

# China ‘will never eclipse US’, says new military report

## Abbott joins Chinese leader Xi in Hobart



**CHINA will never become the dominant power in Asia and its strategic rise should not determine the future structure of the Australian Defence Force, according to a major Kokoda Foundation report.**

The strategic think tank’s report, to be released today, is likely to ease fears of an expansionist China following President Xi Jinping’s pledge in Canberra that China would never inflict war upon nations in the region.

The provocative report challenges the popular assumption that China’s strategic clout and economic growth will continue unabated and argues that Beijing may already be approaching the zenith of its global power.

It rejects claims that the US is in decline as a Pacific power and says the fashionable belief that China will eventually challenge the US in the region is improbable.

The report delivers a withering assessment of China’s military capabilities, saying the country does not have the equipment, training or experience to pose a significant threat to the region and that Chinese warships would be easily picked off by their US or Japanese counterparts.

“Presently China is a regional military power entirely without any modern combat experience and with major deficiencies in doctrine, human capital and training,” it says.

The report, written by defence experts Paul Dibb and John Lee, will trigger fresh debate in Canberra about Australia's strategic response to a rising China at a time when commercial links between the two countries have never been stronger.

Assessments of China's military ambitions will be central to the new defence white paper to be released next year.

In an address to parliament on Monday, Mr Xi promised that China would uphold peace as its economy and strategic clout continued to grow. Mr Xi and Tony Abbott signed a historic free-trade agreement that promises to redefine trade links between the two nations as part of a new strategic alliance with Australia.

The Kokoda report says the popular belief that China will soon become the dominant power in Asia is not supported by the facts.

“Such arguments ignore the implications of China's economic, social and national fragilities, its lack of major friends or allies in the region as well as the considerable military deficiencies and challenges faced by the People's Liberation Army,” the report says.

“With the defence white paper due for release in 2015, the government should bear in mind that planning for an era of Chinese dominance in the region — or even its emergence as an American strategic peer in Asia — would be premature, if not improbable.

“Australia should not design its defence force for war with China, but should be able to counter Chinese coercion and contribute to allied military operations if necessary.”

The report, to be published in Kokoda's *Security Challenges* journal, rejects the view held by analysts such as former defence official Hugh White that the US should cede “strategic space” to a rising China in the Pacific.

“Any suggestion that the United States should move to one side in Asia to make strategic space for China should be rejected,” the report says.

“China is not now or foreseeably a strategic peer of America's and any move by Washington to concede China's so-called legitimate strategic interests would smack of appeasement; and offered unnecessarily and for little conceivable gain.”

The report argues that domestic challenges such as an ageing population, income inequality and political unrest will undermine China's ability to emerge as a major military and strategic force.

“In our view, China may soon be approaching the zenith of its power as its economy encounters serious structural impediments and demographic barriers to growth,” it says.

The report says it would be decades before China could hope to challenge the US militarily in the Pacific.

“China’s forces still lag considerably behind those of the United States in overall resources, technology and experience,” it says.

“In our view, China is 20 years behind the United States in high-technology weapons and sensor development.”

The report describes China as a lonely power with few friends in Asia and says any attempted expansion of its strategic weight in the South China Sea or elsewhere will only encourage a “strong external balancing against China” by other countries in the region, especially Japan, India and the US.

“None of this is to underrate the potential challenge to regional stability from China’s military modernisation, but neither is it to succumb to the current fashion of exaggerating China’s military capabilities,” the Kokoda Foundation says.

The debate about China’s military modernisation has been raging for years between those who see it as part of broader ambitions to project power far beyond its shores and others who see it as a natural and non-threatening part of China’s economic and political emergence. In the 2009 defence white paper the then prime minister Kevin Rudd took a hawkish view of China’s military expansion and ordered that the size of the future submarine fleet be doubled from six to 12 to deal with the perceived threat of a modernised Chinese navy.

Although the Kokoda report plays down the China threat, it says Australia “must be able to resist Chinese coercion — whether by military or other pressures — with regard to our own direct security interests, including if necessary our economic security”.

“We should develop the high-technology naval and air assets necessary to contribute to any allied conflict in the region where we might need to make a contribution or where Australia needs to help resist Chinese military adventurism,” it says.

Professor Dibb, from the ANU, authored a 1986 report that laid the foundations of Australia’s modern defence policy, while Dr Lee is a senior fellow at the Hudson Institute in Washington DC. The Kokoda Foundation is an independent not-for-profit think tank to promote debate on security challenges.