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CANADIAN FORCES COLLEGE / COLLÈGE DES FORCES CANADIENNES
CSC 32 / CCEM 32

EXERCISE/EXERCICE NEW HORIZONS

CHINA WILL NOT BE A SUPERPOWER

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19 April 2006

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The first sentence of Ted Fishman's recent book, *China, Inc.*, declares that "China is everywhere these days."¹ This may seem obvious given that the People's Republic of China (PRC) or simply China is the most populated nation on the planet with the second oldest known culture.² Its economic performance over the last two decades has been so spectacular that some have predicted that China will sooner than later takeover the position of being the world's largest economy from the United States. Princeton Professor of Politics and International Affairs, Aaron Friedberg highlighted this frenzy surrounding China's economic climb in his recent article on the future of relations between the United States and China, in which he uses words like "sensational", "stirred fears", and "spectacular" to describe the media hype surrounding China and its growing economic, political and military power.³ This western build up of China's status, particularly its possible rise to superpower status, appears to have its own momentum. Not surprisingly given that China covers about the same geographic area as the United States and but has five times the population.⁴

The aforementioned book, *China Inc.*, is just the latest attempt to suggest that China is on the brink of becoming at the very least an economic superpower.⁵ But is China's future rise to equal status with or even exceeding that of the United States, currently the universally acknowledged world's only superpower, even possible? I submit that China will not become a superpower. Internal social disorder and political turmoil generated by entrenched communist party unable to adopt to a new economic model will prevent the social and political progress. A lack of guaranteed access to critical natural resources places China in a vulnerable position with supplying nations having the final say whether or not those resources will be available. A seriously flawed financial system will fatally retard China's economic progress. Skewed demographics

¹ Ted C. Fishman, *China, Inc.* (New York: Scribner, 2005), 1.

² Billy O. Wireman, "America, China and Russia: Three Epic Struggles That Will Shape the Twenty-first Century," *Vital Speeches of the Day* 67, no.16 (1 June 2001); available from [here](#); Internet; accessed 21 February 2006.

³ Aaron L. Friedberg, "The Future of U.S.-China Relations: Is Conflict Inevitable?" *International Security*, Volume 30 No. 2 (Fall 2005): 7.

⁴ Nancy E. Riley, "China's Population: New Trends and Challenges," *Population Bulletin* (June 2004); available from [here](#); Internet; accessed 21 February 2006.

⁵ Fishman, *China, Inc.*, 296.

with an aging population will not provide the critical labour force necessary to produce human resources for a burgeoning economy. An ineffective military unable to domestically produce quality weapons lacks sufficient nuclear arms to compete with the world's only superpower, the United States. All of these elements described in this paper will together contribute to China's failure to achieve superpower ranking.

Before discussing why China will not become a superpower, it is critical to define what a superpower is. Carsten Holbrand in his book, *Superpowers and International Conflict*, provides an excellent foundation to do so. Holbrand points out that there continues to be confusion on the application and definition of the term "superpower."⁶ This misunderstanding leads to the possible misuse of the term particularly given that its origins go back over sixty years ago.

The term was first used by W.T.R. Fox, an American foreign policy professor at Columbia University in the mid-1940s when he wrote a book about "the superpowers," which included from his perspective, Great Britain.⁷ Fox used this term to identify a new category of international status. This "superpowers" were able to seat at the highest level of power in the world where they could challenge and fight on a global scale.⁸ Holbrand states that the most important criterion for a country to be identified as a superpower is 'might' and that includes the potential to use that 'might'. In that context, the United States and the former Soviet Union both expressed this through the development of strategic nuclear weapons. Holbrand further posits from his 1979 perspective that the use of the term, superpower, may no longer be relevant, something that may be true today.⁹ Another attempt comes with Martin Vander Weyer summing it up in this way, "superpowerdom is ... partly to with economic might, but also a matter of culture, education, military hardware and statesmanlike posturing."¹⁰

⁶ Carsten Holbrand, *Superpowers and International Conflict* (New York: St. Martin's Press, 1979), 11-13.

⁷ Ibid, 11-13.

⁸ Wikipedia, "Superpower [encyclopedia on-line]; available from [here](#); Internet; accessed 21 February 2006.

⁹ Holbrand, *Superpowers and International Conflict*, 11-13.

¹⁰ Martin Vander Weyer, "Why China isn't going to be a superpower," *London Spectator* 8 January 2005; available from [here](#); Internet; accessed 21 February 2006.

Finally, the Concise Oxford Dictionary of Politics defines “superpower” as “those few states with power . . . far transcending that of the rest of the states in the international arena.” In this case, “power” is a combination of variables: economic wealth, population, size and, most importantly, military power with the possession of nuclear weapons being a key element.¹¹ For the purposes of this paper, this final definition will be used to evaluate China’s improbable progression to superpower status.

To be one of “those few states,” a nation must have a strong, stable government able to adjust to changing situations and China is not one of those states.

China’s current political system is fundamentally unstable and unable to accommodate the many changes taking place in Chinese society. In the words of one think-tank’s evaluation of China, it “will suffer a meltdown.”¹² Viewed by some political scientists, China’s political authoritarian structure is of dubious legitimacy with an uneasy grip on power. Its communist ideology has lost its public appeal forcing the regime to rely on the military and internal security services to keep the current leaders in power. As recently shown by government-sanctioned demonstrations against Japan, these political weaknesses and the government’s attempt to use nationalism to regain public support demonstrates a desperation to maintain at least the aura of legitimacy.¹³ Further internal flaws, such as will prevent China from surpassing the United States or even gaining equal superpower ranking.

The Chinese Communist Party, although having implemented some economic reform in the past, is now retrenching. As part of this effort, some Party leaders such as Hu Jintao, President and Party Chief, are attempting to revive Marxism. This is difficult to grasp given that it was market reforms and communism’s competing ideology, capitalism, which has recently brought much needed prosperity. And as one editorial

¹¹ Concise Oxford Dictionary of Politics, “Superpower,” ed. by McLean, Iain (Oxford; New York: Oxford University Press, 1996).

¹² Strategic Forecasting Inc., *Decade Forecast: 2005-2015* (7 February 2005); available from [here](#); Internet: accessed 8 February 2006.

¹³ Friedberg, “The Future of U.S.-China Relations: Is Conflict Inevitable,” 30.

suggested, this remarkable economic growth ensured the party's prolonged existence – ironic given that communism impeded not promoted economic growth.¹⁴

The pace of change in China is overtaking that society and its government's ability to adapt to it. Social unrest in the country-side highlights the vulnerability of China's continued growth from its own citizens. This domestic upheaval was well demonstrated with the recent events in the village of Dongzhou, Guangdong province in southern China. There, police killed several villagers who were protesting against the annexation of their land for the construction of a power plant. Demonstrations against land seizures are not a new development there but what is new is the reactive use of force by Chinese authorities. In fact, the last such incident was in 1989 during the Tiananmen Square Massacre, and was brutally suppressed by the Chinese government.¹⁵

Additional sources of instability can be found with the wide degree of economic inequality across the country dividing "haves" from "have-nots." The eastern coast province of Zhejiang is the richest province with a per capita income of US\$2,870. This is almost six times greater than Gansu, located in the southwest, which has a per capita income of only \$492. Although the central government has attempted to address this prosperity imbalance through its "Go West" policy and the resulting investment of billions of dollars to improve conditions in the poorest regions, the true effect has been the displacement of more people. The yearly migration of hundreds of millions of poor peasants from those impoverished western regions into the prosperous east has helped keep wages low and thus factories competitive. It has also resulted in increased crime, overcrowding and unrest.¹⁶ Some may claim that hundreds of millions have actually risen above poverty, but this is countered that the majority of those positively affected by rise in income did so during the mid-1980s and not since.¹⁷

¹⁴ *The Australian*, "Hu keen to shore up Marxist foundations," 4 January 2006: available from [here](#); Internet: accessed 8 February 2006.

¹⁵ *USA Today*, "When will China answer for Tiananmen massacre?" 6 June 2005: available from [here](#); Internet: accessed 8 February 2006.

¹⁶ Business Monitor International, *China Business Forecast Report; 2006 2nd Quarter*; available from [here](#); Internet: accessed 21 February 2006.

¹⁷ Pranab Bardhan, "China, Superpower? Not So Fast," *Yale Global* 25 October 2005; available from [here](#); Internet: accessed 1 April 2006.

The Chinese Communist Party is only willing to give up so much control stifling the same sort of creative thoughts and energies that propel most of the world's successful economies. There are more than thirty thousand government censors actively monitoring the internet and email traffic in China which go through just eight gateways that are subject to government shutdown at anytime.¹⁸ This authoritarian system of government will probably continue to be a long-term economic liability. Furthermore, the government is very needful of order and stability, causing it to over-react when faced with difficult situations such as the events in southern China; to the Chinese government, dissension is viewed as subversive.¹⁹ The difficulty of the Chinese Communist Party to adjust to the market reforms will only lessen China's economic potential. As recently identified in the *Economist*, a great deal depends on when and how the Communist Party will give up its monopoly of political power.²⁰ Clearly, this party is not willing to give up its position of power and its inability to adapt will continue to cause unrest while stifling the potential to advance to superpower ranking.

Ready access to natural resources such as crude oil is critical to any nation and it is a key component to maintaining economic prosperity. In 2004, China's energy consumption increased by twelve percent making the People's Republic of China the biggest oil consumers after the United States. Furthermore, much of its supply comes from unpredictable sources and transportation costs are very high.²¹ China's growing thirst for these resources and its drive to broaden its energy sources have taken a new urgency. Increasingly, Chinese state-owned companies have been going overseas in search for and buying major North American oil companies. They have found no better place to find and acquire those critical commodities than Canada which has the second largest petroleum reserves in the world. In May 2005, the Chinese National Offshore Oil Corporation bought sixteen percent of the Calgary-based MEG Energy Corporation,

¹⁸ Richard J. Newman, "The Rise of a New Power," *U.S. News & World Report*, 20 June 2005 138 no. 23; available from [here](#); Internet: accessed 21 February 2006.

¹⁹ Bardhan, "China, Superpower? Not So Fast."

²⁰ "Meeting the Superpower," *Economist* 377 No. 8453 19 November 2005; available from [here](#); Internet: accessed 16 January 2006.

²¹ Jane's Information Group, "Rivals for Russia's Oil," *Jane's Foreign Report* January 20, 2005; available from [here](#); Internet: accessed 21 February 2006.

which has significant oil sand reserves in Alberta. Two other Chinese companies, Synenco Energy and SinoCanada, bought a forty percent interest in the Northern Lights oil sands project again in Alberta.²² But it's not just Canada that Chinese are attempting to secure energy resources.

Russia is also being courted now by the Chinese for assured energy purchases. In discussions with the Russian government in September 2004, Chinese Prime Minister Wen Jiabao offered Russia US\$12 billion in financial loans and grants to expedite development of the enormous petroleum reserves in eastern Siberia.²³ Visualize a hypothetical future scenario where China relies on Russia for a significant portion of its energy. Russia could be tempted to use that reliance as a political weapon. Earlier this year that is exactly what happened when Russian President Putin cut off gas supplies to the Ukraine in an attempt to get higher prices for its gas. Ultimately, this failed after European Union pressure forced Russia to back down, but the message is clear; unfettered access to critical natural resources is essential to a nation's well-being and China does not have such access.²⁴ It will always be vulnerable to another nation-state's threats in this regard. Tragically, these actions can contribute to the commencement of aggression as history demonstrated when the United States stopped fuel shipments to Japan which lead, among other actions, to the attack on Pearl Harbor and the instigation of the war in the Pacific. The lack of critical natural resources diminishes China's control of its own economic destiny further degrading its superpower potential.

In his paper titled, *Power and Population in Asia*, Nicholas Eberstadt highlights the power of demographics and its influence on the nation's destiny. He suggests that the nineteenth-century French mathematician and socialist, Auguste Comte's dictum "Demography is destiny" needs added refinement. He argues that "...demographic forces can alter the realm of the possible, both politically and economically..." He further proposes that "Demographic considerations can (but are not always required to)

²² Jane's Information Group, "China's designs on US energy," *Jane's Foreign Report*, 18 August 2005; available from [here](#); Internet: accessed 21 February 2006.

²³ *Jane's Foreign Report*, "Rivals for Russia's Oil."

²⁴ *Economist*, "Nervous Energy," vol. 378, no. 8459 7 January 2006; available from [here](#); Internet: accessed 31 March 2006.

alter the complex strategic balance between, and within, countries.”²⁵ His thoughts form an excellent setting for discussing demographic changes in China and that nation’s inability to obtain superpower status.

At the founding of the People’s Republic of China in 1949, there was approximately five hundred million Chinese, many living in an environment of deep poverty and political instability. Since that time, China has undergone enormous social, economic, and political changes with its new rulers focused on reducing poverty and stabilizing the political situation. One of these changes has been China’s rapid population growth which has made a major contribution to a number of issues it is facing today. The Chinese Politburo’s reaction to population growth has generated swift and extensive declines in birth rates.²⁶

Those declining birth rates have generated estimates that place in doubt whether or not China is in position to carry through on its current economic path. Between the years 2000 and 2025, the United Nations Population Division estimates that China’s median age will rise from 30 to 39, placing it higher than even the United States. Nicholas Eberstadt has evaluated that proliferation of China’s aging population is almost as quick as anything seen before, including that of another aging Asian country, Japan. Just as disturbing is that China’s aging problem comes when it needs a young population the most. Where Japan achieved prosperity before it saw the effects of an aging population, China will experience the opposite. As comparison, in the year 2000, Japan had the same proportion of people 65 years and older as did China in 2004, but Japan’s level of per capita income was three times higher than China’s 2004 level.²⁷

Further re-enforcement of the impact of an aging population comes when assessing Chinese demographic projections for the year 2025. By that time, it is believed that over thirteen percent of China’s population will be 65 years and older. When Japan crossed that level, its per capita gross domestic product was almost US\$20,000. It appears to be a consensus that China will not be anywhere near that same level of prosperity by

²⁵ Nicholas Eberstadt, “Power and Population in Asia,” *Policy Review* (February 2004); available from [here](#); Internet: accessed 31 March 2006.

²⁶ Riley, “China’s Population: New Trends and Challenges.”

²⁷ Eberstadt, “Power and Population in Asia.”

2025. The effects will be widespread. While Japan may have a national pension plan that is financially exposed, China does not have one at all. Currently only one-sixth of the Chinese work force is covered by any type of retirement plan and those are haphazard and unsound.²⁸ So what does China and its people have to fall back on?

Currently, Chinese elderly rely upon the traditional family system. Imagine though when the number of seniors (sixty years or older) grows to approximately 300 million by 2025 but supported by the same number of workers found there in the early 1990s. It is estimated that it could be as low as a one-to-one ratio: pensioner to worker. From a cultural perspective, this could be further worsened when it is thought that nearly one quarter of the elderly Chinese population will not have a living son to rely upon for assistance.²⁹ Could these aging people be relied upon to continue working and contribute to the economic growth of a potential superpower?

The reality is that the Chinese economy, structured as it is for low-incomes, demands intense manual labour which needs a great deal of stamina, something that the lack of health care and the availability of nutritious food precludes. Almost half of the Chinese labour force works in the fields with another twenty percent toiling in mining, manufacturing, construction or transport. None of these employment sectors generally lend themselves to elderly workers. As seen in other areas of comparisons, China in 2025 will require workers capable of more strenuous work than in Japan. Add to it that infrastructure investment is viewed as a key element of China's economic growth; the demographics indicated that those labourers will not be there to construct it.³⁰ Furthermore, these same elderly Chinese are less likely to be better fed, housed or provided comprehensive health care than currently seen in societies such as Japan.³¹

Another contributor to China's population problems is the HIV/AIDS crisis of which the Chinese government has only recently faced up to as a growing health crisis. According to the World Health Organization, ten million Chinese will be HIV positive by the end of this decade. The challenge of finding jobs for hundreds of millions while

²⁸ Ibid.

²⁹ Ibid.

³⁰ Suraj Sengupta, "Is China the Next Superpower?" *Defence & Security Analysis* 19, no. 4 (December 2003); available from [here](#); Internet: accessed 21 February 2006.

³¹ Nicholas Eberstadt, "Power and Population in Asia."

dealing with health crisis affecting millions is a daunting task.³² Combine that with an aging population, China's human resource potential is bleak and impair its financial growth.

After the United States, China has the second-largest economy in the world as measured by purchasing power parity and it will soon eclipse even the entire European Union.³³ It is reportedly capable of sustaining economic growth of nine percent annually with a middle class of 100,000 people and 10,000 millionaires.³⁴ Others forecast that China's GDP has not only increased by a factor of four since the 1978 economic reforms but will again double before 2020.³⁵ All the same, China will suffer economic decline preventing it from obtaining superpower status because the veneer of economic progress will be wiped away by the probable inability of absorbing a huge peasant population into the urban workforce, the structure weakness of China's financial system, and the rampant corruption throughout. This appears contrary to the convention wisdom that China is "one of the great economic success stories of the past two decades," but the reality is significantly different.

China has been described as "the manufacturing workshop of the world. Interestingly, the truth is much different with China actually having only nine percent share of the global manufacturing value-added which is less than half of Japan or the United States. The reality versus the conventional wisdom of the China as an economic giant is further re-enforced when viewed through the composition of the work force and what sector those workers are employed in. Less than one-fifth of the total labour is employed in manufacturing, mining and construction with almost half are still in agriculture. The Chinese manufacturing sector has actually lost tens of millions of jobs since the middle of the 1990s.³⁶ As previously experienced, the lack of prosperity combined with a heavily weighted imbalance towards agriculture does not lend itself to superpower accession.

³² Martin Vander Weyer, "Superdud: China is no world leader," *Montreal Gazette*, 23 January 2005; available from [here](#) ; Internet: accessed 21 February 2006.

³³ Ibid.

³⁴ Ibid.

³⁵ Friedberg, "The Future of U.S.-China Relations: Is Conflict Inevitable."

³⁶ Bardhan, "China, Superpower? Not So Fast."

In a speech given in March 2001, Dr. Billy O. Wireman, President of Queens College in Charlotte, North Carolina heightened some of these obstacles. He noted that China for the first time in its five thousand year history will place itself under an international regulatory body that has the ability to discipline it, the World Trade Organization. He went on to say that one billion of China's population are peasants and ninety percent of those are farmers, posing an enormous challenge as China's agricultural sector is opened to global competition. That challenge is further exacerbated by the millions of unemployed Chinese agricultural workers searching for employment on top of the millions of workers threatened by the World Trade Organization-required dismantlement of China's 100,000 state-owned enterprises?³⁷ Also of note is that the Chinese population is concentrated in a relatively small area because of the mountains in the west and large desert in the central region, putting further pressures on migration to cities.³⁸ Absorbing millions of peasants attracted to urban jobs and the hope of prosperity will only increase the strain on cities and governments to assimilate them in a weakened, failed economy.

Another difficulty facing those who seek the ground truth on China's economic performance is the questionable reliability of the data published by the Chinese government. That information was a state secret until recently. Some argue that the collection of statistics once so closely held is not credible or reviewed with enough rigor. Others believe that the data has been manipulated to support Chinese political objectives. For example, earlier this year, the Chinese government announced that the nation's gross domestic product is now seventeen percent higher than previously declared. If true, this would make the Chinese economy jump from seventh place to fourth. It would also mean that the per-capita GDP would raise from \$1,000 US per person to \$1,200 – a remarkable increase. Putting that aside, even those outside China recognize that the growth is cancelled by the associated enormous loss of human lives in the inordinate number of industrial accidents, totaling over one million casualties annually by Beijing's official count.

³⁷ Wireman, "America, China and Russia: Three Epic Struggles That Will Shape the Twenty-first Century."

³⁸ Riley, "China's Population: New Trends and Challenges."

Even those that contemplate China becoming at least an economic superpower, such as Chris Gentle in his article for the *Journal of Risk Finance*, believes that it would be difficult for China to do so without substantial financial system reform. These reforms are simply a totally new system architecture including the proper regulatory function and credible financial institutions to be in place.³⁹ Part of that challenge is that one of China's greatest financial weaknesses is its reliance on direct foreign investment which is rooted in the flawed nature of its banks. The core of the ineffectual banking system is China's central bank, the Peoples' Bank of China (PBC). The central bank is unable to set monetary policy without approval from the State Council which opens the door for political interference. In other words, it submissively does what the government dictates, rather than actively and autonomously controlling China's money supply. Furthermore, it cannot implement policy without constant meddling from local governments, commercial banks and other financial institutions.⁴⁰

The banks take in the majority of China's huge domestic savings but these same domestic institutions are unable to invest it because they are incapable of assessing risk and, thus, do not invest in venture capital opportunities. As Dr. James W. Dean of Simon Fraser University pointed out, China's domestic savings supports in a roundabout way much of the American fiscal deficit not the Chinese economy.⁴¹ Another element that is significant drag on China's economic progress and unlikely accession to superpower ranking is corruption. The continued cost of corruption to the Chinese economy is substantial with one estimate suggesting a loss of 13.2 to 16.8 percent of Chinese GDP during the period 1995-1998.⁴² Place corruption along with an inefficient banking system and dubious economic data from the Chinese government is not the foundation for continued growth.

³⁹ Chris Gentle, "China: keeping pace with the times," *The Journal of Risk Finance* 6 no. 1 (2005); available from [here](#); Internet: assessed 21 February 2006.

⁴⁰ Charles Wolf Jr. et al, *Fault Lines in China's Economic Terrain* (Santa Monica, California: Rand, 2003) 120-123.

⁴¹ James W. Dean, "China's real rival," *National Post* 8 September 2005; available from [here](#); Internet: accessed 21 February 2006.

⁴² Wolf Jr. et al, "Fault Lines in China's Economic Terrain."

One of the key elements of recognition of superpower standing is the ability to project power globally and the possession of nuclear weapons. Some argue such as Rosemary Foot in an *International Affairs* article from 2006 that China does not want to obtain that level of military power for two distinct reasons:

- (a) China accepts that the United States has an enormous lead in military power that it is unable to equal or surpass in the near or distant future; and
- (b) China is focused on domestic development thus ruling out some kind of arms race with the Americans.⁴³

No matter what reason China may or may not have for modernizing its military, an examination of recent events surrounding those efforts will reveal that this military is not and will not be capable of superpower military action. James H. Nolt may have put it best when he suggested that China's military power should be seen in relative terms rather than just its modernization efforts in isolation. From that standpoint, he assesses that China's military is in a decline relative to the United States and is insufficient to defeat those nations that it may be in conflict with such countries as Taiwan, Vietnam or India. He summarizes it this way:

China can defend itself from foreign occupation and remain a regional status-quo power, but it is not a rising or threatening power.⁴⁴

The reality is that China's military spending had actually fallen even before former Premier Deng's ascent to power in 1978. In fact, the Chinese military budget hit its peak in 1969-71 when it consumed over ten percent of the Gross Domestic Product (GDP). This reflected that China feared a war with the former Soviet Union but since the demise of the former Soviet Union and any potential conflict, the budget has declined to just one quarter of that actual GDP percentage. After the death of Defense Minister Lin Biao in 1972, China made the biggest decreases to military spending followed by further acquisition program cuts in the late 1970s and early 1980s. The most recent budget increases are actually to cover growing personnel costs since military pay had fallen

⁴³ Rosemary Foot, "Chinese strategies in a US-hegemonic global order: accommodating and hedging," *International Affairs* 2006 No. 82; available from [here](#); Internet: accessed 21 February 2006.

⁴⁴ James H. Nolt, "China's Declining Military Power," *The Brown Journal of World Affairs* (Spring 2002, Volume IX, Issue 1); available from [here](#); Internet: accessed 21 February 2006.

behind those paid to similarly skilled civilian workers.⁴⁵ Spending cuts have also driven reduced weapons procurements.

During the period stretching from the 1960s to the 1980s, China almost exclusively produced its own weapons, mostly of out-dated designs. In the 1990s, China restarted weapons purchases from Russia with some smaller purchases from France. This has been the trend as China is more and more dependent on foreign weapons import and the production of licensed foreign designs for most of its military requirements. The end result is that very few units are equipped with modern arms.⁴⁶ This is further aggravated by the poor quality of its domestically produced arms. Foreign sales to Thailand and Myanmar of Chinese weapons prove this point.

In the case of Thailand, it agreed to buy complete Chinese frigates without any western weapons or other hardware. Soon after, Thailand discovered how poor the workmanship was, requiring overhaul right after delivery. The propulsion systems were so unreliable that these first vessels were limited to coast guard duties only. The Thais insisted that the last two would be “empty hulls” which were later equipped with western engines, weapons and electronics. Myanmar experienced similar issues after it spent \$1 billion dollars on Chinese naval ships, aircraft, armoured vehicles and other military equipment. It too found the Chinese military hardware to be of poor quality as well as generating maintenance and spare parts issues.

The number of personnel in the Chinese military has also dramatically shrunk from four million in the first part of the 1980s to below 2.3 million in 2002. In comparison, India which has been identified as another potential superpower has actually increased their military personnel strength to 1.3 million, a substantial increase from the 500,000 it had in uniform during the 1960s. In fairness, full-time military personnel numbers should not be looked at as the only number that counts: reserves must also be included. But here again, China only has five hundred thousand reservists versus Taiwan’s reserve force strength of 1.5 million. The end result from a manpower

⁴⁵ Ibid.

⁴⁶ Ibid.

perspective is that China has decreased its army divisions from 120 in the 1980s to half that number in 2004.⁴⁷

The possession of nuclear arms was identified as a key criterion to superpower status and China's ability to deliver those weapons even to the United States is recognized by some.⁴⁸ The Federation of American Scientists has included on its internet site numbers for China's warhead total as high as 2,000 weapons. Another estimate places China's inventory increasing up to 200 nuclear warheads, growing to over 800 weapons by 1980.⁴⁹ The most credible estimate comes through the Federation of the Atomic Scientists which uses US military and intelligence reports for its estimation that within ten years China will have 75 to 100 weapons in service. It further forecasts that these numbers will not increase past that point. These same inventory numbers support the conclusion that China does not seek a counterforce capability but a retaliatory focus as stated in its own nuclear doctrine.⁵⁰ Combine this doctrine with China's very limited sub-launched ballistic missile capacity and its yet-to-be developed intercontinental ballistic missile capable of striking the continental United States, China is not a nuclear superpower.

A RAND report on China's strategic and military future implications for the United States summed it up well. It assessed that China is so far behind the world's only superpower in so many facets that nothing less than "a sustained and total mobilization" would elevate the Chinese military to equal ranking. In balance, the same report did not discount China's future ability to project military power regionally such as exerting sea control off its own coasts, attempt to gain "aerospace superiority" on areas touching its own borders, threaten US bases in East Asia, contest US information superiority, and pose a "strategic nuclear threat to the United States." To even achieve this limited regional military power ranking will necessitate increased defence spending among other

⁴⁷ Ibid.

⁴⁸ Zalmay M. Khalilzad et al, *The United States and a Rising China: Strategic and Military Implications* (Santa Monica, California: Rand Corporation, 1999), xiv.

⁴⁹ Federation of American Scientists, *Chinese Nuclear Weapons* (14 November 2003); available from [here](#); Internet: accessed 31 March 2006.

⁵⁰ Robert S. Norris and Hans M. Kristensen, "Chinese Nuclear Forces, 2003," *The Bulletin of the Atomic Scientists* 59, no. 6 (November/December 2003); available from [here](#); Internet: accessed 31 March 2006.

actions.⁵¹ As discussed earlier, China is viewed as not increasing its defence expenditures in any measurable terms. Nonetheless if the Chinese military does truly receive increased funding, it will still not take it to superpower ranking.

Some analysts believe that China probably seeks global recognition that it is an equal to the United States, but the Chinese leadership recognizes that it will not be able to do so in the near future.⁵² Others see China and its ambitions as limited to regional power projection only.⁵³ No matter how one attempts to place China's ambitions, there are a number of over-arching issues such as social and political upheaval in that country as its totalitarian government struggles to control and cope with the market reforms it started almost thirty years ago. It also faces continued social unrest as hundreds of millions seek the same promise of prosperity perceived to be found in China's cities. To be a superpower, an aspiring nation needs assured access to critical natural resources including energy. Here again China comes up wanting, attempting to secure those vital supplies but leaving itself vulnerable to other nations' political whims.

Truly, China has experienced remarkable economic growth and may continue to make gains. But like other states such as Japan, China will soon face a demographic crisis of an elderly work force unable to support continued economic growth, or to support itself or provide critical labour to power the economy. In addition, it is expected that China's economic growth will not grow at the same rate as what has already been seen. Include its aging workforce and a seriously flawed banking system riddled with inefficiency and corruption, China will not be able to continue to fund its military growth and capability improvement. China's military acquisition budget is already falling in real terms. Despite heavy investment in its domestic arms production, the poor quality of those weapons has forced China to shop abroad for quality military hardware. Finally, from a military perspective, China does not have a true strategic nuclear arsenal.

With all these weaknesses exposed, does China match the Concise Oxford Dictionary of Politics definition of a superpower: "those few states with power far

⁵¹ Zalmay M. Khalilzad et al, "The United States and a Rising China: Strategic and Military Implications."

⁵² Foot, "Chinese strategies in a US-hegemonic global order: accommodating and hedging."

⁵³ John Gittings, "Half a Superpower," *New Statesman* 134, no. 4720 (1 January 2005); available from [here](#); Internet: accessed 16 January 2006.

transcending that of the rest of the states in the international arena?"⁵⁴ The answer is a resounding no. Not now or in the future.

⁵⁴ Concise Oxford Dictionary of Politics.

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