was, after all, the West's superior economic performance that eventually exerted such a powerful magnetic draw on countries in both the Third and the Second Worlds, and allowed Washington and its allies to sustain a protracted global competition that bankrupted Moscow in the end. In this sense, the Cold War's key takeaway is that preserving a vibrant free-market economy, as a wellspring of hard and soft power alike, is the most crucial grand strategic task America faces.²¹

Regarding Brand's reflection, an emphasis on curbing China's economic vitality while enhancing the economic prowess of the United States and its allies merits prioritization in the overall strategic effort. China is ostensibly more vulnerable to economic woes with a population of 1.38 billion to support compared with the United States' population of 329 million.²² As a lesson from the Soviet Union's demise, China cannot achieve its grand strategy of rejuvenation to its former stature without the backing of a viable economy. Likewise, the United States cannot succeed at molding the world order without a solvent government and competitive economy.

Conclusion

The United States must comprehensively determine how to contemporarily work within its long-standing grand strategy to achieve its national objectives. There are many feasible options available to the United States to preserve its enduring grand strategy and outlast China's rise—similar to the prior competition with Soviet Union during the Cold War.



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Notes

- ¹ Hal Brands, *The Promise and Pitfalls of Grand Strategy* (Carlisle Barracks, PA: U.S. Army War College, 2012), 2–3.
- ² Brands, *Promise and Pitfalls*, 5.
- ³ Alan G. Stolberg, “The International System in the 21st Century,” in *U.S. Army War College Guide to National Security Policy and Strategy*, ed. J. Boone Bartholomees, Jr. (Carlisle Barracks, PA: U.S. Army War College, 2006), 9.
- ⁴ Stolberg, “International System,” 9.
- ⁵ Department of Defense, *Summary of the 2018 National Defense Strategy of the United States of America*, January 2018, <https://dod.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf>, 2.
- ⁶ William P. Donnelly, “China’s Rise: What Does It Mean for the United States?,” in *Avoiding the Trap: U.S. Strategy and Policy for Competing in the Asia-Pacific Beyond the Rebalance*, eds. David Lai, John F. Troxell and Frederick J. Gellert (Carlisle Barracks, PA: U.S. Army War College, 2018), <http://publications.armywarcollege.edu/pubs/3524.pdf>, 30.
- ⁷ Donnelly, “China’s Rise,” 30.
- ⁸ “China’s Peaceful Development Road,” accessed 7 November 2018, <http://unpan1.un.org/intradoc/groups/public/documents/APCITY/UNPAN023152.pdf>.
- ⁹ Donnelly, “China’s Rise,” 31.
- ¹⁰ Department of Defense, *2018 National Defense Strategy*, 2.
- ¹¹ Department of Defense, *Annual Report to Congress: Military and Security Developments Involving the People’s Republic of China 2018*, Department of Defense, 16 May 2018, <https://media.defense.gov/2018/Aug/16/2001955282/-1/-1/1/2018-CHINA-MILITARY-POWER-REPORT.PDF>, 51–52.
- ¹² “Major Foreign Holders of Treasury Securities (in Billions of Dollars),” U.S. Department of the Treasury, 16 December 2019, <http://ticdata.treasury.gov/Publish/mfh.txt>; and “The Budget and Economic Outlook: 2019 to 2029,” Congressional Budget Office, 28 January 2019, <https://www.cbo.gov/publication/54918>.
- ¹³ Robert W. Staiger and Alan O. Sykes, “‘Currency Manipulation’ and World Trade,” National Bureau of Economic Research Working Paper no. 14600, December 2018, <https://www.nber.org/papers/w14600.pdf>.
- ¹⁴ “The World Factbook: Country Comparison:: GDP (Purchasing Power Parity),” Central Intelligence Agency, accessed 17 November 2018, <https://www.cia.gov/library/publications/the-world-factbook/fields/208rank.html#CH>; and “The World Factbook: Country Comparison:: GDP-Real Growth Rate,” Central Intelligence Agency, accessed 17 November 2018, <https://www.cia.gov/library/publications/the-world-factbook/fields/210rank.html#CH>.
- ¹⁵ Lukas K. Danner, *China’s Grand Strategy: Contradictory Foreign Policy?* (New York: Palgrave MacMillan, 2018), <https://doi.org/10.1007/978-3-319-65777-6>.
- ¹⁶ Department of Defense, *People’s Republic of China 2018*, i–10.
- ¹⁷ Hal Brands, “Rethinking America’s Grand Strategy: Insights from the Cold War,” *Parameters* 45, no. 4 (Winter 2015–16): 7.
- ¹⁸ Sandra Minkel, “Diplomacy under the Strategic Rebalance and a Look Forward,” in *Avoiding the Trap: U.S. Strategy and Policy for Competing in the Asia-Pacific Beyond the Rebalance*, eds. David Lai, John F. Troxell and Frederick J. Gellert (Carlisle Barracks, PA: U.S. Army War College, 2018), <http://publications.armywarcollege.edu/pubs/3524.pdf>, 412, 428, 436.
- ¹⁹ Minkel, “Diplomacy Under the Strategic Rebalance,” 412, 428, 436.
- ²⁰ Department of Defense, *People’s Republic of China 2018*, i–iii, 7, 61, 77.
- ²¹ Brands, “Rethinking America’s Grand Strategy,” 9–10.
- ²² “The World Factbook: East and Southeast Asia:: China,” Central Intelligence Agency, last updated 3 December 2019, <https://www.cia.gov/library/publications/the-world-factbook/geos/ch.html>; and “The World Factbook: North America:: United States,” Central Intelligence Agency, last updated 14 November 2019, <https://www.cia.gov/library/publications/the-world-factbook/geos/us.html>.



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