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The Chinese and Indonesian Foreign Ministers Together in May

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In a Fortnight

By Peter Mattis

CHINESE DREAMS: AN IDEOLOGICAL BULWARK, NOT A FRAMEWORK FOR SINO-AMERICAN RELATIONS

When U.S. President Barack Obama meets Chinese President Xi Jinping for the first time in their current capacities on June 7–8, Washington will run squarely into Beijing’s recent efforts to strengthen China’s ideological bulwark against international influences. For all their merits, Xi’s two signature ideas—the “China Dream” and a “New Type of Great Power Relations”—reflect Chinese efforts to create international space for socialism with Chinese characteristics. Expanding the international space for the Chinese system, however, is not a goal in and of itself. Recent articles that describe using the “China Dream” to build a “Peaceful China” (*ping’an zhongguo*) seem to suggest that Beijing hopes to buy time and space to consolidate at home (*Procuratorate Daily*, June 1).

The core idea of the “New Type of Great Power Relations” is that “complex and profound changes are taking place in the international landscape...It requires China to stick to its set path, commit to peace and cooperation and blaze a new path to revitalization of a big nation...” (Ministry of Foreign Affairs, July 20, 2012). For other countries, they must deal with these changes in their own way, according to “[their] own history, culture and development.” Other states should respect these choices and abide by the principles of “equality, mutual benefit, reciprocity and win-win [cooperation]” (*pingdeng huli hubui shuangying*) as part of valuing sovereignty (*People’s Daily*, June 4).

Chinese and Western analysts have drawn attention to Xi's vision for international affairs and framed the Obama-Xi summit as a place where the concept can receive its airing (Xinhua, June 6; *Guangming Daily*, May 29). The problem is that the concept—contrary to most published U.S. analysis—is not really about setting the terms of how an established power and a rising power resolve their conflicts. “New Type of Great Power Relations” is not a G-2 with Chinese characteristics. As then-Vice Foreign Minister Cui Tiankai wrote last summer, “Equality doesn't mean China will sit with the United States on exactly the same status, ‘managing the world together’ or ‘dividing the world’ between them.” That essay also went further in explicitly noting Chinese policy toward the United States would not be based on anything different than its already-extant foreign policy principles and strategy (Ministry of Foreign Affairs, July 20, 2012). Moreover, almost every article covering the concept highlights how the world is becoming increasingly multipolar, not only in terms of power distribution among states but also in terms of the number of legitimate development models (*People's Daily*, June 3). This is why Beijing has moved “New Type of Great Power Relations” under the broader idea of a “New Type of International Relations,” which Xi propounded in March during his trip to Moscow (*International Herald Leader*, April 11; *People's Daily*, March 24).

The “China Dream” rhetoric also appears to have similar motivations as the “New Type of Great Power Relations.” Even though Xi's dream still is a top-down, directed propaganda campaign, the idea behind the “China Dream” is to integrate the Chinese people into and get them invested in Beijing's chosen development pathway. Put another way, according to party journal *Seeking Truth*, the dream is to unify the party and people, so that they can inject new energy into Chinese development. The dream is a collective one about rebuilding China's national self-confidence in pursuing its unique development path and achieving its historical position (*Qinshi*, May 27; May 1). As China Academy of Social Sciences scholar Zhang Guoqing noted, the “China Dream” arose for four basic reasons: one, development requires a motivating force; two, China faces external challenges that affect the country's internal coherence; three, the “China Dream” improves Beijing's international “right to speak” (*bnayquan*); and, four, national morale needs to be built up (Xinhua, May 13). These factors, especially the third one, indicate the “China Dream” has a defensive motivation

focused on carving out China's position in the world and protecting the Chinese system from corrupting foreign influences (“China's International Right to Speak,” *China Brief*, October 19, 2012).

Building up an ideological bulwark against external threats to the Chinese system also has a domestic element. The effort to build international legitimacy for the Chinese system appears to be paralleled by the resuscitation of “mass line” (*qunzhong luxian*) work. An old Maoist idea first promulgated in 1929, the “mass line” describes the party's efforts to work among the people for the purpose of identifying their discussions and guiding their thinking away from incorrect, if not dangerous, ideas. It is a kind of active legitimacy building and, conceptually, is at the core of the party's claim to democratic governance. Even if titles such as “The Mass Line is the Lifeline of the Party” (*qunzhong luxian shi dang de shengmingxian*) are relatively common, it seems as though people actually are seeking them out and reading them (*Qinshi*, June 1; *Procuratorate Daily*, June 1; *People's Daily*, May 17; *China Police Daily*, May 10). Analysis of internet search trends suggests the spike this May is the most significant peak—three or four times normal levels—since June 2006 and May 2004.

One of the areas where the “mass line” is visible in guiding government activities is within the Ministry of Public Security (MPS). Shortly before his departure for the Americas, Xi Jinping spoke at a conference chaired by Central Political-Legal Affairs Committee chair Meng Jianzhu, entitled “Work Conference on Deepening Construction of a Peaceful China” (*shenhua ping'an zhongguo jianshe gongzuo huiyi*). Xi highlighted the need to let the people's requirements for law and order as well as development guide police work (Xinhua, May 31). In one of his rare public appearances, MPS chief Guo Shengkun invoked the “mass line” as the guiding principle for what his ministry should be doing, building on previous MPS campaigns to push police into more direct contact with the Chinese people (*China Police Daily*, June 2; “Security Chief's Efforts to Seal Up the Political-Legal Chairmanship,” *China Brief*, February 21, 2012).

With the “New Type of Great Power Relations” and “China Dream” at the fore of President Xi's thinking about how to engage the United States, U.S. interlocutors should be aware of how Beijing is trying to shape its international environment. A concept like

the “New Type of Great Power Relations”—like the older peaceful coexistence discussion based around the “Five Principles of Peaceful Coexistence”—is not about replacing the international order, but rather legitimizing what China already has and offering an alternative to the democratic-capitalist linkages valued in the West (“China’s Coexistence Strategy and Consequences for World Order,” *China Brief*, May 23). The question here is not whether Beijing is capable of being revisionist or is a responsible stakeholder, but whether Beijing can persuade foreign interlocutors that Xi’s twin concepts are legitimate visions for China. Similarly, the question is not how much soft power China has accumulated, but whether Xi’s new thinking on foreign affairs offers a protective umbrella that other states can use to shelter themselves from Western pressure on governance. The more successful Beijing is at gaining acceptance for these ideas, the more time the government has to consolidate at home.

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The South China Sea Dispute (Part 1): Negative Trends Continue in 2013

By Ian Storey

From January through May, the South China Sea dispute continued to trend in a negative direction. Consistent with the pattern of developments over the past several years, the dispute continued to be characterized by an action-reaction dynamic in which attempts by one of the claimants—most notably, China, the Philippines and Vietnam—to uphold its territorial or jurisdictional claims led to protests and countermoves from the other claimants.

Although the United Nations appointed a panel of judges to examine a Philippine legal challenge to China’s expansive claims in the South China Sea, and tentative steps were taken by China and the Association of Southeast Asian Nations (ASEAN) to begin talks on a

Code of Conduct (CoC), there was little optimism that either of these processes would reduce tensions in the short term or provide an environment conducive to a resolution of the problem in the medium to long term.

The action-reaction dynamic, and urgent need to stem ongoing tensions, were brought into sharp relief on May 9 when Philippine authorities shot dead a Taiwanese fisherman in disputed waters, provoking a major crisis in Philippines-Taiwan relations. The tragic incident was not the first of its kind in the South China Sea nor, sadly, is it likely to be the last.

Part One of this essay will examine these recent developments and their immediate implications. Part Two will examine these developments through the lens of Chinese policy on maritime territorial disputes, relevant regional perspectives and provide an outlook for the South China Sea over the course of the next 18 months.

The Philippine Legal Submission to the UN

On January 22, the Philippines angered China by unilaterally submitting the Sino-Philippine dispute over jurisdictional rights in the South China Sea for legal arbitration under the United Nations Convention on the Law of the Sea (UNCLOS) (“Manila Ups the Ante in the South China Sea,” *China Brief*, February 1, 2013). Manila’s submission argues that China’s nine-dash line, and apparent claims to sovereign or historic rights within the line, are incompatible with UNCLOS and therefore invalid.

Given China’s long-standing preference to resolve territorial and boundary disputes with neighboring countries through bilateral negotiations rather than international legal arbitration, it came as no surprise that it formally rejected the Philippine submission on February 19. China’s foreign ministry declared the Philippine submission was “factually flawed,” “contained false accusations” and violated the 2002 ASEAN-China Declaration on the Conduct of Parties in the South China Sea (DoC) (*Xinhua*, February 19). The Philippines, however, remained firmly committed to the arbitration process. Speaking in Tokyo on May 23, Philippine Foreign Secretary Albert del Rosario emphasized that, unless the claimants pursued a “rules-based” solution, the “status quo will favor military and economic might,

and diplomacy will veer toward appeasement, which undermines any attempt to build a system based on equity and rules” (Philippine Department of Foreign Affairs, May 24).

China’s rejection of the Philippine submission was met with disappointment by a number of legal experts. Law professor Jerome Cohen, for instance, argued that by refusing to participate in the proceedings, China was projecting the image of a “bully” and a “violator” of international law, while Peter Dutton noted that China had missed an important opportunity to reassure “increasingly anxious neighbors that it is committed to institutional rather than power-based resolution of disputes” (*South China Morning Post*, May 25) [1].

Despite China’s decision to snub the case, legal proceedings will continue. During March the president of the International Tribunal of the Law of the Sea, Shunji Yanai, appointed the remaining judges for the five-person Arbitral Tribunal, including one to represent China. Once convened, the Tribunal will decide whether the submission falls within its jurisdiction. A decision on this issue could be reached as early as July. If the Tribunal decides that it does have jurisdiction, it could be several years before it issues a final ruling. Any ruling handed down by the Tribunal will be binding but not enforceable. Should the Tribunal rule that China’s claims are incompatible with UNCLOS, however, it will represent a legal and moral victory for the Philippines and would put the onus on China to clarify the bases of its maritime claims. Given China’s rejection of the tribunal, however, Beijing is likely to simply ignore the ruling.

A Code of Conduct for the South China Sea

On the diplomatic front, there was some slightly encouraging news concerning the prospects of an ASEAN-China CoC. When ASEAN and China signed the DoC in 2002, all parties committed themselves to work toward a formal code of conduct in the future. It wasn’t until late 2011, however, that China agreed in principle to begin discussions with ASEAN. But in mid-2012, China threw a spanner in the works when it announced that the “time was not ripe” to begin talks, mainly because, in its view, there was little point in discussing a CoC when Vietnam and the Philippines were repeatedly violating the DoC (an allegation Hanoi and Manila have frequently

leveled at Beijing) [2].

As the Chairman of ASEAN in 2013, Brunei has made the CoC a priority as has the organization’s new Secretary General Le Luong Minh. Singapore also has been pushing for a code and Indonesia’s foreign minister, Marty Natalegawa, has been working behind the scenes to try and make it happen. Until China gave the green light to talks, however, progress was impossible, and it was not until the spring that a breakthrough of sorts occurred.

On April 2, the 19th ASEAN-China Senior Officials Meeting Consultation took place in Beijing. ASEAN officials paid a courtesy call on China’s recently appointed foreign minister, Wang Yi. At that meeting, Wang reportedly told the visiting Southeast Asian officials that the South China Sea dispute should not be allowed to undermine ASEAN-China relations, and that China was willing to begin exploratory talks on the CoC (*Straits Times*, April 19).

On April 11, ASEAN foreign ministers met in Brunei in preparation for the 22nd ASEAN Summit later that month. Following that meeting, Foreign Minister Natalegawa informed the press that China had agreed to start talks on a code, though official confirmation from Beijing was not forthcoming (*Straits Times*, April 12). Natalegawa kept up the pressure on China by criticizing it for taking “unilateral steps” that violated the spirit of the DoC—possibly a reference to Chinese naval exercises at James Shoal in March and other incidents (Agence-France Presse, April 22; “South Sea Fleet Exercises Shine Spotlight on Tensions,” *China Brief*, March 28).

At the 22nd ASEAN Summit, Brunei used its considerable diplomatic skills to ensure consensus on the South China Sea, thereby preventing a repeat of the embarrassing fiasco in July 2012 when the dispute derailed a final communiqué (“China Pushes on the South China Sea, ASEAN Unity Collapses,” *China Brief*, August 4, 2012). Although much of the language of the Chairman’s statement was boilerplate and broke no new ground, it did note that the leaders had tasked their ministers to “continue to work actively with China on the way forward for the early conclusion of a [CoC] on the basis of consensus” (www.asean.org, April 25). Encouragingly, Foreign Secretary del Rosario said the dispute had been a “major topic” for discussion and that there had been

“solidarity” on the need to convince China to move forward with a CoC (Voice of America, April 26).

A few weeks after the summit, China’s Foreign Minister Wang Yi traveled to Indonesia, Thailand, Singapore and Brunei on his first overseas trip as foreign minister. In a meeting with Natalagewa on May 2, Wang stated that China had agreed to “discuss the promotion of the CoC procedure under the framework of the Joint Working Group [JWG] on DoC implementation” (Chinese Ministry of Foreign Affairs, May 2). Additionally, according to a press statement issued in Brunei on May 5, agreement had been reached to advance progress on the code “in a step by step manner during the implementation of consensus” and that an Eminent Persons Expert Group (EPEG) would be formed to compliment the work of the JWG (Xinhua, May 5).

It was hardly a ringing endorsement of the CoC process by China, but at least it represented progress after a hiatus of nearly a year. Most likely, China changed its position in order to relieve pressure from the ASEAN states, appear constructive and accommodating, thereby enabling it to focus its attention on the Senkaku/Diaoyu dispute in the East China Sea, which Beijing considers a much more serious problem than the Spratlys.

That negotiating the CoC will be painfully slow was demonstrated on May 29 when the ASEAN-China JWG on the DoC met in Bangkok. According to someone familiar with the meeting, officials made little progress in deciding either the role or composition of the EPEG. The issue will be taken up again at a meeting of China’s and ASEAN foreign ministers in August. It is completely unrealistic, therefore, to expect that the CoC will be ready to sign at the ASEAN-China Summit in October.

Resource Disputes Provoke Crises

Competition over energy and fishing resources remains one of the central drivers of the South China Sea dispute. In the first five months of 2013, the activities of fishermen in disputed waters triggered a number of serious—and one fatal—incidents that fueled tensions between the claimants.

On March 20, Chinese vessels fired warning shots at four Vietnamese trawlers near the Paracels, setting one of

the vessels ablaze. Vietnam condemned the incident as “wrongful and inhumane,” but Beijing rejected calls from Hanoi to compensate the fisherman’s family (*BBC News*, March 26).

Far more serious was the fatal shooting of a Taiwanese fisherman by the Philippine Coast Guard (PCG) on May 9. The incident took place in the Bashi Channel in an area where the 200 nautical mile exclusive economic zones of Taiwan and the Philippines overlap. The PCG claims it opened fire on the fishing boat when it tried to ram one of its patrol boats; Taiwan maintains that there is no evidence to support this claim and has accused the PCG of using excessive force in violation of UNCLOS (the trawler was riddled with over 50 bullet holes) (*Straits Times*, May 19).

Taiwan’s reaction was furious. It demanded a formal apology, an investigation and punishment of the perpetrators, compensation for the fisherman’s family and talks on a fisheries agreement to prevent further incidents (and similar to the one Taiwan had signed with Japan in April). In an unprecedented show of force, the navy, air force and coast guard conducted exercises in waters near to where the incident had occurred. Taipei went on to reject two apologies from Manila as being “insincere” and imposed 11 punitive measures, including a hiring freeze on Filipino workers and an advisory that Taiwanese refrain from visiting the Philippines (*Straits Times*, May 17). Toward the end of the month, tensions eased when the two sides agreed to conduct parallel investigation into the incident.

Prior to the spat, Taiwan had played a relatively low-key role in the South China Sea dispute, despite occupying the largest of the Spratlys, Itu Aba or Taiping Island. Taipei’s robust response seems to have been motivated by several factors. First, the government of President Ma Ying-jeou felt compelled to reflect the genuine anger felt by the Taiwanese people over the death of the fisherman. Second, Taipei’s response reflected in part growing frustration at being excluded from talks on the dispute with the other claimants due to China’s “One China” policy. Third, Ma may have been seeking to divert domestic attention away from sluggish economic growth rates and boost his low approval ratings.

Beijing moved quickly to provide moral support to Taipei, condemning the incident as a “barbaric act” (Xinhua, May 10). Speculation concerning the prospects of enhanced cooperation between China and Taiwan in the South China Sea—including military cooperation—following the incident, however, was misplaced. Despite improvements in cross-strait relations since Ma’s election in 2008, Taiwan still views China as its primary security threat and, therefore, is extremely cautious about initiating military-to-military links. In addition, the government does not want to be perceived as being used by Beijing to support its claims in the South China Sea, even though Chinese and Taiwanese claims are almost identical. Closer cooperation with Beijing also would undermine relations with certain Southeast Asian countries and, more importantly, the United States.

Further clashes between maritime agencies and fishing boats over the next few months cannot be ruled out. On May 16, China imposed its annual three-month fishing ban north of the 12th parallel—a ban that Vietnam has consistently rejected as a violation of its sovereignty. It remains to be seen how vigorously China enforces the ban this year. A week earlier, an organized fleet of 30 fishing vessels and supply ships had set sail from Hainan Island on a 40-day mission to the Spratlys (*Straits Times*, May 8). On a visit to Hainan a month earlier, President Xi Jinping had promised Chinese fishermen greater protection (*South China Morning Post*, April 10). China’s actions will guarantee another cycle of action-reaction dynamics as Beijing commits to maintaining a commercial fishery presence in the Spratlys—a presence it has pledged to protect, with force if necessary.

Conclusion

Despite agreement by ASEAN and China to initiate talks on a CoC, developments in the first half of 2013 demonstrated that the overall trajectory of the South China Sea dispute keeps moving in the wrong direction. So long as the actions of the principal actors continue to be motivated by nationalist rhetoric, an unwillingness to compromise sovereignty claims and competition over access to maritime resources, there is little prospect that this trend will be reversed any time soon.

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and the Rise of China: The Search for Security (*Routledge*, 2011).

Notes:

1. Peter A. Dutton, “The Sino-Philippine Row: International Arbitration and the South China Sea,” Center for a New American Security, *East and South China Sea Bulletin* #10, March 15, 2013, Available online <<http://www.cnas.org/thesino-philippinemaritimero>>.
2. Ian Storey, “Slipping Away? A South China Sea Code of Conduct Eludes Diplomatic Efforts”, Center for a New American Security, *East and South China Sea Bulletin* #11, March 20, 2013, Available online <<http://www.cnas.org/SlippingAway%3F>>.

How China Got There First: Beijing’s Unique Path to ASBM Development and Deployment

By Andrew S. Erickson

China’s deployment of the world’s first operational anti-ship ballistic missile (ASBM) has just been confirmed with unprecedented clarity by the U.S. Department of Defense (DOD). The ASBM’s development path was unusual in many respects, but may increasingly represent the shape of things to come for China’s defense industry. In explaining these critical dynamics, this article builds on an occasional paper just published by the Jamestown Foundation that represents the most comprehensive open source analysis to date on China’s ASBM program [1].

A Clear Step Forward

On May 6, 2013, DOD published its latest annual report to Congress on China’s military [2]. The report contained the most comprehensive authoritative statement to date concerning the status of China’s DF-21D ASBM. China began deploying the 1,500+ km-range DF-21D (CSS-5) medium-range ballistic missile, with its

maneuverable warhead, in 2010. DOD assesses that it “gives the PLA the capability to attack large ships, including aircraft carriers, in the western Pacific Ocean” (*CMPR 2013*, pp. 5–6, 38). In related comments, Deputy Assistant Secretary of Defense for East Asia David Helvey explained that “deployment...implies a limited operational capability” [3]. As for the missile’s targeting, DOD states “The PLA Navy is also improving its over-the-horizon (OTH) targeting capability with sky wave and surface wave OTH radars, which can be used in conjunction with reconnaissance satellites to locate targets at great distances from China (thereby supporting long-range precision strikes, including employment of ASBMs)” (*CMPR 2013*, pg. 42). Helvey added that while their degree of completion remains unclear at the public level, “the pretty significant number of space launches that China conducted over the past year... help put elements of” space-based “architecture in place” to facilitate ASBM mid-course and terminal guidance [4].

DOD’s statements related to the annual reports build on 2013 testimony by other U.S. military officials. On April 9, 2013, Admiral Samuel Locklear, Commander of U.S. Pacific Command, told the Senate Armed Services Committee “There are a number of notable examples of China’s improving military capabilities, including five new stealth and conventional aircraft programs and the initial deployment of a new anti-ship ballistic missile that we believe is designed to target U.S. aircraft carriers” [5]. On April 19, 2013, the director of the Defense Intelligence Agency, Lieutenant General Michael Flynn, stated that China is “augmenting the over 1,200 conventional short-range ballistic missiles deployed opposite Taiwan with a limited but growing number of conventionally armed, medium-range ballistic missiles, including the DF-21D anti-ship ballistic missile” [6].

Blazing a New Technological Trail

China’s ASBM development displays three major dynamics. Heretofore rarely seen, they are likely to become increasingly common in the future as China’s defense industry continues to improve. It offers an example of China developing and deploying a unique weapons system. It also represents an instance of Chinese researchers deemphasizing Soviet/Russian models in favor of U.S. examples. China did so through an eclectic “architectural innovation” approach in which

it imported, developed indigenously and combined existing technologies in new ways to produce what might be termed a “Frankenweapon.”

Soviet Union Not a Model

The considerable Soviet military industrial infrastructure, systems and expertise that China received in the 1950s—a process continued on a more limited commercial basis with Russia beginning in the early 1990s—has strongly influenced many Chinese weapons programs. Major examples include aircraft, cruise missiles, torpedoes and naval mines. Yet no evidence is available to suggest that the Soviet Union’s abortive ASBM program was a model for China. During the Cuban Missile Crisis of 1962, as U.S. aircraft carriers ranged Soviet targets with nuclear weapons, Makeyev Rocket Design Bureau (SKB-385) was developing the R-27 (4K18)/SS-N-6 submarine-launched ballistic missile (SLBM). Moscow formally approved development of an ASBM variant, the R-27K/SS-NX-13, that year. Visually identical to its simpler progenitor, the 900 km-range R-27K’s second stage had a liquid propellant KB-2 engine designed by the Aleksei Mihailovich Isayev design bureau. It obtained targeting data pre-launch from the *Legenda* ocean reconnaissance satellite system (RORSATs) and *Uspekhi-U* radars on the Tu-20 Bear-D aircraft [7]. Its 0.65 MT nuclear warhead could home in on targets within a 27 NM (50 km) “footprint” with 370 m accuracy [8]. Soviet aerospace engineer Boris Chertok credits the R-27K with “a homing system for striking pinpoint targets on the shore and surface ships” [9]. Beginning in December 1970, system tests yielded only four failures in 20 launches. December 1972 saw the first submarine-launched test from the Project 605/Golf K-102 submarines outfitted with the *Record-2* fire-control system and *Kasatka* B-605 satellite-tracking target acquisition system, yielding 10 of 11 launches succeeded [10].

On August 15, 1975, therefore, the R-27K and its K-102 trial submarine “were accepted for operational service.” Yet, “because the Strategic Arms Limitation Talks (SALT) agreements of the 1970s would count every SLBM tube as a strategic missile regardless of whether it held a land-attack or anti-ship (tactical) missile,” according to Norman Polmar, “the R-27K missile did not become operational” [11]. Moreover, Soviet satellite targeting was not ready to support precise terminal homing, and the

program was competing with more mature solutions to specific problems (e.g. the *Skhval* torpedo) [12]. Instead, the program was terminated in December 1975 [13]. The Chairman of the U.S. Joint Chiefs of Staff subsequently stated that the SS-NX-13 ASBM “has not been tested since November 1973 and is not operational. However, the advanced technology displayed by the weapon is significant and the project could be resurrected” [14].

Russia and the United States undoubtedly would have developed their own ASBMs before China had they not signed the Intermediate-Range Nuclear Forces Treaty. This 1987 agreement prohibits them from possessing 500–5,500 km-range ground-launched ballistic and cruise missiles.

American Model Incomplete

Recent insistence by Beijing officials that China develops its own advanced military technologies is accurate but incomplete. While many of its indigenous capabilities are already extremely impressive and China’s talented engineers can exploit the same laws of physics as anyone else, China regularly incorporates foreign technologies and ideas into its weapons systems. With regard to the ASBM, such incorporation appears to have included, at the very least, concepts from the U.S. MGM-31B *Pershing II* theater ballistic missile fitted with maneuvering reentry vehicles (MaRV). The *Pershing II*’s example was undoubtedly a great help to Chinese engineers, but they have had to go far beyond it in developing and deploying a true ASBM.

A profusion of writings tracking the development, successes and failures of the *Pershing II* missile system shows the close attention paid to the system by Chinese specialists. The articles appeared as early as 1976 and continued through 1994—three years after the last *Pershing II* missile had been destroyed. Possible explanations for subsequent lack of coverage in serious technical publications include efforts to avoid attention to any Chinese acquisition and applications of such technology.

Chinese sources have credited the *Pershing II* with influencing the development of China’s DF-15C and -21 (as well as the rumored “DF-25”) ballistic missiles. Following the *Pershing II*’s deployment, initial “research work” reportedly was completed in the early 1990s and

incorporated into China’s *Dongfeng* (DF) missiles via a “warhead that possesses terminal homing guidance and maneuvering control capability” (blog.huanqiu.com, 1999). At the 1999 military parade commemorating the 50th anniversary of the founding of the People’s Republic, DF missiles—albeit with no evidence of MaRV capabilities—were on prominent display, leading some to credit emulation of the *Pershing II* for their rapid advance. “When they saw the new-type intermediate-range missile in China’s ‘Dongfeng’ family during the latest military parade held on the National Day, people would certainly like to compare it with the ‘Pershing II’ missile, wouldn’t they?” stated an article in a mainland-owned daily newspaper with recognized access to Chinese sources. China’s “new-type ‘Dongfeng’ intermediate-range missile has attained the level of the ‘Pershing II’ missile in terms of size, weight, launch mode, and so on. ...it is believed that it is not much inferior to the ‘Pershing II’ missile” (*Ta Kung Pao* [Hong Kong], October 2, 1999).

Visual analysis further suggests *Pershing II* influence in China’s ASBM. Chinese sources also state that the DF-15/CSS-6 missile is based on the *Pershing II*, which has adjustable control fins for terminal maneuver on its reentry vehicle (RV). While some DF-15 versions lack RVs with control fins, one with an RV virtually identical to the *Pershing II*’s may be found on the *China’s Defence Today* website (www.sinodefence.com, October 3, 2009). Unfortunately, positively identified photos of a DF-21 outside its canister are not known to exist. Pictures of the DF-15’s RV, however, do bear a striking resemblance to the *Pershing II*. If the DF-15 resembles the *Pershing II*, it is reasonable to suppose that the related DF-21 does as well, and that both employ similar adjustable fins that permit terminal maneuver. As Internet photos of the DF-15 indicate, China has such an RV, which could easily be mounted atop the DF-21 booster and thereby produce part of the basis for an effective ASBM. RV control fins have been depicted in a schematic diagram of ASBM flight trajectory with mid-course and terminal guidance published by individuals affiliated with the Second Artillery Engineering College and a Second Artillery Base in a Chinese technical journal [15].

The *Pershing II*, however, probably could not have been a true ASBM. It had a W-85 5–50 kiloton yield nuclear warhead. Its 50 meter Circular Error of Probability (CEP) hinged on radar terrain correlation—a homing

method not usable for striking a carrier at sea (Jane's Strategic Weapons Systems, October 13, 2011). Here China had to make its own architectural innovations. Having prioritized missiles since the late 1950s and space systems soon thereafter, however, China's defense industry was up to the challenge. In 2010, DOD judged that "China has the most active land-based ballistic and cruise missile program in the world. It is developing and testing several new classes" (*CMPR 2010*, p. 1). In 2011, DOD added, "Some [Chinese weapon] systems, particularly ballistic missiles, incorporate cutting-edge technologies in a manner that rivals even the world's most modern systems" (*CMPR 2011*, p. x).

Future Trajectory

Wording in the DOD report suggests that China may develop ASBMs with different ranges from the DF-21D, including longer-ranges: "Beijing is investing in military programs and weapons designed to improve extended-range power projection... Key systems that have been either deployed or in development include ballistic missiles (including anti-ship variants)..." Now that the initial challenge of deploying an operational ASBM is completed, China has the option of developing other variants with different, likely complementary, characteristics. As China slowly builds the intelligence infrastructure to guide ASBMs toward their targets, future variants can be integrated more quickly into the force at higher levels of readiness. The advanced nature of ASBM development may become less the exception than the rule for future Chinese weapons programs.

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1. Andrew S. Erickson, *Chinese Anti-Ship Ballistic Missile Development: Drivers, Trajectories, and Strategic Implications*, Jamestown Occasional Paper (Washington, DC: Jamestown Foundation, 2013).
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Taiwan Work Leading Small Group under Xi Jinping

By Russell Hsiao

For Beijing, the status of Taiwan represents the last unresolved issue from the Chinese Civil War that ended with victory for the Chinese Communist Party (CCP) in 1949. Taiwan-policy has, unsurprisingly, long been a policy focus of the CCP since the establishment of Taipei as the capital of the Republic of China (Taiwan). Under the CCP-led power structure and during the previous two administrations, the party's general secretary chaired an inter-agency policy-setting process through a "leading small group" comprised of top-level party, state and military officials responsible for Taiwan-related work. Membership in this body varied from administration to administration, suggesting the composition may be seen as a power balance and/or revealing of the strategic focus of the administration's policy toward Taiwan.

The small leading group called the "CCP Central Committee's Taiwan Work Leading Small Group" (*Zhongyang duitai gongzuo lingdao xiaozu*) is directed by the

CCP general secretary. The Chairman of the advisory Chinese People's Political Consultative Conference (CPPCC) serves as the deputy director, and ministers responsible for Taiwan-related work also are included in the group. The leading group is the supreme policymaking body in the China's party-led system that designs and spearheads policies government wide. With the major re-shuffling of personnel in the handover of leadership from the Hu-Wen administration complete after the 12th National People's Congress (NPC) in March, what do the personnel changes tell us about the orientation and direction of Xi Jinping's new Taiwan-policy team? Ultimately, the changes suggest more continuity than change as Xi tries to push the economic discussions toward the political.

Taiwan Work Leading Small Group: Background

The Taiwan Work Leading Small Group (TWLSG) was established in 1979. The people in charge of Taiwan policy before the establishment of this group included mainly military officials, and cadres from the intelligence, secret service and United Front departments, such as Li Kenong, Luo Ruiqing, Liao Chengzhi and Xu Bingdeng. After the beginning of the Cultural Revolution (1966–1976), Taiwan-related work was folded up as the country descended into social and political turmoil. After the country restabilized, work resumed and the group was reactivated again in 1979 (*Ta Kung Pao* [Hong Kong], February 20).

While membership in this body varied between different administrations, there appears to be a nascent but gradual institutionalization of the group that began under Jiang Zemin. The leading small group has been chaired by the CCP general secretary since 1989, and the deputy director is the Chairman of the CPPCC, and the small group's secretary-general is the State Councilor with portfolio over foreign affairs. Members of the group represent the organizations involved in the Taiwan-policy making and implementation process within the administration. After Jiang Zemin's administration, there has been a notable increase in the number of organizational stakeholders in the Taiwan policy process—perhaps influenced by the fallout from the 1995–1996 Taiwan Strait crises and the result of the 2000 presidential election in Taiwan.

In 2000, when Taiwan's Democratic Progressive Party's (DPP) candidate, Chen Shui-bian, won the presidential

election, Jiang Zemin ordered then-head of the CCP Organization Department Zeng Qinghong to re-shuffle the leadership at TAO. In the aftermath, the Central Committee agreed to add an additional Politburo member to the TWLSG, Central Military Commission (CMC) member General Zhang Wannian (Renminbao, October 20, 2000).

Indeed, group members during Hu Jintao's administration and ostensibly in the new Xi administration include the head of the CCP Central Propaganda Department; a CMC vice chairman; the Politburo member in charge cultural affairs; a CPPCC vice chairman dual-hatted as head of United Front Department; director of the Taiwan Affairs Office; President of the Association for Relations Across the Taiwan Strait (better known by its acronym, (ARATS)); minister of the Ministry of State Security; the deputy chief of the PLA general staff for foreign affairs and intelligence; the director of the party's Central Secretariat; and, the most recent addition, the minister of the Ministry of Commerce.

Indeed, members of the TWLSG have the ability to influence the strategic focus of the CCP administration toward the Taiwan Strait. For instance, General Xiong Guangkai, who was chief of People's Liberation Army (PLA) intelligence and once the secretary-general of the TWLSG, was known to have lobbied for a greater role for the military and successfully pushed to have active-duty military officer Major General Wang Zaixi of the PLA's Second Department serve as vice minister of State Council's Taiwan Affairs Office (TAO) (*Ta Kung Pao* February 20). Additionally, former Central Military Commission (CMC) Secretary-General Yang Shangkun also served as the director of the TWLSG (1987–1989), representing the military at the helm of the Taiwan-work system. In their time, these appointments probably indicated the military's prominence on Taiwan issues (*China Leadership Monitor*, No. 28, September 2, 2008).

In reaction to the PLA's apparent heavy intervention in the party's Taiwan work, former President of the Association of Relations Across the Taiwan Strait (ARATS) Wang Daohan, who was the CCP's lead negotiator with Taiwan, had appealed to the CCP Central Committee to exercise more caution in handling Taiwan affairs—meaning a *de-emphasis* of military influence and thinking. China's reaction to the re-election of Chen Shui-bian in 2004

indicates that Wang's appeal was heeded. China used soft power to appeal to Taiwan-compatriots and began to open up its market up to Taiwanese agricultural products like fruits. After President Ma Ying-jeou won Taiwan's presidential election in March 2008, relations between the two sides began to thaw. In June 2008, the Central Committee decided to add the minister of commerce to the leading small group, which indicated that cross-Strait trade and economic exchanges had become a central tenet of the CPP's Taiwan Work.

If policy may be seen as an extension of the people in charge, the changes in personnel within China's Taiwan-policy nexus suggests more continuity than change in the Xi administration. Indeed, at the first plenary session of the 12th NPC, it was announced formally that former director of the TAO in charge of implementing Chinese policy toward Taiwan, Wang Yi (born 1953), is the new Foreign Minister. Wang's appointment is significant, because it may reflect the elevation of Taiwan policy in the overall nexus of foreign policy making process of the CCP (*Zhongshi Dianzibao*, March 17).

Consistent with the Hu Jintao administration, the new chairman of the CPPCC, Yu Zhengsheng, replaced Jia Qinglin as the deputy director of the leading small group (*KMTUSA*, March 2). In terms of hierarchy, Yu is second-in-command to General Secretary Xi.

The announcement at the 12th NPC in March that former Foreign Minister Yang Jiechi (born 1950) would become the next State Councilor with portfolio over foreign affairs signaled that the long anticipated major personnel shifts in the Chinese foreign policy bureaucracy was completed, including the Taiwan-related billets. The carefully orchestrated party-state leadership transitions that began last November with the 18th Party Congress underscore the party's dominant role in the Chinese political system. Dai Bingguo (born 1941), who is a full member of the 17th CCP Central Committee and the highest ranking diplomat under the Hu Jintao administration and secretary-general of the Taiwan Work Leading Small Group, reached retirement age and was slated to retire as the new party leadership under Xi Jinping began. The 72-year old Dai's expected retirement left open the top diplomatic post in the CCP foreign policy-making system, which cuts across many party as well as military and state agencies.

| Taiwan Work Leading Small Group under Hu and Xi | | |
|--|--|--|
| Director | Hu Jintao (General Secretary/ CMC Chairman) | Xi Jinping (General Secretary/CMC Chairman) |
| Deputy Director | Jia Qinglin (CPPCC Chairman) | Yu Zhengsheng (CPPCC Chairman) |
| Secretary-General | Dai Bingguo | Yang Jiechi* |
| Members | Wang Qishan | Wang Yang* |
| Head of Central Propaganda Department of the Communist Party of China | Liu Yunshan | Liu Qibao* |
| Vice Chair of the CMC | Guo Boxiong | Fan Chanlong/ Xu Qiliang* |
| Politburo Member and Vice Chair of CPPCC | Wang Gang (CLM, September 2, 2008) | |
| Politburo Member | Liu Yandong | Yang Jing* |
| Vice Chair of CPPCC and Head of United Front Department | Du Qinglin | Ling Jihua* |
| Taiwan Affairs Office | Wang Yi | Zhang Zhijun |
| Association for Relations Across the Taiwan Strait (ARATS) | Chen Yunlin | Chen Deming |
| Ministry of State Security | Geng Huichang | Geng Huichang* |
| Deputy Chief of General Staff for Military Intelligence | Ma Xiaotian | Qi Jiangguo (<i>Zhongshi Dianzibao</i> , March 16)* |
| Central Committee Member and Central Secretariat Director | Ling Jihua | Li Zhansu* |
| Ministry of Commerce | Chen Deming (<i>Jinri Daobao</i> , March 4) | Gao Hucheng* |
| <p>* These appointments have not been confirmed but are based on a hypothetical account based on the billets in the group according to precedent.</p> <p>Sources: <i>Zhongshi Dianzibao</i>, <i>Ta Kung Pao</i>.</p> | | |

While Yang's replacement of Dai as State Councilor did not come as much of a surprise—Yang's name had been on a short list of names long speculated to replace Dai—but Yang's departure from the highly coveted top Foreign Ministry post created a cascade of personnel changes in China's foreign policy making bureaucracy. Given the role of patronage in a closed-political system, personnel changes are important indicators, because they reflect compromises between strategic decisions and the outcome of behind-the-door negotiations between influential power brokers. Overall, Yang's appointment as the successor to Dai is symbolic of the overall handover of authority from Hu Jintao to Xi Jinping as the latter forms a new cabinet under Premier Li Keqiang.

After the first NPC plenary session, Wang Yi announced that Zhang Zhijun (born 1953)—the vice minister of Foreign Affairs who doubled as the deputy director of the CCP International Liaison Department (with close to 30 years experience in that organization)—will serve as the new head of TAO (*China Post*, March 18). A relative newcomer to the Taiwan policymaking community, it appears that the front line of Taiwan-policy will be headed by the Foreign Ministry under Wang who will have more of an authority to bring Ministry resources to bear to move on Taiwan-related issues. The emphasis that Wang had made when he left his post about his regret of not visiting Taiwan while he served as head of TAO, was quickly toed by Zhang's remarks that he wishes to visit Taiwan as soon as possible. Zhang's statement seems to suggest that the pressure is on and the foci of the negotiations may be shifting from ARATS (a non-governmental organization) to TAO. The head of TAO also serves as the leading small group's office director.

In late April, Chen Deming (born 1949) was elected as the new president of Association for Relations Across the Taiwan Straits (ARATS) (*Xinhua*, April 26; *South China Morning Post*, April 27). ARATS remain the non-governmental arm through which negotiations of ECFA are being handled on the two sides. TAO's equivalent in Taiwan is the Mainland Affairs Council (MAC), and ARATS's equivalent is the Straits Exchange Foundation (SEF). Chen's position as former minister for commerce highlights the importance that the administration places on economic issues as a key pillar of cross-strait policy. Chen, however, has noted that he wants political talks to move forward. The choice of Chen to head the

lead negotiating agent seems to reflect the importance that the top leadership attached to commerce. Indeed, the position in the top policy making apparatus in the party-state structure only was added for the Minister of Commerce in 2008.

Conclusion

The thaw in cross-strait relations over the past five years under Hu Jintao and Ma Ying-jeou has been remarkable. Yet questions remain whether the cross-strait environment has had a tangible effect on China's Taiwan policy. In spite of the extensive change of personnel that may be forthcoming in the TWLSG, which may reflect a broader change in the approach of the administration toward Taiwan, China's military buildup across the Taiwan Strait has continued to grow unabated. This suggests the traditional heavy influence of the military in Taiwan policy remain in spite of the calming down of political tension. This dynamic underscores the instrumental role that the CCP sees that the military plays in both an operational standpoint and as a means of coercive power over Taiwan.

Upon taking his post as TAO director, Zhang Zhijun's remark about wanting to visit Taiwan seems to indicate that the white gloves may be coming off as TAO steps up pressure for direct political talks with their counterparts in Taiwan. For its part, ARATS is in lead right now negotiating the establishment of representative offices in Taiwan and vice-versa for Taiwan's SEF in China. However, "Chen [Deming] said he appreciates Taiwanese authorities' stance that cross-strait ties are not ties between two countries, thus the representative offices of the SEF and the ARATS to be established on each side are not diplomatic missions" (*Xinhua*, April 26; *United Daily News*, April 27).

Chen Deming (like Xi Jinping) is deemed to be a part of the "know Taiwan faction" (*zhi tai pai*), as the mayor of Suzhou city he began to closely interact with Taiwan and became familiar with the island's economic situation. As minister of commerce, Chen was a full participant in the cross-strait Economic Cooperation Framework Agreement (ECFA) negotiations, which after 18 agreements are moving into its advanced stages. This is reflective that economic and trade cooperation and exchanges becomes a key pillar of cross-strait relations.

With his background, it is believed that Chen's economic and trade experience will be applied to his leadership of ARATS and deepen exchanges with Taiwan in all fields (*Oriental Daily*, February 22).

State Councilor Yang Jiechi and Foreign Minister Wang Yi are undoubtedly core members of Xi's foreign policy team. Yet given Wang's new post as head of the Foreign Ministry, it remains to be seen whether Wang will have a place in TWLSG. Wang has been a pivotal player executing the Hu administration's policy over the past five years. Whether Wang will remain a central component in Xi's overall policy-making mechanism toward Taiwan also remains to be seen. Xi may want to establish his own direction for Taiwan policy and decide to add or remove billets from the leading small group (*China Times*, March 17). With both Yang, who is an adept U.S. hand, and Wang, who is a Taiwan (and Asia) hand, by Xi's sides it is clear that Taiwan will play a central role in the Xi Jinping administration. With experienced counsels, Xi is equipped with capable hands to move forward with a full court press on political talks with Taipei through various channels in Taiwan and the United States. There appears to be more stakeholders in the Taiwan-policy making and implementation process since 2008, which may have the effect of limiting the military's influence in Taiwan policy planning. However, Xi's close ties with the military and his ability (or desire) to constrain the hawkish elements within may determine whether peace and stability will be maintained in the future.

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Taiwan Military Reform: Declining Operational Capabilities?

By Kevin N. McCauley

On June 6, Taiwan's Democratic Progressive Party (DPP) released its first "Blue Paper" evaluating Taiwan's defense requirements. Although the report probably serves a political purpose, the DPP's critical assessment of Taiwan's military budget, readiness and

acquisition joins several other recent developments—including Taiwan's second Quadrennial Defense Review released in March—in raising questions about the island's warfighting capabilities (*Taipei Times*, June 7). Declining operational capabilities in the Taiwanese armed forces will diminish the military's deterrence value—the key component in Taiwan's defense strategy. This would leave U.S. policymakers and military with little time to decide on a response to People's Liberation Army (PLA) military operations aimed at changing the status quo. Although it is difficult to make a firm judgment with high confidence, Taiwanese official evaluations and press reports on the island's defense posture raise questions that Taipei needs to address materially or in communications with Washington.

One of the most recent voices to draw attention to this situation was William Stanton, who was until last year director of the American Institute in Taiwan (AIT). He told a March conference in Taipei that defense spending is unrealistically low, jeopardizing the implementation of an all-volunteer force. Stanton further assessed armed forces morale as low, and believes that there are signs of a weakened commitment to military readiness, including a lack of concern by the Taiwan people over a cross-Strait military imbalance.

Foreigners, however, are not the only ones to express concerns about Taiwan's current defense posture and morale vis-à-vis mainland China. In March, a Taiwan military spokesman stated that PLA modernization and military buildup is increasing the cross-Strait military imbalance in favor of Beijing; while former Taiwan National Defense University President Hsia Ying-chou recently stated that Taiwan cannot compete with China's military buildup regardless of the level of defense spending (*China Post*, April 9; March 27). Stanton's remarks about Taiwan's morale echoed sentiments expressed in the press by Taiwanese college students. A Taipei university student said, "We have good economic relations with the mainland, so there's no reason to think that an attack will ever happen;" while a Taiwan National University student was quoted as saying, "I think Taiwan has no chance of winning a fight against China" (Associated Press, March 13; *China Post* [Taiwan], January 11; *Taipei Times*, January 11).

Tensions have greatly eased between Taipei and Beijing since President Ma Ying-jeou was first elected in 2008, however, the mainland has not renounced the use of force to resolve the core issue of Taiwan. Furthermore, PLA military modernization has emphasized forces with a potential Taiwan contingency mission, increasing the cross-Strait military imbalance, and making careless optimism a luxury.

Defense Strategy and Future Requirements

Current Taiwan defense strategy is based on deterrence, including building a “Hard ROC” defense force and the military strategic concept of “resolute defense, credible deterrence.” Credible deterrence includes training and combat preparation to dissuade Beijing from conducting military operations. Resolute defense includes a fortified defense and counterattack capability that can absorb the PLA’s first strike, and prevent PLA amphibious and airborne forces from establishing footholds on the island (*TWQDR 2013*, pp. 40–42; *ROCNDR 2011*, p. 145) [1].

If deterrence fails, the defense strategy is to counter PLA blockade operations to maintain vital sea and air lines of communications, interdict or delay PLA forces approaching Taiwan as well as defend against PLA amphibious and airborne landings. The goal is to strike PLA forces in the midst of a transit of the Taiwan Strait in order to prevent a landing and lodgment with the Army representing the last line of defense (*ROCNDR 2011*, pp. 108–110, 131–132).

Much of the MND’s warfighting concept remains visionary, pinned on future acquisitions of weapons systems and equipment, and improvement of joint operations capabilities. For example, joint counter air capabilities are cited by the MND as an important component for Taiwan force protection. According to the MND, these counter air operations hinge on future acquisitions and improvements to intelligence, early warning and tactical air control; air interception; joint air and missile defense; and base and facility protection capabilities. Improving intelligence, early warning, and tactical air control capabilities will require construction of regional operations control centers to support an integrated air defense systems, improved early warning systems, and enhanced all-weather surveillance and

warning systems. Air interception capabilities require acquisition of next-generation fighters with stealth, air-refueling, long-range and beyond visual range engagement capabilities, advanced EW systems, air-launched, land-attack, and anti-ship missiles, and unmanned combat air systems; long-range missile systems with multi-target engagement capabilities and anti-radiation missiles; and continued development of advanced data link systems to enhance digital C2 capabilities of existing fighters. Joint air and missile defense capabilities require integrated warning systems and centers, PATRIOT systems and new types of missiles, and a multi-layered integrated air defense systems and network. Protection capabilities for critical bases and infrastructure require underground and hardened construction, greater force mobility, counter anti-radiation missile capabilities, and system redundancy and recovery capabilities. This is a considerable acquisition list, and similar wish lists are provided for the other key capabilities required to counter PLA operations (*TWQDR 2013*, pp. 44–65).

Reform and Restructuring Plans

The current restructuring plan for 2011–2014—although some reports indicate the plan has been extended to 2016—includes streamlining the command structure. The Taiwan military faces resource constraints and a dwindling manpower pool due to low birth rate, both of which have driven continued force reductions and the current transition to an all-volunteer force. The military hopes the smaller all-volunteer force will attract quality, long-term servicemen to maintain a credible warfighting capability (*TWQDR 2013*, pp. 24–31, 69; *China Policy Institute*, April 2).

Reductions have occurred, in part, to rebalance the military from an Army-centric force supported by the Navy and Air Force to a more balanced military better structured to counter potential threats from the PLA. Major personnel reductions, primarily in Army units, began in 1997 when overall strength was 452,000, falling to 275,000 in 2008. The target end strength of the reforms is 215,000 planned for the end of 2014, when the all-volunteer force is scheduled to be fully established (*TWQDR 2013*, p. 52). Press reports, however, indicate that further reductions may be under consideration, reducing the total force to 176,000 personnel by 2015

(*Taipei Times*, May 14; ROCNDR 2011 pp. 132, 165).

The MND hopes relying on volunteers rather than short term conscripts will improve readiness and training, providing greater stability particularly in the Navy and Air Force. For example, higher skill levels are required for personnel to operate and maintain higher tech weapons systems and equipment in the Navy and Air Force. The move to volunteers is also likely to provide some improvement to the noncommissioned officer (NCO) ranks. The ratio of volunteers to conscripts for NCOs has increased from 70:30 in 2009 to 90:10 in 2011, which combined with improved education and training should provide greater quality in an NCO system that was in need of reform (ROCNDR 2011, pp. 132, 165).

Potential Problem Areas

Currently, there are at least five potential problem areas in Taiwan's defense that deserve attention: problems in the movement toward the all-volunteer force; limited training for combat operations; a shrinking defense budget; vulnerability to espionage; and the challenge of countering PLA joint strike capabilities.

All-Volunteer Military

Creation of the all-volunteer force only refers to active duty units, with Taiwan still relying on a reserve force based on a shortened compulsory service requirement. Compulsory military service for men born after January 1, 1994 has been reduced from one-year to four months of basic training before being assigned to the reserve force. Reserves man all of the infantry brigades that will defend beaches against PLA amphibious landings, and reservists probably are required to bring at least some active duty units to full strength in wartime. Reservists called up for compulsory service now will receive only four months of training, two months of basic followed by two months of specialized training. College students can apply for a two-phase military training program spread over two summers. Reservists are subject to recall for five to seven days training every two years during an eight year period (*Taipei Times*, February 20; *China Post*, January 1; *TWQDR 2013* pp. 86–88; ROCNDR 2011, p. 215).

The plan to implement the all-volunteer force already is running into problems attracting the requisite recruits. Recruitment was 2,000 short in 2011 of a target of only 4,000 volunteers, and 4,000 short of the 2012 goal of 15,000. The MND hopes to recruit more females, with 2,309 the target for 2013. Inadequate compensation is cited as a major reason for difficulties attracting quality personnel. Proposals this year to slash veteran benefits appears to be undermining recruitment further. The military also faces a problem with volunteers opting for noncombat over combat units with only half of the 2012 recruitment goal for combat positions being filled, an indication that combat units in the services could be understrength. The actual active duty force is currently estimated to be 40,000 personnel below the authorized level, which will affect readiness levels. The MND also faces competition for a dwindling pool of talented recruits from the police and coast guard (*Associated Press Taipei*, March 13 *Taiwan Today*, March 13; Central News Agency, February 24; *China Post*, January 11; ROCNDR 2011, pp. 132, 165).

Finally, there is the issue of civilian perceptions of military service. A Taipei citizen repeated the saying that “good people do not go into the military” and added “I myself did just a couple of weeks of training and it was a total waste of time” (*Taipei Times*, January 11; *China Post*, January 11).

Training

Disaster prevention and relief have become core missions of the Taiwan armed forces since Typhoon Marakot struck the island in 2009. The military, including reserves, now routinely conducts disaster preparedness exercises across the island, which is taking away from limited combat training and exercises. Joint training is largely limited to the annual *Han Kuang* command post wargame. This year's *Han Kuang 29* was the first exercise in several years to include a live fire phase. Combined arms field training is greatly inhibited by space limitations. There is also the fear of accidents that restricts realism and limits the effectiveness of unit training and exercises. Officers are held accountable for training accidents in their units regardless of whether they had any responsibility, with careers effectively ended when something goes wrong. The limited reserve training will have a significant

impact on the Army's defensive brigades even though they have a single mission. Once mobilized in a crisis, these reserve brigades will require training to bring them up to a minimal operational capability because of the short training period when first called up. In addition, they will need to prepare their defensive positions and extensive obstacle belts, which could easily require weeks. In addition to reduced initial training, reservists who are called up for training often perform disaster relief-related training rather than combat training, further lowering their readiness for combat missions (*Taipei Times*, February 24; *TWQDR 2009*, p. 25).

Defense Budget

The MND has stated that a defense expenditure not less than 3 percent of gross domestic product (GDP) is required to support defense reform and modernization, meet the increased costs of the all-volunteer force, acquire major weapons systems, and maintain and repair equipment (*TWQDR 2013*, pp. 75–76; *TWQDR 2009*, p. 106). Defense spending, however, has fallen to 2.2 percent of GDP, placing the future of the all-volunteer force and modernization plans in jeopardy (*Associated Press Taipei*, March 13). The cost of the all-volunteer force is reportedly adversely impacting equipment modernization, calling into question the MND's warfighting requirements that are needed to counter PLA operations. In 2008 37.7 percent of the budget went to personnel and 35.9 percent to weapons purchases, in 2011 approximately 47.5 percent went to personnel and 27.74 percent for military investments and, in 2013, 50 percent of the budget is marked for personnel with 25 percent for modernization (*China Post*, May 9).

Spy Cases

The number of Taiwanese espionage cases over the last decade has raised U.S. concerns about the integrity of military and intelligence information. During his March address, former AIT Director Stanton was only the latest individual to raise such concerns. Chinese penetration has included the army's electronic information division, the presidential office, the intelligence services, and the Taiwan Navy (Central News Agency, April 18; March 1; *Taipei Times*, June 16, 2012; *Wen Wei Po*, March 1, 2012; "Taiwan Espionage Cases Highlight Changes in Chinese Intelligence Operations," *China Brief*, July 1

,2011). The frequency and number of these cases makes Taiwan's denials of any significant damage seem a little glib. Although there is no definitive way to answer how successful Beijing has been at acquiring Taiwanese secrets, this is another example where questions are raised about Taiwan's readiness to resist cross-strait coercion. Finding a way to reassure foreign partners about the supposedly limited damage is one area where consultations rather than material changes would make a difference.

PLA Joint Firepower Strike Capabilities

The Taiwan Air Force and Navy are keys to the defense strategy to interdict or delay PLA force movements towards Taiwan. Their ability to operate and sustain combat operations against PLA forces, however, is threatened by PLA modernization and increasing joint firepower strike capabilities which can repeatedly strike air fields and naval bases. The MND recognizes growing PLA capabilities to conduct joint firepower strikes, including anti-radiation missiles and targeting capabilities, as representing a serious threat to Taiwan forces and infrastructure. Taiwan is improving ballistic missile defense capabilities, acquiring an offensive missile capability and purchasing rapid runway repair kits. Taiwan Air Force and Navy capabilities to conduct sustained operations, however, will be difficult at best in the face of overwhelming strikes by PLA missiles, aircraft, long-range rockets and special operations forces (*TWQDR 2013*, pp. 18–21; *Taipei Times*, January 1, Military News Agency, February 5).

Implications

The Taiwan military does have a professional officer corps, and limited modernization is occurring, but a number of serious issues are adversely impacting Taiwan military capabilities to execute defense plans. The all-volunteer force is facing difficulties attracting quality personnel, especially for combat units, even with a dwindling force structure, as well as squeezing funding for modernization in an inadequate defense budget. The Taiwan Army, as a last line of defense, and perhaps the most survivable of the three services from PLA offensive operations, is most adversely affected by force reductions and the all-volunteer force, which leaves it with a large reserve component with limited training. The reserve brigades upon mobilization will need to

train and prepare field fortifications which could take weeks. Joint operations are cited by the MND as a key capability, and C4ISR modernization will support joint command, however, limited joint training occurs. The disaster relief mission is now taking critical training time away from active duty and reserve unit combat training. The defense budget has fallen below levels the MND states is necessary to support the all-volunteer force as well as modernization requirements. This combined with continuing PLA modernization is increasing the cross-Strait military imbalance. Taiwan Air Force, Navy, and fixed infrastructure are vulnerable to intense PLA joint firepower strikes, calling into question their ability to withstand a first strike and continue operations. The overall ability of Taiwan forces to withstand initial strikes and maintain a credible force against PLA operations could well be limited.

Former AIT Director William Stanton raised serious questions about Taiwan operational readiness, in addition to warnings over the growing imbalance in cross-Strait military capabilities. Falling operational readiness undercuts the deterrent element of Taiwan's defense strategy. Reduced Taiwan military readiness will lower capabilities to interdict, delay, defend, or hold out against PLA forces with increasingly diverse operational capabilities. This could well leave a shortened timeframe for U.S. decision makers to act, and for the U.S. military to respond, potentially leaving both Washington and Taipei with a *fait accompli*.

Kevin McCauley has served as senior intelligence officer for the former-Soviet Union, Russia and China during his career in the federal government. He has written numerous intelligence products for decision makers and combatant commands, including contributing to the annual report to Congress on China's military power. Mr. McCauley currently is researching and writing a book on Chinese warfare.

Notes:

1. *Taiwan Quadrennial Defense Review 2013*, Taipei: Ministry of National Defense, 2013, available online <<http://qdr.mnd.gov.tw/encontent.html>>. Hereafter, the report will be cited in-text as (*TWQDR 2013*, p. #). National Defense Report Editing Committee, *2011 Republic of*

China National Defense Report, Taipei: Ministry of National Defense, August 2011, Available online <<http://2011mndreport.mnd.gov.tw/index.html>>. Hereafter, the report will be cited in-text as (*ROCNDR 2011*, p. #).

2. Author's observations and conversations with Taiwan Army officers.
