

**PAPER TIGER – HIDDEN DRAGON: CAN AMERICA
MOBILIZE FOR FUTURE WAR?**

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Executive Summary

Title: Paper Tiger – Hidden Dragon: Can America Mobilize for Future War

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Thesis: *If current trends in the reduction of America's defense industrial base and its administrative oversight continue, the United States will incur irreparable damage to its ability to mobilize for large-scale conventional war in the future.*

Discussion: Since the fall of the Berlin Wall, American policy makers have made a concentrated effort to reduce the size and scope of the U.S. military and its associated Defense Industrial Base. This reduction in the United States' military might stems from three assumptions about future war. The first is that the U.S. has no need to retain the ability to mobilize for large-scale conventional war. The second is that the days of World War II - scale wars are long over and that future wars will be sanitary, high-tech engagements of short duration with weapons and armament bought "off the shelf." The final assumption is that there is no rival superpower on the near horizon that could threaten either the U.S. or its vital national interests. Are they right?

America's mobilization history tells the story of a nation driven by political and economic factors to be ill prepared for future conflicts—resulting in huge losses of national treasure and human lives. Post WW II national policies have been based on America's inherent geographical safety, future war visions that were flawed or at best misleading, and America's disdain for things military in times other than war. Only once did America properly plan and prepare to fight a war against an emerging superpower, the U.S.S.R. The timely mobilization of the defense industrial base and the armed forces vastly increased the United States' elements of national power, giving her the strength to deter the spread of communism and protect her vital interests abroad. That power is waning and another potential rival superpower threat **is** on the horizon.

The Peoples Republic of China (PRC) is on the move. For over the past ten years, the government of China has committed an unprecedented amount of national treasure to the modernization and future sustainment of its military and defense industrial base. China is aligning itself with Russia for the purpose of modernizing its military. China also is pouring money, technology, and time into modernizing its military and defense industrial base along the lines of western nations in an effort to keep up with advances in technology and the information age. China's massive long-term military/defense industry reform, quests for both superpower status and regional hegemony, and suspicions of U.S. strategic intentions in Asia all add up to a potential superpower rival with hostile intent towards the United States.

The U.S. defense industrial base plays a very important role in the way would-be adversaries measure America's potential military power. However, policy has reduced the defense related budget by over 40 percent since the Cold War and nearly 28 percent since 1990. This led to a call for a reduction in the size and scope of the DoD. The reduction in forces has driven a reduction in the need for weapons, armament, and munitions. These reductions have forced the defense industrial base to consolidate, cut jobs, realign contracts to a civilian supported market and depend on foreign contracts. Finally, downsizing of defense related firms has led to a lack of investor confidence in Wall Street, further decaying an ailing industrial base.

Conclusion: Since the fall of the Berlin Wall, China and the rest of the world have seen a constant degrading of the U.S. defense infrastructure. This gives the perception that the U.S. is becoming a Paper Tiger—the possible decline of a superpower. The U.S. must fix this perception and show China, and the world, that America is serious about maintaining its defense infrastructure, its vital defense industries, and its ability to mobilize that infrastructure. It is a huge gamble to assume away a potential enemy's capabilities or to think that the U.S. will never fight a large-scale conventional war again. With over a billion people, hostile intent, and visions of becoming a rival superpower, China may win this gamble.

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INTRODUCTION—Visions of Future War

Since the fall of the Berlin Wall, American policy makers have made a concentrated effort to reduce the size and scope of the U.S. military and its associated Defense Industrial Base. The rationale behind this massive reduction in the United States' military might stems from three assumptions about future war. The first is that the U.S. has no need to retain the ability to mobilize for large-scale conventional war. The second is that the days of World War II - scale wars are long over and that future wars will be sanitary, high-tech engagements of short duration with weapons and armament bought "off the shelf." The final assumption is that there is no rival superpower on the near horizon that could threaten either the U.S. or its vital national interests.

Certainly, if all these assumptions are correct, the United States will continue to be the world's premier superpower. But what if these assumptions are wrong and America is attacked by the People's Republic of China; a nation that is currently in the process of a long-term strategic modernization program designed to reach parity with the United States in potential military power? The United States could find itself in second place in a race to mobilize national power in the future when its allies and its own shores are no longer immune to hostile threat. *If current trends in the reduction of America's defense industrial base and its administrative oversight continue, the United States will incur irreparable damage to its ability to mobilize for large-scale conventional war in the future.*

America's Mobilization History: Lessons Learned In Blood

In order to understand why the United States must maintain a potent defense industrial base and a standing oversight agency to monitor this base, a brief examination of America's mobilization history is needed. This examination will show how, time and time again, America's lack of mobilization planning and its inability to focus its defense industrial base, cost heavily in

manpower and national treasure. It will also show the importance of understanding the political nature of mobilization and how the past and current political climate drives defense policies.

Throughout the Twentieth Century, America has proven itself ill prepared for major conflicts. During World War I, isolationist politics kept the United States from realizing its true military potential until late in the war. Furthermore, because no plans existed for the mobilization of the nation's industry or economy prior to the war, America's war production efforts were decentralized, uncoordinated, and untimely. As Roderick Vawater points out in his book, *Industrial Mobilization*, "Notwithstanding tremendous outlays of funds, we [the U.S.] fought World War I, in essence, with guns, munitions, airplanes, and other materials we borrowed or bought from the French and the English."¹

However, there were many positive lessons from the WWI mobilization effort that the War Industries Board attempted to carry forward. The most important of these was the requirement for a full-time mobilization planning board. This board, similar to the board created by President Wilson in 1917, needed to have the status of an independent agency directly responsible to the President. However, America would soon forget its lessons and attempt to put on the blinders of neutrality as war reared its head again in Europe.

During the 1930's, political pressure to keep America isolated from future war meant that President Roosevelt had to overtly support a neutral status for the United States while covertly mobilizing America's industrial might. The President and his planners were torn between keeping America on track with the "New Deal" and supporting her allies with the "Arsenal of Democracy." That all ended on December 7, 1941 and, despite a rocky start, the United States succeeded in mobilizing its industry, economy, and manpower. Despite the incredible

¹Roderick L. Vawater, *Industrial Mobilization: The Relevant History*, (Washington DC: National Defense University Press, 1983), 5.

achievements of the WWII mobilization effort that eventually provided more than 50 percent of all the combat munitions used against the Axis powers ², the late start neglected WW I lessons learned and proved very costly in time, money, natural resources, and human lives.

The Korean and Cold Wars became watershed events in America's mobilization history. With the fear of the spread of communism and NSC-68 driving public support for the containment of the Soviets, Congress passed the Defense Production Act of 1950. This act gave the President the power to develop and maintain whatever military and economic strength was necessary to oppose aggression and promote peace.³ Under this Act, the Director of Defense Mobilization became a member of the National Security Council and, for the first time in its history, "...America established the policy and the fact of readiness for war, both in terms of operational readiness and in terms or industrial readiness, during a period when no war had been declared."⁴ As the Cold War continued to heat up and the nation began to realize that the chance of nuclear war was slight, public and political support led to a huge mobilization effort to offset Warsaw Pact gains in conventional warfare capabilities. America had created the force sustainability through a concentrated effort to mobilize, focus and strengthen its industrial base.

This level of readiness was, of course, difficult to maintain and justify throughout the Cold War. By the time the Vietnam War started, the ability to concentrate and effectively control America's defense industrial base was waning. Because the Vietnam War was not declared a national emergency and was predicted to be a short war, the distressed defense industrial base was not mobilized. As it turned out, the United States fought the longest war in its history with a peacetime mobilization economy.⁵ The defense industrial base atrophy had begun.

² Harold J. Clem, *Mobilization Preparedness*, (Washington DC: National Defense University Press, 1983), 47.

³ Ibid, 56.

⁴ Vawter, 43.

⁵ Clem, 69.

The fall of the Berlin Wall led to an even greater decrease in American mobilization capability. A study done by the Center for Strategic & International Studies Senior Policy Panel on the Defense Industrial Base in 1998 stated, “Defense spending and the size of the defense industrial base began to decline even before the Cold War was over—from its Cold War peak, the defense budget has been reduced by about 40 percent in real terms.”⁶ The reduction in the defense industrial base continues today.

America’s mobilization history tells the story of a nation driven by political and economic factors to be ill prepared for future conflicts—resulting in huge loses of national treasure and human lives. Then, when the threat seemingly disappears, American policy makers would quickly dismantle the very organizations and sustainment capabilities that brought them victory or, at least, stalemate. Post WW II national policies have been based on America’s inherent geographical safety, future war visions that were flawed or at best misleading, and America’s distain for things military in times other than war. Only once did America properly plan and prepare to fight a war against an emerging superpower, the U.S.S.R. The timely mobilization of the defense industrial base and the armed forces vastly increased the United States’ elements of national power, giving her the strength to deter the spread of communism and protect her vital interests abroad. That power is waning and another potential rival superpower threat **is** on the horizon. The hidden dragon is taking flight.

The Hidden Dragon

The Peoples Republic of China (PRC) is on the move. For over the past ten years, the government of China has committed an unprecedented amount of national treasure to the modernization and future sustainment of its military and defense industrial base. In March of last

⁶ James R. Schlesinger and Murray Weidenbaum, *Defense Restructuring and the Future of the U.S. Defense Industrial Base*, Center for Strategic & International Studies, (Washington DC: CSIS, March 1998), 1.

year, China's Finance Minister, Xiang Huaiching, presented a defense budget that set, for the 13th consecutive year, double-digit growth in defense spending with a 2001 budget that rose by 17.7% or 17.05 billion dollars.⁷ These boosts are only expected to continue with predicted increases of between 15 and 20 percent for the next five years.

China is also aligning itself with Russia for the purpose of modernizing its military. Elements of the defense industries of both countries have established relationships to both improve, and step-up China's modernization timeline. In fact, Russia has become China's chief supplier of modern weapons and military technology as about 70 percent of Russia's foreign arms sales went to China in 2000.⁸ The growing relationship between China and Russia was called "...one of the toughest challenges that we face" by the Director of the CIA, George J. Tenet in his testimony before the Senate Select Committee on Intelligence last year. He further testified to "...the fact that Moscow and Beijing signed a 'friendship treaty' just last year highlighting a common interest and willingness to cooperate diplomatically against U.S. policies that they see as unfriendly to their interests."⁹

Why is China making such a huge effort to increase both its current military power and future military potential? According to the Annual Report to Congress on the Military Power of the People's Republic of China:

China considers itself a developing power whose natural resources, manpower, nuclear capable forces, seat on the UN Security Council, and growing economy give it most of the attributes of a great power. It wants to achieve 'parity' in political, economic, and military strength with the other great powers. China also wants to become the preeminent Asian Power with visions of regional hegemony.¹⁰

⁷ Robert Karniol, "PRC Defense Spending Continues to Rise," *Janes Defensive Weekly*, 14 March, 2001, 3-4.

⁸ Michael J. Barron, "China's Strategic Modernization: The Russian Connection," *Parameters*, Winter 2001-02, 72-86.

⁹ Statement by Director of Central Intelligence, George J. Tenet, before the Senate Select Committee on Intelligence, on the "Worldwide Threat 2001: National Security in a Changing World," Washington DC, 7 February 2001.

¹⁰ U.S. Secretary of Defense, Report to Congress, *Annual Report on the Military Power of the People's Republic of China*, (Washington DC: GPO, June, 2000), 2.

To support these claims of regional hegemony, China currently maintains a combined active and reserve force structure estimated at over 3,070,000 soldiers. According to a recent study done by Anthony H. Cordesman of CSIC comparing the conventional military balance in China and Northeast Asia, China is now not only leading the way in military spending and manpower, but also continues to outpace its nearest rival in all aspects of conventional military hardware. China's tanks, infantry fighting vehicles, artillery, sub/surface vessels, and fix/rotor wing aircraft numbers dwarf those of N. Korea, Japan, and S. Korea combined.¹¹

China also is pouring money, technology, and time into modernizing its military and defense industrial base along the lines of western nations in an effort to keep up with advances in technology and the information age. Despite claiming its massive budget increases are for increased pay and civil reform, China's strategic policy document, the Sixteen Character Policy, clearly promotes the "guns before butter" mentality. As sighted in the US Congress' Cox Report, "...The Chinese Communist Party's main aim for the modernization and expansion of the civilian economy is to support the building of modern military weapons systems and to support the aim of the People's Liberation Army."¹²

China's defense industrial base is, however, facing many of the same challenges as U.S. firms. The ongoing attempt by the Chinese government to modernize and restructure its defense industry has led to downsizing and profit loss for many firms. The PRC hopes to offset these problems by seeking state-of-the-art defense-related technology from Russia and other leading overseas arms producers.¹³ China has, since 1996, also increased ties with other neighboring

¹¹ Anthony H. Cordesman, *The Conventional Military Balance in China and Northeast Asia*, Center for Strategic & International Studies, (Washington DC: CSIS, February, 2000), 1-20.

¹² "PRC Acquisition of U.S. Technology," *U.S. National Security and Military/Commercial Concerns with the People's Republic of China* (Cox Report), Vol.1 (Washington DC: GPO, 1999), 10-13.

¹³ Jane's staff writers, "Long March to Modernization: Country Briefing-PRC," *Jane's Defense Weekly*, 11 July 2001, 21-27.

states to form military/defense related alliances. The “Shanghi Five” is an annual gathering of heads of state from China, Russia, Kazakhstan, Kyrgyzstan, and Tajikistan that has developed into an active forum for cooperation on military and other issues.¹⁴ These countries all share a common mistrust of recent U.S. Theater Missile Defense (TMD) initiatives and U.S. involvement in Asia.

China’s massive long-term military/defense industry reform, quests for both superpower status and regional hegemony, and suspicions of U.S. strategic intentions in Asia all add up to a potential superpower rival with hostile intent towards the United States. China’s hostile intent will continue to increase, as the issue of both Taiwan and the U.S. TMD remain unresolved. The U.S. TMD will directly threaten China’s national security and will effectively neutralize China’s small nuclear arsenal of around 20 DF-5A ICBMs. This could, and most likely will, lead to China increasing the size of its nuclear arsenal because Chinese officials have strongly hinted that they would want to have the capability to overwhelm any U.S. TMD system.¹⁵ A race for more nuclear weapons will lead, just as in the Cold War, a massive mobilization of conventional forces. If this happens, China will have the political, military, and defense industrial base to make the Hidden Dragon a formidable adversary in the future.

The Paper Tiger

As we begin a new century and face new challenges and dangers, it is appropriate to remember that the perception of national power rest on a combination of actual and potential strengths and weaknesses. The time that it will take to bring national power to bear depends on the state of the US defense technology and industrial base.¹⁶ Colonel Gordon Boezer, USAF Ret.

¹⁴ Ibid, 23.

¹⁵ Ibid, 23.

¹⁶ Gordon Boezer and other, “The Defense Technology and Industrial Base: Key Component of National Power,” *Parameters*, Summer 1997, 26-51.

These strong words describe perfectly the vital role the U.S. defense industrial base plays in both the ability to mobilize the nation for war and how would-be adversaries measure America's potential national power. However, the on-going degradation of the defense related budget, the defense industrial base, and its executive oversight are making the U.S. a Paper Tiger.

How is it possible that the United States could be systematically dismantling the very base of its national power? In laymen's terms, 'its all about the cash.' As pointed out earlier, American's dislike the cost of a large standing military in times of peace. Thus, policy has reduced the defense related budget by over 40 percent since the Cold War and nearly 28 percent since 1990.¹⁷ This led to a call for a reduction in the size and scope of the DoD. The reduction in forces has driven a reduction in the need for weapons, armament, and munitions. These reductions have forced the defense industrial base to consolidate, cut jobs, and realign contracts to a civilian supported market. Finally, downsizing of defense related firms has led to a lack of investor confidence in Wall Street, further decaying an ailing industrial base.

In real terms, the situation is much more complex. Many of the current problems associated with the decline of the defense industrial base began in 1993 when the Clinton/Gore administration abolished the Office of Mobilization Preparedness (OMP). This agency was a subset of the Federal Emergency Management Agency (FEMA) and it was the only continuous executive agency with the responsibility for planning and oversight/control of mobilization and governmental related issues. During the Gulf War, the Director of FEMA chaired the OMP and provided mobilization advice through the National Security Council directly to the President. The OMP also resolved many policy and requirements resolution issues along with conducting

¹⁷ Schlesinger and Weidenbaum, 14.

mobilization research, planning and policy development research.¹⁸ The other oversight agency that was also abolished was the National Security Resources Board (NSRB), created in 1947 to oversee the US defense technology and industrial base.

The OMP and the NSRB are gone and have yet to be reinstated by the current Bush administration, despite the fact the U.S. is currently at war. If the national Security Advisor wants advice on mobilization issues today, she must put together an ad-hoc committee that has not worked together and possesses no corporate knowledge of the complexities of mobilization or the defense industrial base. History has proven that in a time of national crisis one voice must speak for the mobilization effort and that voice must be imbedded at the highest level of the executive branch or the government to ensure proper allocation of national resources. This capability is nonexistent today and with it went the combined knowledge of mobilization planning since WWI. With no one currently driving the oversight of America's defense industrial base and mobilization planning for the future, what will America's military potential power look like in 2030? The Chinese will certainly be watching this issue with keen interest.

The other side of this complex issue is the impact of the lack of support for the defense industrial base. There are several factors that have directly weakened the industrial base leading to a quantifiable weakening of U.S. military and diplomatic power on the world stage. Besides continuing overall cuts in the defense budget, targeted cuts in Research and Development (R&D), and lack of new weapons contracts have forced defense firms to consolidate their efforts or face bankruptcy. In a lecture last year on the Global Consolidation of the Defense Industrial Base, the Deputy Under Secretary of Defense for Industrial Policy, Suzanne Patrick, stated that the DoD has

¹⁸ Dr. Allen Gropman, faculty member, Industrial College of the Armed Forces, e-mail interview by author, 13 January 2002.

reviewed 169 mergers of American defense firms since March of 1994.¹⁹ As a result, only three major defense contractors remain in the U.S. today (Boeing, Lockheed Martin, and Raytheon), and these three are all increasingly turning to commercial markets—to the point that commercial sales currently outweigh defense sales.

U.S. governmental support for globalization continues to weaken the vital infrastructure of the defense industrial base. A few examples of the effects of globalization on the defense industrial base will highlight how America is losing its defense capabilities. During a National Defense Industry Association conference last year, Lockheed Martin's overseas president, James Nelson, stated that despite the fact that the U.S. comprised nearly 40 percent of the world's defense spending, 26 of the largest foreign defense companies owned 197 U.S. subsidiaries competing in the U.S. defense market. During the same conference, Dr. Bud Forster of the Northrop Grumman Corporation stated that this massive loss of second tier contracting and its related defense skilled workforce in America would reach crisis level by 2007.²⁰ Even one of the cornerstones America's superpower status, the U.S. Navy and its associated shipyards, has recently come under foreign market attack. William R Hawkins, in his article "A Campaign of Strategic Necessity," pointed out that the U.S. Navy must remain powerful to protect America's shores and interest abroad. Yet, he stated that recent foreign take-over of vital maritime industrial infrastructure is irreparably harming U.S. shipbuilding capability and causes the loss of a highly skilled work force that could not be reconstituted quickly. He further stated that industrial countries normally subsidize their shipbuilding infrastructure to keep it viable. "England did in its

¹⁹ Department of Defense, Deputy Under Secretary of Defense for Industrial Policy, Suzanne D. Patrick, "Global Consolidation of the Defense Industrial Base: Challenges and Opportunities," Conference notes, Washington DC, 7

²⁰ James R Nelson and Dr. Bud Foster, "Globalization of the Defense Industry – National Defense Industry Association Conference," Conference Notes, Arlington, VA, March 28, 2001, downloaded from info@ndia.org on 16 January, 2002.

heyday, Japan did in the 1960's and **China** is doing do today.”²¹ The continued push by the U.S. government to reduce expenditures through globalization of its defense industry, the loss of skilled labor and U.S. heavy industry, and the influx of foreign defense contracts are castrating the very power base on which America depends. As John Hamre, Deputy Secretary of Defense, stated in 1999, “...Who's going to defend this country 10 to 15 years from now? It's going to have to be these companies who we work with, who we need.”²² Both the companies and the skilled workforce are irreplaceable components of America's defense industrial base and its ability to mobilize for future war.

The United States is at a vital crossroad in its superpower life. With no one harnessing and protecting the vulnerable defense industrial base and no one to plan and project mobilization issues into the future, America is becoming a shadow of its former self. Everything may look good on paper, but when it comes down to fighting, and it always does, the United States may be a Paper Tiger.

Risk vs. Gamble: Who Wants to Fight China?

Based on the ongoing trends in both the U.S. and China's defense spending, the gap in current and potential military power is closing. It is true that China's current military capabilities are nowhere near those of the U.S. It is also true that China's Gross Domestic Product (GDP) and national economy are vastly inferior to the U.S. However, history has proven that sometimes the numbers on paper do not matter. Case in point: 7 December 1941, Japan, as country with 1/10 the GDP of the U.S., attacked to destroy America's Pacific Fleet at Pearl Harbor.²³ China may not be

²¹ William R. Hawkins, “A Campaign of Strategic necessity,” *Sea Power*, April 2001, 1-5.

²² John Hamre, quoted by Jim Garamone, “DoD Concerned about Defense Industrial Base,” *American Forces Press Service, PM*, Jan-Feb 2000, 31.

²³ Chas W. Freeman, Jr., “An Interest-Based China Policy,” in *Strategic Trends in China*, Ed. Hans Binnebdijk and Ronald N. Montaperto, (Washington DC: National Defense University Press, 1998), 124.

a rival superpower now, but if the U.S. and China continue with their current and projected defense policies, the U.S. could soon find itself outgunned and outsmarted by the Chinese.

China's current defense industrial base and its military are dependent on foreign technologies to form the base of their modernization efforts. They are aware that this equates to a weakness in China's current and potential military power because of reliance on foreign countries/defense firms. They are attempting to remedy this by building their own R&D/defense technology based on U.S. and Russian models. The U.S. is going the other route by increasing its dependence on the global market, losing skilled labor sets, and weakening a vastly superior defense infrastructure.

If the current trends continue, China's defense budget will increase at an alarming 15-20 percent a year. This fact, along with the huge projected increases in Chinese economic growth/GMP, equate to a Chinese defense infrastructure that will surpass most nations by 2030. Almost every aspect of America's defense spending has vastly declined in the past 15 years and if the current trend continues, in 2030 the U.S. defense budget will equate, in real terms, to less than 1/3 of what it was during the Cold War.

China also possesses several executive agencies that are charged with the management, coordination, and oversight of its defense industrial base and its mobilization capabilities. The State Commission of Science, Technology, and Industry for National Defense (COSTIND) and the State Science and Technology Commission (SSTC) were established in 1986 as a mechanism to concentrate China's defense, science, and technology establishment for long-term development.²⁴ These agencies will continue to provide focus and executive oversight to China's growing defense industry and will prove capable of harnessing its strengths in the future. The

²⁴ Barron, 75.

U.S. currently has no executive agencies responsible for mobilization/defense industry coordination or planning and none is slated for the future.

The United States policy makers have cut and dismembered America's defensive potential because of a belief that the U.S. will not be engaged in long duration, large-scale conventional wars. I say that the short wars in America's recent past are an anomaly and that they occurred because the U.S. was pitted against 3rd world military capabilities and broken economies. This may not be the case in the future as China continues to ramp up its push towards superpower status. Is the savings now worth the risk later?

The United States must reenergize its defense industrial base and its ability to mobilize for large-scale conflict by re-instituting the OMP within FEMA. The NSRB must also be reconstituted. The President must rewrite the Executive Order on National Defense Industrial Resources Preparedness and charge the OMP and NSRB with developing policies and programs that will keep the defense technology and industrial base a vital and energetic part of the military element of national power. These agencies must not only prepare and plan for the health of the U.S defense infrastructure, they must also monitor and establish policies for technology transfers, foreign military sales, trade treaties, economic sanctions, and assess the war potential of rival states.²⁵ These agencies must have the proper ties in law to the President, the National Security Council, the defense industry, the Congress, and the Department of Defense. Only then will they be able to properly plan for and execute the required level of mobilization to fit each future crisis.

The U.S. government must also do more to protect and reinvigorate the defense industrial base. Both the DOD and the government must support U.S. firms with defense contracts and R&D investments to keep technological, industrial, and labor skills in country and not resident in a foreign defense firm. The Congress and the President must find a way to stabilize the defense

²⁵ Boezer, 46.

budget because defense firms, like any other business, need predictability in future investment budgets in order to properly layout R&D, production, and overhead cost of any given program.

The U.S. government must be willing to subsidize any failing industry deemed vital to national security to ensure mobilization capabilities remain in America. The continued loss of vital industry to foreign firms and consolidation equate directly to a loss of national power. For example, the domestic sources for fighter planes will have fallen from 5 in 1992 to 2 in 2010, ballistic missiles from 6 to 3, and fuses from 22 to 8.²⁶ When it does come time to fight a major conflict, the U.S. will be critically dependent on foreign defense firms for the very weapons and armament U.S. forces require to win. Legislation and executive orders must protect vital U.S. defense industries and technology and not allow U.S. armed forces to become dependent on foreign goods. The U.S. must either pay for these capabilities now or pay, as we have in the past, in lives and national treasure to rebuild them in the future.

CONCLUSION

Historically, the United States has been ill prepared for its next war. Politics, the will of the people, and America's geographic isolation have all played major rolls in this lack of readiness. However, when put to the test during in World War II and the Cold War, the U.S. displayed unmatched war production. But hard lessons on pulling a nation's defense superstructure together in wartime were paid for in vast amounts of national treasure and American/Allied blood. Those lessons have been lost in the past, relearned, and are quickly fading away today because, for over the past ten years, America's defense policies have been based on three fundamentally flawed assumptions. The assumptions that America has no need to retain the ability to mobilize for large-scale conventional war, that America's next war will consist of short, high-tech engagements, and that America has no peer competitor are leading America down a

²⁶ Boezer, 28-29.

dangerous path. These assumptions are not only degrading America's ability to mobilize for large-scale conventional war, but are also seriously damaging America's ability to even fight shorter conflicts. When combined with the fact that America will not have the perceived invulnerability of geographic separation and time to rebuild its defense industrial base if attacked, these policies equate to a serious loss in national power.

The Chinese are building now for the future. China is making a strong, sustained effort to modernize both its current military capabilities, and its future potential by aggressively funding and strengthening its defense infrastructure. Chinese officials see America as a direct threat to their bid for regional hegemony and quest for superpower status. Thus, through the Shanghai Five meetings, the Chinese are aligning themselves in a "Warsaw Pact" type arrangement with the common goal of countering U.S. involvement in Asia. Finally, China is watching the United States.

Since the fall of the Berlin Wall, China and the rest of the world have seen a constant degrading of the U.S. defense infrastructure. This gives the perception that the U.S. is becoming a Paper Tiger—the possible decline of a superpower. The U.S. must fix this perception and show China, and the world, that America is serious about maintaining its defense infrastructure, its vital defense industries, and its ability to mobilize that infrastructure. It is a huge gamble to assume away a potential enemy's capabilities or to think that the U.S. will never fight a large-scale conventional war again. With over a billion people, hostile intent, and visions of becoming a rival superpower, China may win this gamble.

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