

## **REAR ADMIRAL STUDEMAM DELIVERS REMARKS AT AFCEA WEST OUTLINING CHINA CHALLENGES**

On February 15, Commander of the Office of Naval Intelligence and Director of the National Maritime Intelligence-Integration Office, Rear Adm. Mike Studeman, spoke at AFCEA West 2023 in San Diego.

Below are his remarks as prepared. His speech, "An Intelligence Officer's Perspective on China," can also be viewed online here: <https://www.youtube.com/watch?v=hVflrfHH4g4>

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Good afternoon, I'm honored to talk about something that's on all of our minds. I'd like to talk about three main issues: the trouble of seeing China, America's information instrument, and Taiwan, because that's where all roads ultimately lead.

I've been the ONI Commander for six months, and I've also just come fresh off of six years of operating in the joint community through three combatant commands—CYBERCOM as the Joint Intelligence Center Commander and then a double J2, first at SOUTHCOM, where there is a China problem, by the way, and also in INDOPACOM for my last three years.

I started studying the China problem in 1995 with a Masters from the Naval Postgraduate School in Asia Regional Affairs. I learned Mandarin Chinese from the Defense Language Institute. Almost every job that I've had, no matter what it was focused on, involved some kind of China element, so I've been looking at the problem for almost 30 years.

The 911 Commission over twenty years ago issued recommendations for the Intelligence Community. Two of the main ones were that we were failing to use our imagination and that we weren't connecting the dots. If I do anything today it's to enlarge the imagination and maybe connect a few dots, because the China challenge is a significant one and it's the number one challenge to the nation for a reason. I'm going to speak truth, I'm going to be very forthright. In the intelligence business, we have a responsibility to provide a sense of what the dangers are to U.S national security, to the American people, and we need to provide clarity when we talk about those dangers. We also need to enable optimal action, to do something about the information we have. We can't just be omniscient spectators.

### **The China Problem – More Gigantic than Understood or Appreciated**

I'm going to be very honest with you: it's very unsettling to see how much the U.S. is not connecting the dots on our number one challenge, even though the National Security and Defense Strategies call China out. It's disturbing how ill-informed and naive the average American is on China. I chalk this up to a China blindness. We face a knowledge crisis and a China blindness problem and the reasons are pretty clear.

First of all, China's pretty good about flying under the radar. It uses time in a very adept way. It is very good at creeping its way to its objectives. This incrementalism doesn't alert you like something fast, red, and blinking going across your sight line. It's the slow moving other thing that doesn't get your attention. The whole intent if you're on the Chinese side is to avoid alerting the existing hegemon to the rising

hegemon's intentions, plans, and capabilities. What you don't want to do as the rising power is to alert the big guy on the block. What you want to do is make yourself look like you're not so much of a threat and you want today's hegemon to be very, very complacent about what's happening. This approach is akin to the boiling the frog syndrome and that's what we're seeing in play today.

It's also true that Chinese are very good at engineering a veneer of responsibility regarding all of their actions. The machinery they employ in the information space is incredible and it's very good at downplaying the China threat by showing a rosy form of its history and painting China's rise as peaceful. That information spin is fed through the front ends of the Confucius Institutes, as one example of their many dissemination channels. Beijing uses a very selective form of Chinese history designed to show peacefulness within the Chinese DNA, even though they have one of the bloodiest histories and have engaged in Machiavellian realpolitik for almost all of their history.

The other issue in play is that the National Security Community is highly distracted. We are divided regarding where as a nation we should spend our energy, which is finite. When you have to deal with ground campaigns, when you're dealing with an Iraq, an Afghanistan, a Syria, and now Ukraine, that's going to take up a significant portion of your executive bandwidth. That's another reason why we aren't able to focus persistently and well on China matters.

Then there's the basic issue that the China problem is so massive. Most people don't have a framework to understand it in all its proportions. It's like the blind man and the elephant metaphor where you're feeling the tail and you say that's a rope, you feel the leg and it's a tree, the side it's a wall, the tusk is a spear, the trunk is a snake. Everybody has their own sense of what they're seeing. We have a myopia problem and the lenses are different depending on who you talk to.

Some examples: If you go to the business community they'll be very focused on the access to the China market--the profit that can be made in a large foreign population. They're worried about manufacturing centers, they're worried about trade, and they have a very big lobby.

Other Americans and other international China watchers focus on human rights. They talk about the Xinjiang problem of repression and the idea of genocide through sterilization and a million Uyghurs, detention camps, and re-education systems.

If you're in the political science community, you're look at the rise of authoritarian governments and "wither democracies?" Those experts worry about authoritarianism becoming a more attractive model for governance. They study the ability of liberal democracies to perform, the nature of comprehensive power in the modern age, and how that power is used by strong nations.

If you're in the data or the privacy business, you pay attention to Huawei and ZTE, maybe even TikTok. You see a big data problem, and worry about access and manipulation of that data.

Then there's the intellectual property theft issue. IP theft valued at 200 to 300 billion dollars a year continues to be stolen from America by the Chinese. Beijing has been doing this for years, which translates to trillions of dollars of our intellectual property that is being used to fuel the fastest modernization, virtually, that we've seen in history with regard to the rise of the PLA and other ways that the Chinese are attaining a technological edge. This is done on your backs, our backs.

Others that may be concerned about China focus on rare earth minerals, monopolies where the Chinese will have supply chain grip on minerals we need for our economy and military.

If you go to the Department of Homeland Security, you're going to hear about their concern about cyber penetration into the critical infrastructure of the United States, where the China could hold us at risk, whether it's energy, water, transportation, whatever.

If you go into the FBI, they'll talk about the Chinese successes in penetrating academia and our laboratories. Swimming upstream so they can get into our R&D base--another way that they steal technological insights.

If you go forward in the Indo-Pacific, issues of concern will orient on South China Sea coercion - lasing, water hosing, ramming, radio intimidation, heavy patrolling, or maritime militia "cabbage patching" in clusters around assets of other claimants. China does those things, ideally quietly, beyond the sight line of the international community, but it's a persistent problem for Southeast Asian rim nations.

Another lens that some Americans may see China through is the "lawfare" (legal warfare) one. Concerns about how the Chinese are slowly, steadily, drip by drip, trying to change the basic elements or the understanding of what international law calls for, attempting to transform it with very active lawfare measures.

Some Americans, very few I suspect, may know about the United Front Workers Party's political work, how the Chinese export propaganda and use information controls to advance their objectives in foreign countries. Or use weaponized corruption to capture political and business elites, left and right, so they can expand their influence globally.

Then there are Admiral Paparo's concerns in the Pacific Fleet, where he pointed out China's unsafe, risky behaviors in the air and at sea. We stand at a serious crisis point with the amount of risk the Chinese are taking to push us away even from the international commons as we try to monitor China's rapid military modernization and their associated coercive activities in the region. We are potentially very close to another Lieutenant Commander Wang Wei in April 2001, getting too close to an EP3, harassing to the point where ultimately a mishap occurred.

In all of the above, I didn't say one thing about Taiwan yet, did I? So, the China problem is not all about Taiwan. It is much bigger than that and frankly it's very difficult to have a conversation, what I just laid out, about the genuine scope of the China problem. We must all possess a greater appreciation for how all these things are connected--it's almost mind-blowing how big the China problem is.

## **China Views and Objectives**

Now let's talk about China's views and overarching goals. China sees the United States as the number one enemy and calls us out as such, particular in their domestic environment. They don't beat around the bush and they have been saying this for quite some time. Worth rewinding 34 years when China's leaders took a look at Tiananmen in 1989 and said "that can never happen again." Party leaders viewed the attractive power of democracy and freedom as the root cause of the protests and considered it an existential threat to the CCP. As a result, China's leaders revamped China's education system. Young Chinese today continue to be fed a form of revisionist history with regard to America, with the main theme that America has been an enemy of the China state for hundreds of years and a destructive force in international affairs. You won't get the Flying Tigers helping to save them in World War II against

Japan. You won't get the amount of help we gave them, including trade, financial support, and weapons, after Deng Xiaoping opened up China. We continue to be China's number one enemy and we are regularly demonized.

China continues to be engaged in a whole of society effort to execute their grand strategy which is to achieve the dream. The China dream is "rejuvenation" by 2049. Xi Jinping intends to do as much to achieve that dream during his tenure, because he believes in its righteousness and his potential to become the greatest modern leader of China, even greater than Mao.

China's strategy is to become the strongest power in a multi-polar world. They have a vision of reclaiming their place atop the hierarchy of states, where big states do what they can and small states suffer what they must. It's Melian Dialogue all over again. They instinctively want to return to the days of the Middle Kingdom, where they were center stage. The Chinese feel like it's a historical anomaly in the last 200 years that China hasn't been the indispensable power.

China thinks that if they lead the world community that there'll be a more stable system. They intend to elevate the stature of authoritarian governments, and legitimize not just their governance model, but ensure the long-term safety and security of the CCP.

China's grand strategy involves building hard power, soft power, and sharp power to reduce the relative power of the world's hegemon - that's us - who they think is failing. They think America is dangerous, they think we do things that produce chaos. They think our hand was behind every Color Revolution, upheavals in the name of freedom that resulted in disasters for a number of countries. To the Chinese, America's policies and actions haven't translated into peace and security, but instability and human suffering.

China also thinks we've been the standard bearer for liberal democracies, but can't deliver solutions for the modern age. They don't think that democracies are efficient, they think they're ineffective, and they think we can't get rid of poor leaders easily enough. They believe liberal democratic societies indulge in excessive individualism and allow too much special interest influence that interferes with advancing the common good. (I think we can admit, there's a kernel of truth in these criticisms.)

The recent lower GDP of the PRC and the graying of the population, the declining demographics, are not going to change the CCP's views or goals. And their latest charm offensive is nothing more than a tactic as they take care of setbacks they've faced.

To distill the root of concern about China: history tells us that a messianic leader with centralized control in charge of a totalitarian society harboring grievances, with a lot of hard power at their disposal, with an ambition to change the international system to their preferences, represents one of the most dangerous trends in geopolitics.

So dealing with these realities require our very best effort. We need to have more conversations with the country about these challenges at all levels, including at the very highest levels. We need to truly understand the problem, diagnose it right, and then figure out the best way to mobilize our society to deal with this. Arguably this is a tougher problem than what we faced against the Soviet Union in the Cold War, because the Chinese are far more economically powerful and interdependently tied into the global economy.

We need to have conversations with the country that are calm, balanced, and objective. We must figure out a middle way between something that's overheated when we talk about China and something that's undertreated. I believe we're in an undertreatment of the China problem today and we've experienced overheated.

The China challenge could, in fact, be the most non-partisan issue in this country, one that could unite the country in significant ways. This is the time to transcend our domestic struggles and shine a light on a far more dangerous struggle--the international one that will have far more implications for your average American.

China is well on the way to building impressive comprehensive national power and material strength. China is already deeply influential in the Global South - that means many countries that are voting in the U.N are already highly leveraged by the Chinese and those votes will count. China aims to transform major elements of the international order, and many small to mid-size countries will support China's positions because they are essentially obligated to the Chinese in terms of their economies. Look at this like a weiqi board, the Chinese game, where they've turned a lot of stones. If we're white, and our allies and partners are white, China has turned a lot of those stones black and they continue to flip them. We should be concerned about waking up one day and finding we've been outmaneuvered.

So can we, please, lower the amount of internal bickering within the United States and focus on the international challenge that actually affects every American.

### **Turning On and Tuning Up America's Information Instrument**

The information domain is the main playing field for engaging in strategic competition, but, frankly, America's information instrument is the weakest of all our national instruments, and we need to shore that up ASAP.

Ironically, China has empowered more people in its police state down its chain to engage in lies, half-truths, and propaganda than the U.S. in an open democracy allows its people down chain to deploy the truth. There's something wrong with that. If you're on an information team or in an organization that owns one of those - what you've faced to date is tightly-controlled authorities, reduced freedom of action, bureaucratic roadblocks, restrictions, and hesitancy. As a result, U.S messaging is slow, late, thin, and maybe even outright absent. There have been missed opportunities, left and right, to expose "red" malign behavior and amplify good "blue" actions. We can't just count on the missteps of the Chinese in the information domain.

It's a truism in the information domain that whomever frames the narrative, dominates the narrative. The Chinese are very effective at being the first mover on the issues, so they get their story out first and they're ready to explain away almost anything. In a vacuum, their messages do resonate, they have definitive traction. If there's anything we've learned recently as a country, it is that more people are more misled than most people think.

So, we need to better organize for success in the information domain and if we don't we could very well lose the peace. We spend a lot of time worrying about winning the war, prevailing in crisis, but we can also lose the peace in the meantime if we only think about dealing with China through the lens of a defense plan.

Another key point. The Chinese are focused on what they call gaining greater and greater “discourse power.” China attributes much of America’s rise since 1945 to using language and ideas about what is acceptable, what is fundamentally good, in the international community. China realized that they needed to catch up and have more discourse power and they're well on their way to developing it. The Chinese believe whoever rules the word, rules the world.

The Chinese are, in fact, already winning over many in the international community. Why? Because they offer promises of connectivity and prosperity and progress. All those things that relate to the Belt and Road Initiative, the Global Security Initiative, all the “Silk Roads” (Polar, Digital, Space, Health, etc). These concepts are very attractive to many developing countries.

China is also already shaping U.N. documents, redefining what constitutes a human right, describing development as a human right, to shift the emphasis away from freedom and safety. They have also successfully inserted phrases like “the community of common destiny for mankind” into U.N. documents. These are examples of using discourse power to build legitimacy and redefine widely-accepted thematics that govern world affairs.

In competition, the information domain is the central domain. Whoever is immersed and proficient in that space is able to do battle with their ideas. That's where you win friends, it's where you influence choices, it's where you build trust, it's where you gain access...or you just don't. America has got to see the information sphere as “key terrain” worth defending, and not just for the Russia problem, but for the China problem as well.

Yesterday, Lieutenant General Smith said “if you're not winning in the information space, you're not winning at all.” So true. That goes for peacetime, crisis, or any combat environment as well. We have work to do to puncture the false narratives of our adversaries, untwist distortions, highlight the “say-do” gaps of our adversaries, and wage the truth promptly and confidently.

The difference between U.S information operations and the PRC information operations, or Russian IO for that matter, is that when we do it, we are educating. When our adversaries do it, they are manipulating. So we need to play to our primary advantage—the truth is on our side.

I agree that there are some good initiatives underway. If you go to the State Department, the Global Engagement Center, if you're going in the Intelligence Community with Title 50 authorities, the Joint Staff Combatant Commands, the Fleet Information Warfare Center Pacific, which Admiral Vernazza will explain to you, those all hold promise. There are ready capabilities, some of which are already in play. But we need more support in the interagency and from the National Security Council to operate at the speed and the scale that we need as part of this intense competition. We need a process that's more decentralized and something that's more “command by negation”-like to be able to unleash the full potential of our American information teams. I say this all to you as a proud, but very frustrated Navy and Joint Information Warfighter.

## **Taiwan Dynamics**

Three points on Taiwan. First point, the PRC’s own actions have created the problem of Taiwan today and the reason why we're near crisis today. The PRC’s military modernization has been one of the fastest in human history. They invested in every warfare area to produce a massive war machine, which they then deployed in key areas closer to our allies and our partners and our friends. They increased

operations around Taiwan, projecting power in an anaconda-like way, with more patrols, closer, more often.

Xi Jinping gave a “get ready by 2027” mandate as an edict to his forces, upping it from 2035. Xi Jinping has been very clear about his desire to resolve the Taiwan problem. If the Taiwan problem is not solved, then there is no successful rejuvenation, in the Chinese view. Also, for years now, large annual exercises take place for over four months not too far away from Taiwan. So Taiwan and the region have seen these threats up close, which has been destabilizing unto itself.

Couple the closer proximity of China’s war machine with the oppression in China and the regional fear factor goes up exponentially. The world saw what happened in Hong Kong, where China squelched freedom, delivered a death blow to democracy. Many who fled Hong Kong found refuge in Taiwan, where they told their stories about what it was like as the Chinese police state moved in. If you are citizen of Taiwan, Hong Kong’s experience showed that there is no viable “one country, two systems” formula. Taipei continues to reject China’s false political promises, so this is the backdrop of instability that we see today.

China’s assertiveness is very dangerous and is on display in many other areas beyond Taiwan, too, which contributes to a high degree of distrust regarding Beijing’s intentions. Look at the Indian border, with the near-war conditions there as a result of assertiveness. China has taken over villages in Bhutan. China is deeply inside Burma, they’re down to the Mekong, they’re in the South China Sea, they’re all over the Senkakus. The Chinese outward expansionism of influence and presence is scaring and destabilizing an entire region. So the Taiwans are rightly concerned. The U.S. is also rightly concerned and our aim is to fulfill our obligations under the Taiwan Relations Act, which is to give Taiwan enough defense articles to be able to achieve their own defense.

The irony in all this right now is that all sides feel like their deterrence is diminishing.

The U.S. and allies feel like there’s a greater chance that China could convert to using military action of any scale, because they are just all around Taiwan. They’re so close, they could transition any time. So that puts everybody up in a highly sensitized state to think through worst-case situations.

On the other side, if you’re Chinese, you believe that you weren’t at fault for creating the unstable situation. And it looks like Taiwan is moving towards de facto independence. The Chinese perceive that everything that the U.S. does in terms of its operational posture, FMS, or with Congressional Delegation visits, constitutes encouraging Taiwan to actually move towards solidifying de facto independence.

Of course, Taiwan’s separation from the motherland is the most significant “core” sovereignty issue for Beijing. If they lose Taiwan, in their eyes, that would set off a chain reaction of fragmentation in other parts of China, like in Tibet or in Xinjiang, which in turn would lead to chaos, disorder, and devastation. That’s the emotional side for the Chinese. They feel like their deterrence to keep Taiwan as a part of China may be slipping and they’re trying to arrest a negative trend.

And when China takes a look at their levers for arresting this perceived negative trend, their military may be the only useful one left because they’ve tried diplomatic, informational, and economic measures, but none of those has altered the strategic dynamics. That’s the reason why they’re using the military more. It’s a form of pressure, it’s a form of penalization of Taiwan, as the PLA attempts to exhaust the Taiwan Air Force and Navy. But it’s also a strategic signal to the United States: the message is that “if you maintain course and if you change the political status quo of Taiwan, I’m going to have to

use combat arms to resolve this problem.”

Point two: this is not the time for “strategic clarity.” It makes no sense, because it doesn't buy any deterrence. The Chinese already think that the U.S. is going to intervene, along with maybe Japan, Australia, and others, if the PLA attempts a military operation against Taiwan. That's one of the reason they're building a military so powerful, so they can handle outside intervention. They assume it's going to occur.

You're not going to buy deterrence by having “strategic clarity.” What you may do, in fact, is actually tie the President's hands, current and future. America shouldn't give out blank checks, especially when we don't know the circumstances we'll face in the future where we may or may not want to commit U.S forces based on a variety of situational factors.

“Strategic ambiguity” has served us well for 45 years and we need to continue to understand that it has value going into the future. We need to continue to kick the can down the road. Changing the political status quo will generate dire consequences for all parties involved.

Last point: we need to handle these issues with a very deft hand. That means not just focusing on integrated deterrence. Managing this flashpoint also requires employing integrated assurance. Not just assurance for our allies and partners, who in fact are nervous and do require support, but assurance to China as well. We have to assure Beijing that we are not trying to permanently separate Taiwan from them. If they don't feel that assurance, then they won't feel that time is on their side and it may force them into a war of necessity. That would be cataclysmic for all. So, we need smart statecraft and smart employment of all of our instruments of national power, then maybe we can avoid a worst case situation.