


A NEW FRAMEWORK FOR UNDERSTANDING AND COUNTERING CHINA'S GRAY ZONE TACTICS



Gray zone tactics—coercive actions that are shy of armed conflict but beyond normal diplomatic, economic, and other activities—are widely recognized as playing an increasingly important role in China’s efforts to advance its domestic, economic, foreign policy, and security objectives, particularly in the Indo-Pacific. But there is little consensus to date on which tactics pose the greatest challenges to the United States and its allies and partners in the region.

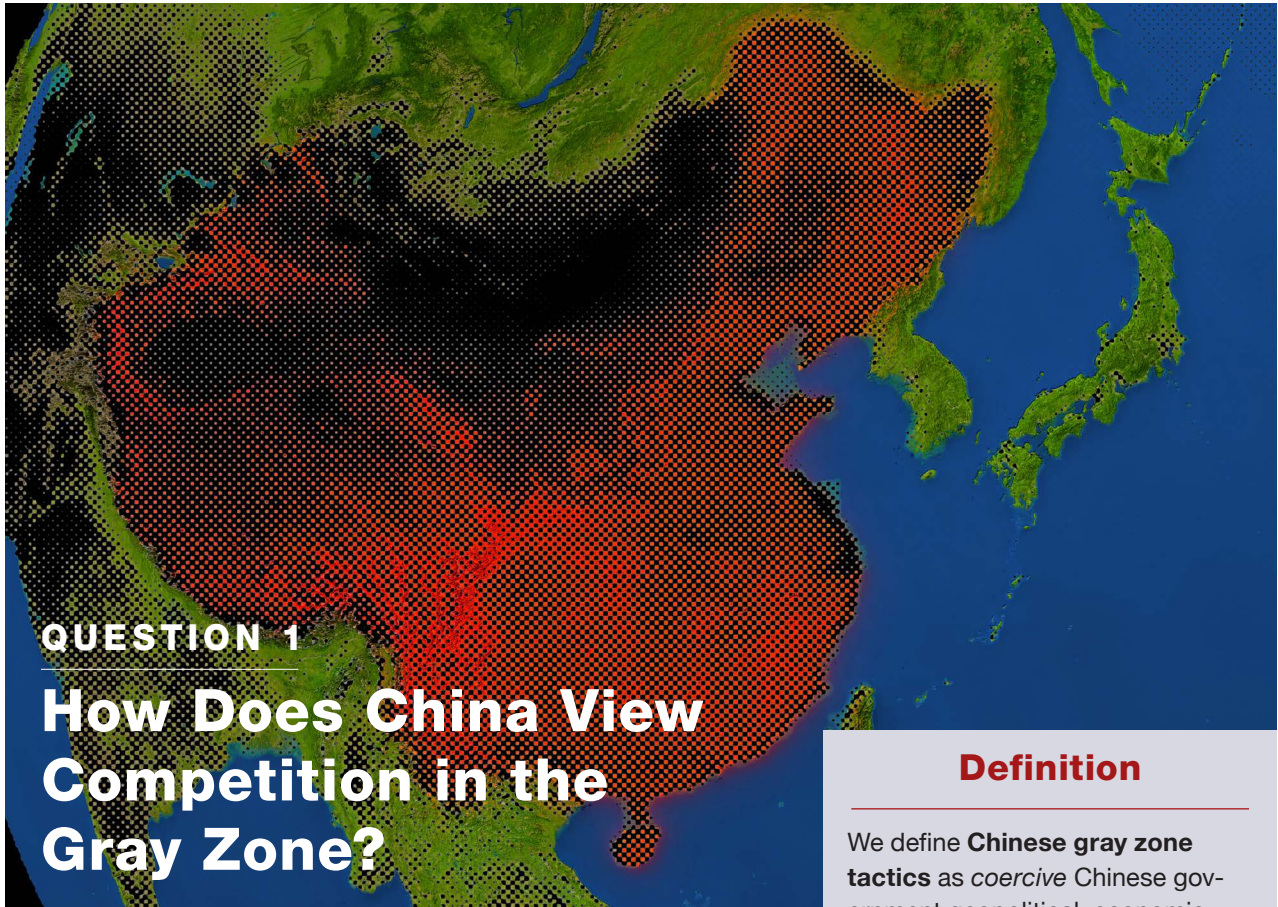
RAND Project Air Force researchers developed a framework to help U.S. policymakers categorize China’s use of gray zone tactics and identify the most-problematic People’s Republic of China (PRC) tactics that the United States could prioritize countering. Studies of China’s gray zone tactics typically have focused on specific countries, domains (e.g., maritime), or incidents. RAND analyzed trends and patterns in China’s gray zone behavior by examining the country’s use of different types of gray zone tactics over time against five key U.S. allies and partners in the Indo-Pacific: Taiwan, Japan, Vietnam, India, and the Philippines.



To understand how the United States can better compete with and counter PRC gray zone coercion, RAND researchers analyzed open-source material and held a workshop with more than 90 U.S. interagency and U.S. Department of Defense participants to answer four related research questions.

Key Findings

- China views gray zone activities as a natural extension of how countries exercise power. These activities are a way to pressure countries to act according to Beijing's interests—advancing its domestic, economic, foreign policy, and security objectives—without triggering backlash or conflict.
- Over the past decade, China employed nearly 80 different gray zone tactics across all instruments of national power against Taiwan, Japan, Vietnam, India, and the Philippines.
- Three indicators could help determine which tactics are most problematic: the extent to which Chinese tactics undermine U.S. objectives, how difficult it is for allies and partners to counter tactics, and how widely China uses the tactics.



QUESTION 1

How Does China View Competition in the Gray Zone?

Definition

We define **Chinese gray zone tactics** as *coercive* Chinese government geopolitical, economic, military, and cyber and information operations (cyber/IO) activities beyond regular diplomatic and economic activities and below the use of kinetic military force.

We further differentiate by mechanism, or how China uses its power to pressure the target, dividing

- geopolitical, economic, and cyber/IO tactics into international (indirect external pressure, such as by leveraging regional fora), bilateral (direct external pressure), and grassroots (direct activities on the ground in the target country or region, such as by leveraging local proxies)
- military tactics into military domains, specifically air, maritime, land, and general (multiple PRC military services or general threats).

Chinese analysts view gray zone actions as measures that powerful countries have employed both historically and in recent decades **that are beyond normal diplomacy and other traditional approaches to statecraft but short of direct use of military force for escalation or a conflict. While Chinese scholars do not typically use the term *gray zone* to describe Chinese gray zone activities**, the Chinese conceptualization of military operations other than war (MOOTW) is helpful for understanding how China may use its military for such activities. Chinese analysts characterize coercive or confrontational external-facing



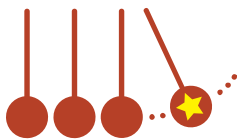
MOOTW as stability maintenance, rights protection, or security and guarding operations. China believes that MOOTW should also leverage nonmilitary actors and means.



QUESTION 2

What Drives and Enables Chinese Use of Gray Zone Tactics?

Chinese activities in the gray zone support PRC leadership's overarching domestic, economic, foreign policy, and security objectives in the Indo-Pacific, which Beijing views as China's priority region. Gray zone activities balance **China's pursuit of a more favorable external environment by altering the regional status quo in its favor** with a desire to act below the threshold of a militarized response from the United States or China's neighbors.



Recent developments have provided an increasingly varied toolkit for pressuring other countries across four key domains: geopolitical, economic, military, and cyber/IO. These developments are

- laws and regulations enabling Beijing to harness nongovernmental personnel and assets
- growing Chinese geopolitical, economic, and military power and influence vis-à-vis other countries
- increasing linkages between China's military development and economic growth
- the integration of military and paramilitary forces.

QUESTION 3

How Does China Employ Gray Zone Tactics?

Overall, China tailors its gray zone activities to the target and has an increasing variety and number of more-coercive tools. Beijing layers the use of multiple gray zone tactics to pressure allies and partners, particularly on issues related to China's core interests. Combining multiple geopolitical, economic, military, and cyber/IO activities means that China no longer has to rely on significant escalation in any single domain and, if needed, can sequence actions to apply pressure in non-military domains before resorting to use of military activity. China also appears to be more cautious and selective in using high-profile gray zone tactics against more-capable countries—for instance, employing a smaller variety of tactics against Japan and India than against Vietnam and the Philippines.

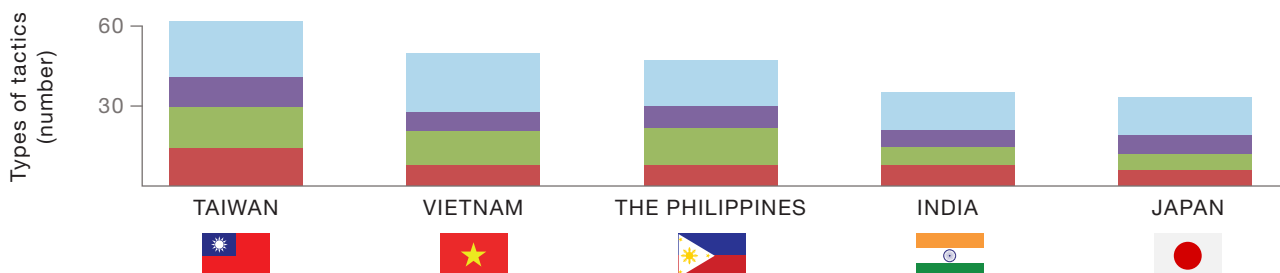
China has increasingly leveraged military tactics, and there is no evidence to suggest

that China will use fewer military tactics as its overall military capabilities grow or that improved bilateral relations will discourage China from pressing its territorial claims. Likewise, there is little reason to believe that China will use fewer military gray zone tactics as its geopolitical or economic power increases. China has recently relied heavily on air- and maritime-domain tactics, for example.

China exercises caution in its use of high-profile, bilateral geopolitical and economic tactics and has become more active in wielding its influence in international institutions or via third-party actors. Since at least 2013, China has expanded its involvement on the ground in select regions, recruiting local proxies and engaging in various information efforts. In terms of nonmilitary tactics, China uses geopolitical and bilateral tactics most often.



China employed the greatest variety of tactics against Taiwan but appeared more cautious vis-à-vis large countries, such as Japan and India.





QUESTION 4

Which PRC Tactics Could the United States Prioritize Countering?

Given the wide range of PRC gray zone tactics and the diverse collection of allies and partners in the Indo-Pacific region, the United States faces the difficult task of determining how to prioritize which PRC activities to counter. The U.S. government, experts, and academics do not currently agree on how to assess which PRC gray zone tactics are most problematic. Policymakers could consider aggregating across three different criteria: (1) the extent to which PRC tactics undermine U.S. objectives and interests in the Indo-Pacific region, (2) how difficult it is for allies and partners to respond to and counter tactics, and (3) how widely China uses specific tactics (against one or multiple allies and partners).

While there are many ways to combine the three indicators, the most balanced approach might be to weight U.S. objectives and interests equally with allied and partner concerns (40 percent each) and the prevalence of PRC tactics less (20 percent). Based on this aggregate method, ten of the 20 most-problematic PRC tactics are military activities that the People's Liberation Army or Chinese paramili-

tary actors engage in, with many of the tactics involving operations near or in disputed territories. Other military tactics include China engaging in highly publicized and large-scale, cross-service military exercises; establishing military bases or potential dual-use facilities in neighboring countries to threaten a target; and building up or acquiring PRC military capabilities against targets.

Geopolitical, economic, and cyber/IO tactics also ranked among the top 20. While the most-problematic PRC activities were international geopolitical and grassroots economic tactics, other PRC economic activities and grassroots cyber/IO activities in the targeted region were also problematic. Relative to the other tactics, grassroots geopolitical activities and bilateral cyber/IO activities have been less challenging. These findings suggest that the United States should devote significant effort to helping U.S. allies and partners counter PRC international geopolitical and economic tactics (particularly PRC economic activity in the target region or in disputed regions) and address grassroots cyber/IO activities.



Ranking tactics by U.S. interests, countries' concerns, and prevalence of China's use suggests the United States could consider countering the nonmilitary tactics shaded in red and orange.

 Most problematic
 Relatively problematic
 Less problematic
 No tactics found or scored

	Geopolitical	Economic	Cyber/IO
International	<ul style="list-style-type: none"> • Support target's adversaries or rival countries using political, economic, and military means • Limit international sanctions or crackdowns on violent nonstate actors opposing target 	<ul style="list-style-type: none"> • Control or reduce availability of public or international resources to target 	
Bilateral	<ul style="list-style-type: none"> • Use diplomatic or political threats to disrupt normal business activities within target 	<ul style="list-style-type: none"> • Reduce trade or flow of specific goods (exports or imports) 	<ul style="list-style-type: none"> • Engage in cyber operations against target government or military activities • Engage in cyber operations to disrupt or undermine target economic activities
Grassroots	<ul style="list-style-type: none"> • Use and/or provide support to individual elites, political leaders, political parties, groups, or organizations to act on behalf of China in target 	<ul style="list-style-type: none"> • Use PRC companies or economic assets to advance disputed PRC territorial claims • Engage in PRC economic or civilian activities in or near target-sensitive or key geopolitical locations 	<ul style="list-style-type: none"> • Buy or control existing target media outlets (directly or through proxies)



Recommendations

- The U.S. government should hold gray zone scenario discussions with key allies and partners to better understand their concerns, responses, and needs.
- The National Security Council or the U.S. Department of State should identify a set of criteria to determine the most-problematic PRC gray zone tactics to counter via whole-of-government efforts.
- The United States could prioritize countering Chinese activities in disputed territories and responding to PRC geopolitical international and economic tactics.
- The U.S. Department of Defense should develop gray zone plans similar to existing operational plans but focused on responding to a range of more-escalatory PRC gray zone scenarios.
- The U.S. Air Force should continue to build out intelligence, surveillance, and reconnaissance infrastructure in the Indo-Pacific and improve regional cyberdefense capabilities to increase domain awareness, identify and attribute PRC activities, and counter PRC cyber/IO tactics.

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