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**An Analysis of China's Foreign Policy
and National Security Decision-Making
Support Structure (U)**



**Date of Publication:
1 June 2005**

**This document was prepared by the Counterintelligence
Campaign Management Integrated Threat Office,
Counterintelligence / Law Enforcement Center,
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**Information Cutoff Date:
10 April 2005**

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Product Requested By

**Strategic Analysis and Operational Planning Office
Counterintelligence / Law Enforcement Center
Counterintelligence Field Activity
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The analytical interpretations and judgments contained in this study are those of the author. This study is based upon open-source books, articles and other documents developed through the academic community and government research institutions. The analytical interpretations and judgments in this study are subject to change or modification based on the development of new information on this subject.

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Acronym List

AMS	Academy of Military Science
CAS	Chinese Academy of Sciences
CASS	Chinese Academy of Social Sciences
CC	Central Committee
CCGO	Central Committee General Office
CCIS	China Center for International Studies
CCP	Chinese Communist Party
CDSTIC	China Defence Science and Technology Information Centre
CFA	Central Foreign Affairs LSG
CFEA	Central Financial & Economic Affairs LSG
CICIR	China Institute for Contemporary International Relations
CIFA	Counterintelligence Field Activity
CISS	China Institute of International Strategic Studies
CMC	Central Military Commission
CMCGO	Central Military Commission General Office
COSTIND	Commission of Science, Technology and Industry for National Defense
CPC	Communist Party of China
CPD	Center for Peace and Development Studies
CPU	Central Processing Unit
FALSG	Foreign Affairs Leading Small Group
FAO	Foreign Affairs Office
FBIS	Foreign Broadcast Information Service
FISS	Foundation for International Strategic Studies
GAD	General Armaments Department (PLA)
GLD	General Logistics Department (PLA)
GPD	General Political Department (PLA)
GSD	General Staff Department (PLA)
ICW	Institute of China and the World
IIS	Institute for International Studies
INSS	Institute for National Strategic Studies
ILD	International Liaison Department
ISRC	International Studies research Center
ISS	Institute for Strategic Studies
IWEP	Institute for World Economics and Politics
LSG	Leading Small Group
MFA	Ministry of Foreign Affairs
MND	Ministry of National Defense
MOFTEC	Ministry of Trade and Economic Cooperation
MSS	Ministry of State Security
NDU	National Defense University

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Acronym List

NPC	National People's Congress
PB	Politburo
PBSC	Politburo Standing Committee
PLA	People's Liberation Army
PLAAF	PLA Air Force
PLAC	Political and Legal Affairs Committee
PLAN	PLA Navy
PRC	People's Republic of China
RFI	Request for Instructions
SCFAO	State Council Foreign Affairs Office
SETC	State Economic and Trade Commission
SIIS	Shanghai Institute for International Studies
TALSG	Taiwan Affairs Leading Small Group
UN	United Nations
UNESCO	United Nations Education, Scientific and Cultural Organization

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Key Facts and Judgments

This study attempts to identify and define the leadership, support structures, and processes governing foreign policy and national security decision-making in the People's Republic of China. This study describes the specific mechanisms, personal and bureaucratic, formal and informal, by which China's senior leadership, and especially the military currently participates in the foreign policy and national security decision-making process. Special emphasis is given to the role of National Security and Foreign Policy Research Institutions "Think Tanks," and the role they play in helping to shape the views and interests that the military seeks to advance within China's national security arena.

This study reaches the following key facts and judgments:

- o China's national security and foreign policy arena is composed of four distinct but closely related arenas, each performing a core set of policy functions and dependent on a unique and highly complex support structure: (1) national strategic objectives, (2) foreign policy; (3) defense policy; and (4) strategic research, analysis, and intelligence.
- o China's national security policy leadership, structures, and processes do not function in a highly integrated, systematic, or formalized manner. Parts of the policymaking support structure (e.g. elements below the sector civilian and military leaderships) display considerable regularity and structure, while others (e.g., interactions among senior leaders) remain highly informal and personalistic. All levels of the system involve both regular and irregular features, however. Moreover, throughout the national security and foreign policy decision-making support structure, the level of influence in the policy process enjoyed by a specific civilian or military policy organ is often determined primarily by the personal prestige and power of the individual who heads it.
- o Linkages among the four policy arenas and their support structures vary considerably. No single arena operates in a completely independent fashion, especially the defense and foreign policy arenas. Vertical connections between the national strategic objectives arena to include foreign and defense policy considerations are relatively close and dense, as are the linkages between the later and the strategic research, analysis, and intelligence structures that support them. The least informal and arguably weakest linkages are horizontal, between the civilian leadership and the military command structure within the defense and foreign policy arenas. Yet even here, however, interactions are by no means insignificant and are apparently increasing in number and relevance to the overall national security and foreign policy decision-making process.
- o Military involvement is evident in all four security policy arenas, albeit to widely varying degrees, ranging from near total control over defense policy to limited but significant influence over foreign policy. Overall, the dividing line between military and civilian spheres in the formulation and implementation of national security and foreign policy is not as clear and absolute as in the past. The military's role in shaping national strategic

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objectives and in providing strategic analysis and intelligence to civilian leaders is significant and apparently increasing, even though the avenues for military influence over national strategic objectives remain relatively few. Military influence over foreign policy is also probably on the rise as military views are increasingly expressed and military influence exerted on specific issues.

o The military does not dictate policy in any one arena, however. As will be illustrated in the following chapters, at the top of the system, senior military leaders interact in a generally collaborative, consultative fashion with their civilian counterparts, although military views on certain primarily defense-related issues probably often come close to directives. Senior party leaders as will be shown, undoubtedly play a complex and nuanced game in their policy interactions with the military leadership, seeking to retain the initiative and maintain overall flexibility by alternately placating, resisting, or diluting military views and pressures through a complex mixture of personal persuasion, balancing of bureaucratic interests, and direct control over formal organs and policy channels. The outcome of this effort can vary greatly, depending upon the level of unity or agreement among the senior party elite, the specific external policy issue addressed, and the perceived success or failure of the prevailing policy line under discussion.

o The formulation and revision of national strategic policy objectives will become increasingly subject to a leadership support structure marked by a dramatic infusion of information from external sources. This will result in a need for greater consultation, coordination, and agreement among senior party and military heads in order to deal with a growing array of problems and concerns. At the same time, lower-level bureaucratic leaders could exert increasing influence over the entire national security and foreign policy decision-making apparatus, as organizational interests become less influential in the context of a diffuse and fragmented pattern by the senior civilian and military leadership to continually dismiss external information sources as a viable means of developing coherent national security and foreign policy decision-making recommendations at the top of the political and military strata. The emergence of complex, multiple personal and bureaucratic voices in the upper reaches of the policy process could result in possible shifting, ambiguous, or contradictory policy directives from the party elite, although there has been no indication of this to date.

o It will be noted in succeeding chapters that the influence of senior CCP officials on national strategic objectives and foreign policy arenas, the absence of strong policy arbiters at the senior levels of the defense policy arena has resulted in prolonged and more severe bureaucratic disputes and weak and confusing defense policies. This problem has become serious over time and has certainly impacted the military's ability to make critical decisions regarding a variety of modernization and force structure issues. Such indecisiveness is also exacerbated by growing pressures within the military to address wider ranges of institutional concerns unrelated to national security and defense policy, such as the negative effects of the military's involvement in weapons research, development and acquisition initiatives. Because of this, military policy (and defense policy in particular) has become an important source of leadership strife

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o Military research, analysis, and intelligence play a far more important role in the overall national security and foreign policy decision-making process than most observers assume. Moreover, with the exploitation of emerging information sources, and China's use of the Internet, the importance of these resources will grow significantly in the future, as a function of the military's increasing capabilities, especially if the military's role in national security policy and elite politics expands greatly. This will of course produce greater problems of central control over the coordination of information sources between the military and civilian sides of the strategic research, analysis, and intelligence production elements.

o The uncertainties and potential dangers presented by the above trends have led to repeated calls, by many Chinese strategists and some political leaders, for the formulation of an organization similar to structures currently maintained within the U.S. defense establishment for coordination and control of information to support national security decision-making. This has been discussed in numerous exchange visits between the U.S. military and high-ranking PLA representatives at such fora as the National Defense University in Washington, and the Army War College at Carlisle Barracks, Pennsylvania. Such an organization would presumably clarify vertical and horizontal lines of authority, facilitate communication and interaction throughout the national security policy bureaucracy, and thereby provide better coordination among and control over the different components of national security policy. As of the date of this study, this idea has yet to take hold within China, but one must applaud the Chinese for recognizing this problem within their large bureaucracy.

o The succeeding chapters illustrate that over the long term, China's foreign and national security policy process will remain heavily influenced by broader changing relationships between the party elites, the senior party leadership, and subordinate government and military leaders and institutions. The relations among these leadership principles will in turn be heavily influenced by the growing challenges to the regime produced by an influx of information that will be responsible for making major contributions to foreign and national security decision-making policies. Eventually, as was seen in Eastern Europe and the former Soviet Union, increasingly open forums of communication will likely evolve, as part of an overall process of rationalization and institutionalization of the political system. As a result, the military could eventually become one institution among many vying for influence in a wide range of policy arenas, including national security policy. Yet the military will probably prove to be key to success or failure of this transition, as the experience of other developing societies has shown in recent years.

The key facts and judgments referenced in the preceding pages mirror those of Michael D. Swaine in his study The Role of the Chinese Military in National Security Policymaking, Santa Monica, Calif.: RAND Corporation, 1998), pp. ix-xiii. Mr. Swaine's insightful assumptions and judgments can be applied broadly across the entire Chinese foreign and national security affairs decision-making spectrum and are as valid today as they were in 1998, perhaps more so since they can now be viewed in this Post-Reform Era.

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Section I China's Foreign Policy and National Security Decision-Making Institutions

1.1 Overview

During the later half of the twentieth century there was a gradual and important change in China's national security and foreign policy-making process as it successfully evolved from the era of Mao Zedong, Deng Xiaoping, and Jiang Zemin. This shift is not only of theoretical importance, it also has significant consequences for China's international behavior in this early part of the twenty-first century (34) page 1 para 2). The involvement of the People's Republic of China (PRC) within the international community is now much more extensive than in previous periods, particularly in the areas of military affairs, economics, culture, and participation within multilateral organizations such as the United Nations (UN). Further, the role of expertise in government is much greater, the bureaucracy is more differentiated and complex, and therefore the way in which recurrent policy issues are handled are different. Consequently, our understanding of the Chinese national security and foreign policy-making process, including the process for making recurrent, noncrisis decisions is understandably more bureaucratic in character and more difficult for the international community to understand (34) page 2 para 1).

Although China's national security and foreign policy-making process remains relatively unchanged from the period of Mao, the most senior political elite, headed by General Secretary Jiang Zemin, continues to play the decisive role in establishing broad national strategy. At the same time, in its myriad of dealings with the rest of the world on international issues ranging from arms control to economic relations, Beijing increasingly speaks, often with multiple voices, in terms familiar to the rest of the world, and policy changes gradually. In this realm, decisions tend toward global and professional norms, against the ever-present backdrop of realpolitik and considerations of national interest ¹.

1. See the following works for a more in-depth understanding of Chinese national interest: Yan Xuetong, *The Analysis of China's National Interest*, Tianjin, Tianjin Rennin Chubanshe, 1996), see also Thomas Christensen, "Chinese Realpolitik," *Foreign Affairs*, Vol. 75, No. 5 (Sept-Oct. 1996), pp 37-52, see also Alastair Lain Johnston, "Learning Versus Adaptation: Explaining Change in Chinese Arms Control Policy in the 1980s and 1990s," *China Journal*, No. 35 (Jan 1996), pp. 27-62. See also Andrew J. Nathan and Robert S. Ross, *The Great Wall and the Empty Fortress* (New York: Norton, 1977), pp. 14-16. The following article would also be of interest, John Pomfret, "China's Zigzagging Path on Taiwan," *Washington Post*, March 8, 2000, pp. A24, A26.

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Those who analyze Chinese national security and foreign policy, therefore, must be aware of the potential for abrupt changes arising from a system that is compartmentalized and personalized at the very apex of the decision-making strata. At the same time, national security and foreign policy analysts may be reassured by the constraints that offer the prospect of a China that eventually may fit more comfortably into the international order (34) page 2 para 4).

1.2 The Power Structure of the People's Republic of China

In order to completely understand the national security and foreign policy-making establishment and its structure, it is necessary to examine the general power structure of the People's Republic of China. The governing regime of the PRC consists of three major vertical systems (*xitong*): the Communist Party, the government, and the military². At the apex of these systems is the Political Bureau (Politburo) of the Chinese Communist Party (CCP), which is often further crystallized in the form of a leadership core (*lingdao hexin*), as during and after the Deng Xiaoping era, or of a single person, such as Mao Zedong, as during the Mao Zedong era (34) page 39 para 1). The three major systems operate on five levels: center (*zhongyang*); province (*sheng*) (for the party and the government) or army (*jun*) (for the military); prefecture (*di*) (civil) or division (*shi*) (military); country (*xian*) (civil) or regiment (*tuan*) (military); and township (*xiang*) (civil) or battalion (*ying*) (military)³.

For the purpose of effectively controlling and running the political system, the structure is further divided into major functional sectors (*xitong or kou*) that cut across the three major systems referenced above. Each sector is supervised by a member of the Standing Committee of the Political Bureau of the CCP. These sectors are military affairs; legal affairs (which is responsible for legislative, judicial and law enforcement); administrative affairs (which is responsible for industrial, agricultural, finance, and commerce); foreign affairs; health; education; science; propaganda (which is responsible for media and cultural affairs); the United Front (which is responsible for noncommunist political parties, religion and minorities); and mass organization affairs (which is responsible for unions, youth, women's organizations and other associations). A member of the Politburo Standing Committee conducts direct sectoral supervision through an institutionalized body such as a committee or a nonstanding organ such as a Leading Small Group (LSG). Among the most important such organs are the CCP Central Military Commission (CMC) for Military Affairs, the CCP Central Political and Legal Affairs Committee, the Central Financial and Economic Affairs LSG, and the Central Foreign Affairs LSG.

2. Yan Huai, "Understanding the Political System of Contemporary China," *Papers of the Center for Modern China*, No. 10 (August 1991), p. 2.

3. *Ibid.*

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This system of sectoral division for management, known as *guikou guanli*, is in most cases an internal mechanism that does not appear on any formal organizational chart of the CCP, the government, or the military. Its purpose is to allow the CCP Politburo Standing Committee to exercise centralized control over the whole political system and its policy-making processes (34) page 40 para 2).

1.3 The Foreign/National Security Policy Decision-Making Structure

A horizontal view of the overall foreign policy decision-making structure reveals three basic types of actors: the central leadership⁴, major foreign affairs bureaucracies and institutions, and working-level officials in the foreign affairs establishment. The following is an examination of this structure and of the roles played by the top political leadership and the foreign affairs establishment in the formulation of China's national security and foreign policies (34) page 40 para 3).

1.4 The Central Leadership

There are four components of the central leadership: the paramount leader or leading nucleus, the nuclear circle, the members of the Politburo Standing Committee, and the other members of the Politburo, particularly those who live in Beijing and those that work in the Secretariat. Normally the leading nucleus and the members of the leading nuclear circle are all members of the Politburo Standing Committee. They collectively constitute China's top leadership.

One of the major characteristics of the Chinese political system is the high concentration of political power in the CCP. Within the party, the power is further concentrated in the hands of one or a few leaders. Foreign affairs, military affairs, and party "organization work" have long been considered the most sensitive areas that demand a higher concentration of decision-making power.

4. In the Chinese political system there is a very strict definition of the term *zhongyang lingdao*, the central leadership, more often known in the Chinese media as *dang he gnojia lingdaoren*, the party and state leaders. Officially the term refers to members of the CCP Politburo and Secretariat, the Secretary of the CCP General Inspection Committee, the president and vice president of the state,, the premier and vice premiers of the State Council, the state councilors, the chairman and vice chairmen of the National People's Congress (NPC) Standing Committee, the chairman and vice chairmen of the National People's Political Consultative Conference, the president of the Supreme People's Court, the procurator general of the Supreme People's Procurate, and chairman and vice chairmen of the Party Central Military Commission. Yan Huai, "Understanding the Political System of Contemporary China," *Papers of the Center for Modern China*, No. 10 (August 1991), pp. 15-16.

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1.5 The Paramount Leader and Leadership Nuclear Circle

Foreign affairs have always been one of the areas in which ultimate decision-making power has been retained by the paramount leader or the leading nucleus. The paramount leader may or may not be the chairman or general secretary of the party or state president, but most often he controls the military as the chairman of the CMC. The paramount leader creates an informal leadership nuclear circle that surrounds him; consisting of one or two members he personally designates (34) page 41 para 3). After the election of Zhu Rongji as premier and Li Peng's move to head the NPC in March 1998, although Li has retained his number two position within the Party, he has seen his political role diminished, whereas Zhu's has been increased.⁵ Since 1999 most of the important foreign and defense policy decisions have been made by Jiang and Zhu in conjunction with their Politburo Standing Committee colleagues and their top aides in the party, government, and military systems. The paramount leader and the leadership nuclear circle wield the ultimate foreign policy decision-making power in China because they can, in reality if not in law, veto or ratify decisions made by the Politburo (40) pages 55-58).

1.6 The Politburo and Its Standing Committee

The Politburo remains the most important institution of political power in China. It stands at the apex of the formal, though unpublicized, foreign policy structure and under the informal personalized arrangement of the paramount leader or leading nucleus. The Politburo consists of members resident in provinces and cities other than Beijing, and it is relatively large. These two factors make it too cumbersome for the body to decide foreign policy issues that often demand immediate attention. As a result, de facto foreign policy decision-making power rests with the Politburo's Standing Committee. However, the most important foreign policy decisions, such as whether to make war or peace or major shifts in foreign policy orientation, are generally still subject to deliberations by the full Politburo. In recent years, the Politburo has been used as a training ground for future senior political leaders. Except for its Standing Committee members and those who oversee specific functional foreign affairs departments in the government and the party, most Politburo members are only marginally involved in making national security and foreign policy (34) page 42 para 2).

5. On May 31, 1989, on the eve of the June 4 crackdown, Deng Xiaoping in talks with the CCP Politburo Standing Committee members Li Peng and Yao Yilin, said that the leadership nucleus of the CCP's first generation was Mao Zedong, that of the second generation was Deng Xiaoping, and that of the third generation would be Jiang Zemin. Although the speech was meant to admonish Li and Yao to submit to the leadership of the newly nominated Jiang Zemin, it reveals that in the Chinese political system the ultimate power rests in the hands of a single paramount political leader.

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Internally, the highest foreign policy decision-making institution is the Standing Committee of the Politburo. Normally the Standing Committee includes the chairman of the CCP, the chairman of the CMC, the premier of the State Council, the state president, the chairman of the Standing Committee of the NPC, and the chairman of the Chinese People's Political Consultative Conference. The party constitution adopted at the Twelfth Party Congress stipulates that the general secretary, the director of the Central Advisory Commission, the first secretary of the Central Disciplinary Commission, and the chairman of the CMC must be members of the Standing Committee. On the Standing Committee one member, usually someone with more experience in the field takes charge of the foreign affairs sector. In March 1998, when Li Peng moved from the premiership to head the NPC Standing Committee, Jiang Zemin personally took charge of foreign affairs as the head of the Central Foreign Affairs LSG. ⁶ Therefore, for the first time in its history, the Foreign Affairs LSG is headed by the paramount leader himself (34) page 42 para 2).

6. See also David M. Lampton, *Policy Implementation in the People's Republic of China* (Berkeley: University of California Press, 1987); Susan Shirk, "The Politics of Industrial Reform," in Elizabeth Perry and Christine Wong, *The Political Economy of Reform in Post-Mao China* (Cambridge: Harvard, 1985), pp. 195-222; Lester Ross, *Environmental Policy in China* (Bloomington: Indiana University Press, 1987); Barry McCormick, *Political Reform in Post-Mao China: Democracy and Due Process in the Leninist State*, in Kenneth Lieberthal and Michel Oksenberg, *Policy-Making in China: Leaders, Structures, and Processes*, (Princeton, N.J.: Princeton University Press, 1968 (cited in attached bibliography as (40)). For reviews of the early evolution of the subject of decision-making in the Post-Mao period in China, see Joseph Bower, "Descriptive Theory from the Administrative Viewpoint," in Raymond Bauer and Kenneth Gergen (eds.), *The Study of Policy Formulation* (New York: The Free Press, 1968), pp. 103-148; and Donald W. Taylor, "Decision-Making and Problem-Solving," in James G. March (ed.) *Handbook of Organizations* (New York: John Wiley & Sons, 1959). On a somewhat more descriptive level, see: Anthony Downs, *Inside Bureaucracy* (Boston: Little, Brown and Company, 1967. For more in-depth quantitative analysis on Chinese national security and foreign policy analysis, see: Michel Oksenberg, "Sources and Methodological Problems in the Study of Contemporary China," in A. Doak Barnett (ed.), *Chinese Communist Politics in Action* (Seattle: University of Washington Press, 1969); and Michel Oksenberg, "The Literature on Post-1949 China: An Interpretative Essay," in John Fairbanks and Roderick MacFarquhar (eds.), *The Cambridge History of China*, Vol. 13, Part One (Cambridge: Cambridge University Press, 1987). See also, A. Doak Barnett, *The making of Foreign Policy in China: Structure and Processes*, SAIS Papers on International Affairs, no. 9 (Boulder: Westview Press, Washington, D.C.: Foreign Policy Institute, School of Advanced International Studies, John Hopkins University, 1985 (cited in attached bibliography as (4); Joseph Fewsmith, "Institutions, Information Policies, and Political Transition in China," *Asian Survey* 36 no. 3 (March 1996; pp. 230-246 (cited in attached bibliography as (13), and David M. Finkelstein and Maryanne Kivlehan (eds.), *China's Leadership in the 21st Century: The Rise of the Fourth Generation*, (Armonk, N.Y.: M.E. Sharp, 2003 (cited in attached bibliography as (15)).

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1.7 The Secretariat

In the official power structure, immediately under the Politburo is the CCP Secretariat. Its role, however, has been ill defined, and it has been changed from time to time. From the late 1940s until 1956 the Secretariat was the supreme decision-making body within the CCP, functioning as does the present-day Standing Committee of the Politburo. As a consequence of the party restructuring at the Eighth Party Congress in 1956, the Secretariat as we know it today was created in subordination to the Politburo to carry out its day-to-day operations. It was later abolished during the Cultural Revolution, but reestablished at the Fifth Plenum of the Eleventh Party Congress in 1980 by Deng Xiaoping. Deng's main purpose at the time was to circumvent his political rival, Party Chairman Hua Guofeng, and the conservative-dominated Politburo (47) page 10 para 5).

Although in reality the Secretariat has at times been involved in making some major decisions, it has never played a major decision-making role in foreign affairs. In the post-Deng era the focus on foreign policy decision-making has shifted to the Politburo Standing Committee (47) page 11 para 4).

Although the relative weight of the Politburo and the Secretariat changes from time to time due to political shifts within the CCP leadership, the Politburo and the Secretariat generally serve as the providers of a rubber stamp to lend legitimacy to decisions made by the paramount leader, the leading nuclear circle, or the Politburo Standing Committee; a consultant to the paramount leader in making some key decisions; a forum for building consensus or constructing a coalition among the inner elite; an architect providing the blueprint for a new foreign policy orientation often outlined by the paramount leader, and a command center providing direction for achieving major foreign policy goals (34) page 44 para 3).

1.8 The CCP Central Committee Foreign Affairs Leading Small Group

The body that takes overall charge of foreign affairs is the CCP Central Committee Foreign Affairs Leading Small Group. Headed by a member of the Standing Committee of the Politburo, the Foreign Affairs LSG supervises policy implementation and coordination of the foreign affairs sector known as (*waishi kou*). First established in 1958, the LSG consists of key members of the Politburo Standing Committee and the top bureaucrats of government and party foreign affairs agencies. More recently it also includes a senior member of the military (47) page 11 para 5).

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The Foreign Affairs LSG is not a standing institution and as such does not maintain a permanent staff. It instead relies on the Foreign Affairs Office of the State Council for staff work and to exercise overall sectoral coordination. The Foreign Affairs Office of the State Council, as the executive body of the Central Foreign Affairs LSG, therefore, serves as the central processing unit (CPU) between the decision makers and the implementing organs within the CCP, government and the military. Similarly all decisions which are beyond the mandates of government bureaucracies must be submitted to the decision makers at the Center through the CPU, regardless of from which of the three major systems it originates (47) page 12 para 2). From here all foreign affairs activities of the PRC are coordinated and this concept is called (*guikou*) and the Foreign Affairs Office of the State Council is the general entrance / exit for decisions in the foreign affairs sector 7.

At the time of their creation in 1958, the functions of the LSGs were not very well defined. The document that defined their function only emphasized that the LSGs “are directly subordinate to the Politburo and Secretariat and report directly to those two bodies.” 8 At the 2nd plenum of the Politburo held on December 16, 1987, a reform package was adopted for CCP Central Committee institutions. Under this reform package, the functions of the organs of the Party Central Committee are redefined in three categories according to the roles they play: (1) decision-making consulting bodies (*juece zixun*), (2) executive bodies (*banshi jigou*), (3) service institutions (*shiye jigou*). All leading LSGs fall under the first category. They convene regular meetings to discuss issues, exchange ideas and put forward proposals as policy alternatives for the Politburo and its Standing Committee to make decisions 9.

7. Like many similar cases in the Chinese power structure, the Central Foreign Affairs Leading Small Group and the Foreign Affairs Office of the State Council are one institution, one team of staffers, but with two name designations.

8. Zheng, Qian et al, “An Outline of the Evolution of the Contemporary Chinese Political System, as quoted in (47) in attached bibliography.

9. Jiang Weiwen, as quoted in (47) in attached bibliography, (A Big Expose of the Reform Plan for the High-Level CCP Institutions: A Big Reshuffle of the High-Ranking CCP Officials), no 184, January 16, 1988, pp. 6-7. The second category includes such Central Committee institutions as the Central General Affairs Office, the Central Organization Department, the Central United Front Department and the Central International Liaison Department. They are responsible for handling the day-to-day work of the CCP under the leadership of the Politburo and its Standing Committee. The third category includes the party newspaper (People’s Daily), the Central Party School and the Party History Research Office (47) page 18 para 4).

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1.9 The Central Bureaucracies

Beneath the traditional structures of China's foreign policy and national security decision-making apparatus, there are a number of institutions that operate somewhat independently in the conduct of foreign affairs. Most of these institutions are of ministerial, provincial, or of army rank. These bureaucratic institutions represent the foreign policy elements of the three major systems of Chinese political power: the party, the government, and the military. In the government system these include primarily the Ministry of Foreign Affairs, the Ministry of Foreign Trade and Economic Cooperation (MOFTEC), and the Xinhua News Agency. In the party system there is the CCP Central Committee International Liaison Department (ILD). And in the military system there is chiefly the PLA General Staff Department. Until early 1998 the Commission of Science, Technology, and Industry for National Defense (COSTIND), which oversaw China's defense research, development, and defense industry, straddled both the government and military systems (34) page 14 para 1).¹⁰ The government restructuring in early 1998 resulted in COSTIND's being placed solely under the State Council and assuming oversight of arms export control. Its functions that had been more closely related to the PLA were taken over by the newly upgraded PLA General Equipment Department (34) page 49 para 3).

According to their respective functions, the foreign affairs organizations can be placed into roughly three main categories: policy consultation, coordination, and supervision – the Central Foreign Affairs LSG and, until September 1998, the State Council Foreign Affairs Office (SCFAO).; policy recommendation and implementation – the Ministry of Foreign Affairs (MFA), MOFTEC, the CCP Central IAD, and the Second Directorate (Intelligence) of the General Staff Department (GSD); information and research – Xinhua New Agency, the Second and Third Directorates of GSD, and the Ministry of State Security (MSS).

10. COSTIND was created on May 10, 1982 by merging the Defense Science and Technology Commission, the National Defense Industry Office, and the CMC's Science, Technology, and Equipment Commission. Representing the interests of the defense industry, until 1998 COSTIND was under the dual leadership of the CMC State Council. See Yan Kong, "China's Arms Trade Bureaucracy," *Jane's Intelligence Review*, February 1994, page 80. See also Harlan Jencks, "COSTIND is Dead, Long Live COSTIND: Restructuring China's Defense, Scientific, Technical and Industrial Sector." *In the People's Liberation Army in the Information Age*, James C. Mulvenon and Richard H Yang (eds.), Santa Monica, Calif.: The Rand Corporation, 1999, pp. 59-77. Cited in the attached bibliography as (31).

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1.10 The Ministry of Foreign Affairs

The MFA plays a pivotal role in China's foreign policy decision-making. It is indisputably the most important foreign affairs institution in the formulation and implementation of China's foreign policy, much the same way China's intelligence service support national security policy decision-making.¹¹ Important roles are played by the MFA in the foreign policy formulation and decision-making process. First, it plays a decisive role in the "tactical" aspects of foreign policy decision making. Second, it plays the role of a reliable provider of "processed" information to central decision-makers.

1.11 Foreign Policy Implementation

When "strategic" foreign policy decisions are made by the central leadership, they often consist of no more than a vague concept, basic policy orientation, broad policy guidance, or long-term policy goals. It is consequently up to the MFA to make "tactical" policy decisions and work out detailed plans for realization of leadership's policy goals. At the Twelfth Party Congress China proclaimed that "it intended to pursue an independent foreign policy under which it would make decisions on international issues based on independent judgments of their individual merits." (47) page 50 para 3).

11. Contrary to some Western literature on the subject, such as Nicholas Eftimiades's *Chinese Intelligence Operations* (Annapolis: Naval Institute Press, 1994), the Chinese intelligence operations are quite small when compared to those of the U.S. Central Intelligence Agency and the Russian Intelligence Services, both in scale and resources. This is partly because the senior Chinese leadership has always placed a greater premium on the strategic intent of its adversaries than on their technical capabilities. For additional insight on this subject, consult the following works: Desmond Ball, "Signals Intelligence in China," *Jane's Intelligence Review*, Vol. 7, No. 8, London, August 1995, pp. 365-370; Ming Tai Cheung, "Trends in the Research of Chinese Military Strategy," *Survival*, Vol. 29, No. 3, May-June 1987, pp. 239-259. See also: Ralph A. Cossa, "The PRC's National Security Objectives in the Post-Cold War Era and the Role of the PLA," *Issues and Studies*, Vol. 30, No. 9, September 1994, pp. 1-28; John Garver, "The PLA as an Interest Group in Chinese Foreign Policy," paper prepared for the Sixth Annual Conference on the Chinese People's Liberation Army, West Virginia, June 1995; Robert S. McNamara et al, *Sino-American Military Relations: Mutual Responsibilities in the Post-Cold War Era*, National Committee on U.S.-China Relations, China Policy Series, No. 9, New York, November 1994. Two other interesting works include Benjamin Ostrov, "the People's Liberation Army in the Foreign Policy Arena in 1993," in Maurice Brosseau and Lo Chi Kim (eds.), *China Review*, 1994, Hong Kong: The Chinese University Press, pp. 8.2-8.19, and Shiyong Pan, *Reflections on Modern Strategy: Post-Cold War Strategic Theory*, Beijing; Shijie Zhishi Chubanshe, 1993, pp. 125-126 as quoted in the Role of the Chinese Military in National Security Policy Making – cited in the attached bibliography as (62).

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1.12 Emerging Trends in Chinese Foreign Policy

According to David Lampton in his book, The Making of Chinese Foreign and Security Policy in the Era of Reform:

“The most fundamental change in the dynamics of foreign policy decision-making in China has been the shift of emphasis since 1978 on the part of the central leadership from the nation’s physical security to its economic development. This shift came as a matter of objective necessity and subjective limitations, as well as personal style. As the nation’s foreign relations grew increasingly complex in the two decades of reforms, retaining the same high level of concentration of decision-making power as during the Mao era became impossible. To manage such an extensive and complex relationship required technical expertise that Deng’s generation of leaders did not possess. Further, the emergence of Jiang Zemin, Li Peng, and Zhu Rongji at the center of political power represents a transition of Chinese political leadership from a generation of revolutionary politicians to a generation of technocratic politicians. This new group is characterized by its lack of any absolute authority based on charisma and prestige established through decades of war and construction and by its relatively narrow power base. No single leader can command unquestioned authority simultaneously within the three major systems of China’s political power – the party, the government, and the military. This has led to a more cohesive decision-making process, with checks and balances reflected in the structure and composition of the Politburo Standing Committee, which has begun to represent more bureaucratic and regional interests.” (34) page 58 para 2)

In the shifting of power in the central foreign affairs establishment, the emergence of the PLA’s role in foreign affairs has generated considerable attention in the West. Although the opening of the PLA to the outside world beginning in the late 1980s has been unprecedented, the perception that the PLA has become an independent force in foreign policy decision-making is over exaggerated and will be discussed in-depth in a later chapter.

1.13 Decision-Making Methodology

It is important to understand the methodology used by China’s senior decision-makers. Formally, the CCP adhered to a system called democratic centralism under which the majority rules. However, the higher the level, the more importance was attached to unanimity. Officially, the Standing Committee of the Politburo made decisions on the basis of consensus. If deadlocked over an issue, the session often recessed and was followed by a round of informal consultations among its members and with the paramount leader or members of the nuclear circle. When repeated consultations failed to resolve the difference, it was often up to the paramount leader to make the final call known in Chinese as (*paiban*). Below this level, decisions are made by the chief executives of government, party and military institutions in consultation with their respective aides under the chief executive responsibility system. If necessary, an executive

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meeting known as (*xingzhen huiyi*) that involves the ministerial leadership is the forum to make decisions collectively.

In practice, decisions are seldom put to an actual vote although each member's opinion is made known by way of statements made during the meetings. The decision-making bodies at the Center and in a bureaucracy are not made up of members of equal standing as they are officially supposed to be. Rather, they are often constructed in an informal hierarchical structure with each member deriving his place in this structure not only from the office he holds, but also from certain intangible factors such as seniority, experience, expertise, personal access etc. The authority of each member is in fact unequal.¹² When the recognized most authoritative person makes his opinion known, the rest of the members tend to concur. Some members sometimes may be able to persuade him if or when his opinion is not rendered out of a firm conviction. Depending on their respective relationship with him, junior members generally would refrain from voting a different opinion once the opinion of the most authoritative person is known. During the Mao era, all decision-making bodies were reduced to rubber stamps. The recent trend, however, points to more equality among members of the decision-making bodies at the Center. The emphasis on unanimity and consensus building at this level will probably not change. In later chapters we will examine the impact of Chinese National Security Affairs Research Institutions (Think Tanks), as well as the role of the Chinese Academy of Sciences and their collective impact on the government decision-making process.

¹² It is perhaps helpful to think of these bodies in terms of a Chinese family with a patriarch, the senior son and his brothers and their wives and children arranged in a hierarchy in accordance with Confucian teachings. It is no accident that in private Yang Shangkun would refer to Deng as (*laoyezi*) grand patriarch (46) page 19 para 5). This process is also best illustrated by the initial paralysis and indecision of the Politburo Standing Committee because of this system. This is also best illustrated by Zhao Ziyang's dissent during the political crisis of May and June 1989, as described in Yang Shangkun's speeches at the May 22, 1989 meeting of the party, government and military cadres in Beijing, at the enlarged CMC emergency meeting on May 25, 1989, and Zhao Ziyang's speech at the 4th Central Committee Plenum of the 13th Party Congress in June 1989, all of which severely criticized the methodology described above as being archaic and outdated. It is also evident that the very best foreign and national security policy analysis would not positively support or influence a system based on hierarchical considerations. This is of paramount consideration when assessing the influence of Chinese National Security Affairs Research Institutions and other foreign policy research institutions such as the Chinese Academy of Sciences.

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1.14 Summary

The impact of evolving changes in the Chinese foreign policy and decision-making process and behavior have been significant and will become more so. As to the process, the paramount leader has become less paramount and has been forced to consult more broadly. Meanwhile, power over all but the broadest and most strategic decisions has moved from high-level central organs to government ministries. At the ministerial level, power has been diffused from the MFA to other (often economic) ministries. When examining China's late-twentieth century foreign and national security policy-making system, analysts are faced with a system in transition. Because the Center has grown larger, the degree to which decisions are personalized have diminished. Because China's leadership has become more educated and technocratic, it tends to search ever more broadly for information upon which to fashion decisions. The instruments of this search are multiplying, as is the distance from the Center at which information is being sought (34) page 28 para 3). This certainly begs the question, who are the Chinese national security and foreign affairs scholars charged with analyzing the United States? What information sources do these analysts rely on to develop an unbiased interpretation of US capabilities and intentions? How is this information translated into coherent national security and foreign policy recommendations for discussion within the MFA and the CCP Standing Committee? Chapter II will outline the structure of the MFA and will address the information sources that some departments have that are used for foreign policy analysis. Later chapters will provide an overview of the role of the PLA in national security decision-making, and the role of Chinese National Security Affairs Research Institutions (Think Tanks), and the Chinese Academy of Sciences in the foreign policy and national security affairs decision-making process.

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Section II Organization of the Chinese Ministry of Foreign Affairs

2.1 Overview

As was mentioned in the previous chapter, the central foreign affairs bureaucracy in the People's Republic of China is represented by the Ministry of Foreign Affairs (MFA), in addition to the Ministry of Foreign Trade and Economic Cooperation under the State Council, the International Liaison Department of the CCP Central Committee, and the General Staff Department under the CMC. Each represents the CPU for a sub-sector. Under the current governmental structure, these bureaucracies are of equal ranking except for the GSD as stated previously.

2.2 Organization of the Ministry of Foreign Affairs Bureaucracy.

The MFA formal structure currently consists of the General Office, plus 18 external affairs departments and office of departmental rank, and has five internal affairs departments.

The General Office (*bangong ting*), though of departmental ranking, is a first-among-equal department. It supervises such vital units as the Confidential Communications Bureau (*jiyao jii*). It also controls the Confidential Traffic Division (*jiyao jiaotong chu*), and the powerful Secretariat (*mishu chu*). The Confidential Communications Bureau is itself a department that manages China's diplomatic communications, mainly with China's diplomatic representations abroad. The Confidential Traffic Division is in fact a confidential document delivery and exchange service.¹³ The Secretariat consists of two groups of people, with one group manning the 24-hour Situation Room, formerly known as (*bangong ting zhiban shi*), and the other consisting of personnel secretaries to the ministers. According to regulations, the Foreign Minister has two secretaries, and each Vice and Assistant Minister has one.¹⁴ The General Office also serves as a liaison between the MFA and provincial Foreign Affairs Offices through its Office of Local Foreign Affairs (*defang waishi bangongshi*).

13. Both the Confidential Communications Bureau and the Office of Interpretation and Translation were originally subordinate to the General Office. In the mid-1980s, both became independent departmental ranking organs. The General Office though maintains professional oversight over the Confidential Communications Bureau.

14. Although normally the Secretariat is under the administrative jurisdiction of the General Office, the secretaries to the Minister and Vice and Assistant Ministers operate independently by virtue of their function as personnel assistants to MFA chiefs.

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The 18 external affairs departments and offices are further categorized into two types: one group called regional departments (*diqui si*), the other group functional departments (*yewu si*). There are currently seven regional departments: Africa, Asia, North Africa (Middle East), Eastern Europe (Central Asia), Western Europe, North America, Latin America, and two regional offices: Hong Kong Macao Affairs Office, and the Taiwan Affairs Office. The nine external functional departments and offices include: International Organizations and Conferences, Treaty and Law, Information, Protocol, Consular departments, Office of Policy Research, Office of Translation and Interpretation, Office for the Compilation and Editing of Diplomatic History, and Diplomatic Couriers Team. ¹⁵

Of the numerous internal affairs departments only the Confidential Communications Bureau and the Personnel Department have some relevance to the foreign policy process, particularly the Personnel Department. ¹⁶

As a typical regional department, the Department of North American Affairs consists of three divisions: the First and Second U.S. Divisions, and Canadian and Oceanian Affairs. The First U.S. Division is in charge of daily operations handling casework, while the Second is research. The whole department has a body of roughly 50 professionals with the First U.S. and Canadian Oceania boasting of 20 respectfully and the Second U.S. Division around 10 professionals. ¹⁷

15. For a more detailed description of the confidential document exchange system, see Yan Huai, (Notes on China's Confidential Documents), Papers of the Center for Modern China, Vol. IV, No. 12, 1993, pp. 14-15.

16. See China Government Organization as cited in (34) page 36 para 7). The Personnel Department handles only personnel matters concerning professionals up to the level of chiefs of departments. Ministerial-level personnel matters fall largely under the jurisdiction of the Organizational Department of the CCP. Non-professionals are managed through the personnel division of the Administration Department.

17. It is unknown as to the extent that "professionals" assigned to the various departments referenced above possess language familiarity with their respective regions, or the number of personnel that possess advanced degrees in area studies related to their assigned geographic regions. The author has not found any references to suggest that "professionals" assigned to the MFA have either lived or studied abroad for any significant period, although there are some references to MFA and PLA personnel residing abroad as members of diplomatic missions. It has not been determined if these individuals were posted overseas for the express purpose of obtaining language and geographic familiarity. The author could not find any references to shed light on what open-source literature these "professionals" read on a regular basis in order to maintain any language proficiency or foreign area knowledge specialization. However, there have been some vague references made to the MFA having access to CNN, Reuters, and other global news subscription sources for situational awareness.

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The Information Department is a relatively small functional department when compared to the Consular and Protocol Departments. With roughly 60 people it is divided into four divisions. The First Division with about 20 people managed foreign correspondents both based in China and on temporary assignment.¹⁸ The Second Division with fewer than 10 people oversaw the supply of propaganda literature and films to Chinese missions abroad and organized internal briefings for the domestic press. The Third Division has around 20 people. It conducts research and provides daily briefings to the ministerial leadership on developments around the world. The Fourth Division with fewer than 10 people managed the bi-weekly MFA public news briefings to foreign and Chinese journalists.¹⁹

The Ministry maintains some 159 diplomatic and consular missions abroad. In overseas missions, most of the people employed by the MFA come under the jurisdiction of two offices, the Office of Research and Investigation, and the General Office. Most professionals work in the Office of Research and Investigation except for the protocol and consular sections which come under the jurisdiction of the General Office. In larger missions, separate offices are set up to manage the press, consular affairs offices etc. In the mission to the United States, there is also a congressional affairs group consisting of five people subordinate to the Office of Research and Investigation.²⁰

18. Journalists from Hong Kong and Taiwan fall under the jurisdiction of the State Council's Hong Kong Macao Affairs Office and Taiwan Affairs Office.

19. The department was since reorganized into six divisions with the First, Second and Third Divisions handling foreign journalists from North America, Europe, Asia and Africa respectively. The Fourth Division is now responsible for news analysis, the Fifth for news briefings, and the Sixth for comprehensive affairs and personal communications.

20. Other offices are manned by people from other bureaucracies. For instance, the Cultural Affairs Offices are manned by officials of the Ministry of Culture, the Commercial Offices and Economic Counselor's Offices by the Ministry of Foreign Trade and Economic Cooperation, the Defense Attaché's Offices by officers of the People's Liberation Army, the Offices of Education by the Ministry of Education.

For Chinese representations within international organizations, the UN Headquarters in New York, Geneva and Vienna are largely staffed by the MFA. Specialized organizations are normally staffed by various bureaucracies designated as their respective coordinating body within the Chinese system. For instance, the World Bank and the International Monetary Fund are represented by the Ministry of Finance, the United Nations Education, Scientific and Cultural Organization (UNESCO) by the Ministry of Education, the World Health Organization by the Ministry of Health.

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2.3 Sources of Information for Decision-Makers

Sources of information for decision-makers in the MFA come both from internal and external channels. There are mainly three channels for internal information generation: (1) cable communications from Chinese missions abroad, (2) foreign media, mainly wire services of Associated Press, Agence France Presse, United Press International, Reuters, and CNN, and (3) daily bulletins on diplomatic activities. The Fourth Division of the Information Department (ID4D) is the chief body for the internal generation of information based on foreign sources (its mission would be similar to that of the US State Department Bureau of Intelligence and Research) although much smaller in scope and responsibility. The General Office is responsible for internal generation of information based on MFA sources and for information from other party, government and military bureaucracies. ²¹

2.4 The ID Fourth Division

The ID4D consists of around 20 officers with one division chief and two deputies. At least 6 officers under the direct supervision of a deputy division chief are responsible for “news watch” and daily briefing. The rest of the officers are responsible for analysis under the direct supervision of the other deputy division chief. ID4D does not generate any “raw” information. It instead is a generator of processed information mainly from foreign sources. Its work is two-fold: providing the ministerial leadership with the most up-to-date information on major developments in the world on a 24-hour basis, and publishing an analysis on new developments, be it political, economic or military. The most important task for ID4D is preparation of the “New Development Brief.” This publication provides a brief background and a concise analysis on current issues and new developments done on a 24-hour basis. Depending on the subject, most issues are classified as “Strictly Secret.” Occasionally there are issues classified as “Top Secret.” This document caters to the senior leadership. Because of its tighter restriction, there is a lot of emphasis on brevity and timeliness as central leaders have little time to read long documents. Most issues are no longer than two pages. ²²

21. International news wire services notwithstanding, the author has not been able to determine the nature or extent of foreign information sources used by the MFA or other ministries for national security and foreign policy analysis. Since most central leaders read more than one language, it would seem logical that each official maintains access to independent information sources.

22. According to the Chinese Secrecy Act, there are three levels of security classification: jiiemi (Top Secret), jimi (Strictly Secret), and mimi (Secret). Secrecy Act of the People’s Republic of China, in *Zhongguo Falii Nijian 1989* (China Yearbook of Law 1989), p. 130.

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2.5 Foreign Policy Initiation

The highly centralized decision-making power has created considerable inertia within the bureaucratic foreign affairs establishment toward making initiatives in the formulation of major foreign policies. During the Mao era, the initiation of foreign policies because almost exclusively the prerogative of Mao and Zhou. In the Deng era, although Deng is no longer the only initiator within the leading nuclear circle of major foreign policies, the basic dynamics have not substantially been altered. Most major foreign policy initiatives are originated by the senior leadership (46) page 33 para 3).

Political leaders of the Politburo Standing Committee seldom communicate directly with each other over the telephone or see each other except on official occasions. In fact, during the last years of the Mao era when he did not even participate in any official functions, no one, not even his wife or Zhou Enlai, was able to see him. Communications with him had to be coordinated through his designated liaison officers. Even during the Deng era, official communications among senior leaders are often handled by their respective secretaries in the name of their respective officers.

Most political leaders in the past had little or no knowledge of foreign languages. They relied on the processed information provided by the foreign affairs establishment for international development. ²³ On this level, there has not been a systematic effort to brief them directly by any of the foreign affairs bureaucracies on a daily basis. Most of them rely on their secretaries to pre-select information available to their respective office before they either read it or listen to an oral presentation by their secretaries. ²⁴

Major foreign policy initiatives on this level often originate from written instructions or comments by members of the leading nuclear circle on diplomatic cables, foreign affairs reports, documents etc. pre-selected for them by their secretaries. Depending on the nature of the issue involved, the written comment or instruction is transmitted to the relevant bureaucracy via the Foreign Affairs Office (FAO) of the State Council for follow-up actions. Or, when warranted, a meeting of the Foreign Affairs LSG, the Standing Committee of the Politburo or the Politburo itself is convened to discuss the matter.

23. This situation has significantly changed with the introduction of the Politburo Standing Committee. With the exception of one or two members, all its members speak one or more foreign languages and thus theoretically have access to unfiltered information from foreign sources.

24. Most younger leaders will read themselves, while older leaders prefer to listen to daily oral presentations.

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For initiatives concerning the implementing details of established foreign policies, the process is often the reverse with the relevant bureaucracy taking the lead in drafting Requests for Instructions (RFI) with a proposition for a specific course of action to be submitted to the FAO – the staff office of the Foreign Affairs LSG – for approval by the central leadership. Depending on the significance of the issue, the Head of the Foreign Affairs LSG could either approve it himself and / or submit it to other members of the Politburo Standing Committee for ratification or approval. If and when any of them believe the issue is very significant or contentious, he can suggest to members of the leading nuclear circle to call for a meeting of the Standing Committee or the whole Politburo (46) page 34 para 2).

There are of course always exceptions to the general dynamics as outlined above. Major foreign policy initiatives can also originate from minor bureaucratic elements. However, the critical condition for successful policy initiative implementation is access. Too often bold initiatives are lost in the long, strictly structured bureaucratic process. The initiator therefore must have direct access to the senior leadership in order to be successful. This is almost always achieved from outside of the proper channels almost exclusively through personal connections with people who have direct access to the senior leadership – “the back door” as it is known in the system.

2.6 Foreign Policy Coordination

The Chinese political system is known for its heavy reliance on meetings and official documents to build policy consensus and to ensure policy coordination. When serious differences occur between two bureaucracies that cannot be resolved between them, the dissenting bureaucracy can either co-sign the RFI with its reservation attached before it is submitted to the central leadership, or submit its own opinion separately. If the central leadership does not have a consensus or strong opinion, a meeting is convened to resolve the differences. Once a resolution is achieved, a document is drafted to establish a rule to regulate or coordinate activities in the relevant field. Depending on its intended scope, the document can be a State Council document to govern activities in the government system, or a joint CCP Central Committee and State Council document to govern the activities of the party and government systems, or a joint CCP Central Committee, State Council and CMC document covering all party, government and military systems.

The central leadership is not a policy coordinating body. Policy coordination is conducted through the FAO in the name of the Foreign Affairs LSG. Or more often when an issue is too technical, a bureaucracy is identified in the document as the lead coordinator and the interpreter of the rule(s) established in the document. Related matters therefore must be cleared by the lead coordinator first before its submission for central government approval.

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2.7 Subversion of Established Policies

Official rules of the CCP dictate that once a policy is established, subordinate units must carry it out faithfully. Openly flouting the rules of established policies by bureaucracies that have lost out in the formulation process is uncommon as their whole-hearted implementation.

Subversion of an existing policy starts with creative interpretation of such a policy. In the formulation process, the dissenting bureaucracies will try to make the language ambiguous so as to leave enough room for future interpretation. Bureaucracies also lobby for a favorite interpretation of the rules. ²⁵

Another way of subverting the existing policy is to exaggerate the harmful effect of the policy in its implementation. This can be done in formal reports to the central leadership or through informal channels via personal connections with the top leaders. The purpose is to create exceptions or reopen the whole issue for policy revisions.

In conclusion, during the Mao era, the foreign affairs bureaucracies played little role in foreign policy decision-making. They were used mainly as instruments for information collection and processing, and for policy implementation. Subversion of existing policies was non-existent. During the Deng era, the role of the foreign affairs bureaucracies in decision-making began to increase as China greatly expanded its interaction with the rest of the world and management of foreign relations became more complex. The current generation of leadership is dominated by technocrats who have relatively narrow power bases in the political system and thus are more susceptible to lobbies by bureaucratic interests. It is expected that as the decision-making process becomes more institutionalized, the role of the bureaucracies in decision-making will increase in significance. The importance of their structures and processes should become more evident.

25. Provincial authorities prove particularly ingenious in lobbying foreign affairs bureaucracies in Beijing. In order to obtain MFA permission for a travel plan to the Middle East Muslim countries, a former Chairman of the Ningxia Hui Autonomous Region, once sent a full carriage of water and other melons to the MFA in the middle of a very hot summer in the mid 1980s. Since 1990, lobbying the central bureaucracies by provincial authorities has apparently been elevated to an art.

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Section III Decision-Making in the People's Liberation Army High Command

3.1 The Central Core

At Deng Xiaoping's directive, the CMC's direct involvement in military operational decision-making has steadily decreased since the early 1980s. As a result, other military organizations have become prominent in policy-making. The place of these organizations in policy formulation falls into several concentric rings.

The Central Core: The CMC stands at the center of the military decision-making process.

The First Inner Ring: The PLA GSD is the chief executive arm of the CMC and provides critical support in information gathering, analysis, and policy formulation to its parent.

The Second Inner Ring: Other central-level military organs provide regular input into the policy-making process, but they normally participate in decision-making only regarding issues directly related to their areas of responsibility. These include the General Political Department (GPD); the General Logistics Department (GLD); the General Equipment Department (GED); and COSTIND.

The Third Outer Ring: The military regions are on the margins of the military decision-making apparatus, although they play an important role in policy implementation and in the adaptation of central-level operational doctrine to subordinate commands.

3.2 The General Staff Department

The PLA's general headquarters, especially the GSD, has become increasingly important not only in operational management and policy implementation, but also in shaping high-level decision-making. As the most powerful of the four general headquarters units, the GSD is a sprawling administrative organization divided into nine second-tier departments and several other bureaus and offices. ²⁶

26. See Serold Hawaii, Inc., *Directory of People's Republic of China Military Personalities, 1999* (Honolulu: Serold Hawaii, 1999), p. ii, for a breakdown of the various departments and bureaus.

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Its responsibilities include collection and analysis of strategic and tactical military intelligence, communications, management of operational maneuver units, mobilization and training. Officers from the ground forces dominate the GSD leadership, especially field commanders who earned their credentials in tactical units. With growing attention being given to joint operations, however, efforts have been made to bring in the air force and navy officers into the GSD, although this has been met with only limited success.

GSD elements that play an important part in military policy-making, especially related to broader national security issues, include the following:

The Second and Third (Intelligence) Departments: These two departments are among China's premier elements for the gathering and analysis of intelligence, not only on military matters, but also on strategic and foreign policy issues. The Second Department has several bureaus, including an international analysis wing, and units in military regions that report to it directly. The Third Department is primarily involved in gathering technical intelligence (34) page 80 para 4).

The Operations Department: The Operations Department is responsible for development of war plans and is in operational charge of the deployment of PLA combat units. In developing contingency and war plans, the Operations Department has an important say in shaping the military's overall thinking on key strategic and tactical issues. For example, the department played an influential role in crafting the PLA's policy toward Taiwan since the early 1990s, and especially during the saber rattling between the summer of 1995 and the spring of 1996 (34) page 81 para 1).

The General Political Department: Although the GSD is intimately involved in military and strategic policy planning, the GPD plays only a limited role in these matters. The only exception is the GPD's Liaison Department, which has a special role in gathering and analyzing political and economic intelligence on Taiwan. ²⁷

27. The Liaison Department is said to have been instrumental in persuading Tonga to switch diplomatic ties from Taiwan to Beijing in November 1998. See also, Wang Gangyi, "Yang Shangkun Discusses PLA Modernization Program," *China Daily*, March 30, 1998, p. 1 and Wei Li, *The Chinese Staff System: A Mechanism for Bureaucratic Control and Integration* (Berkeley, Calif: Institute for East Asian Studies, 1994). The following work is also highly recommended, Ellis Joffe, "Party-Army Relations in China: Retrospect and Prospect," *China Quarterly*, June 1996, pp. 299-314.

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3.3 Interaction between the Military and Civilian Decision-Making Processes

The military decision-making system has traditionally been a highly insular and vertically integrated structure with few external linkages except with the party. But, with China's economic liberalization and opening up to the outside world since the 1980s, efforts have been made to increase the contacts between the military and civilian policy-making elements, principally the state apparatus at different levels of the chain of command. At the same time, however, the military's interactions with the party have steadily diminished because of its focus on professionalism and its reluctance to become entangled in domestic affairs. ²⁸

The highest level of interaction is between the CMC and the CCP, although these ties have diminished since the 1980s as the PLA has become less involved in party affairs and focused more on professional matters. The CMC has several channels of contact with leading party elements. Among the most important linkages are the personal ties between senior CMC members and party leaders. Because the CMC chairman is also the country's top political leader, he plays a pivotal role in liaising between the CMC and the PBSC. But because of his other responsibilities, the CMC chairman usually becomes involved only in major issues and delegates responsibility for handling routine matters to his deputy at the CMC, who is either the secretary general or executive vice chairman (34 page 84 para 4).

As the executive arm of the top party leadership, the Secretariat is responsible for refining the decisions made by the PBSC and supervising their implementation. The organ's influence also comes from oversight of the activities of the central party bureaucracy, including leading small groups. ²⁹

28. See Ellis Joffe, "Party-Army Relations in China: Retrospect and Prospect," *China Quarterly*, June 1996, pp. 299-314.

29. On the role of the party Secretariat, see Lu Ning, *The Dynamics of Foreign-Policy Decision-Making in China* (Boulder, Colo.: Westview Press, 1997), pp. 10-11. See also Carol Lee Hamrin, "The Party Leadership System," in Kenneth G. Lieberthal and David M. Lampton, eds, Bureaucracy, Politics, and Decision-Making in Post-Mao China (Berkeley, Calif.: University of California Press, 1992), pp. 95-124. Another interesting source that should be consulted is, Michael Pillsbury, ed., Chinese Views of Future War (Washington, D.C.: National Defense University, 1997). See also, Liley and Shambaugh, eds., China's Military Faces the Future, pp. 228-246.

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Relations between the military and state decision-making apparatuses are less focused on defense or security matters than on economic issues. The State Central Military Commission and the Ministry of National Defense (MND) serve as the formal links between the government and the PLA. But although the state constitution makes the latter responsible for overseeing army building and military preparedness, in reality, they have no policy-making or administrative functions. The state CMC exists simply for symbolic purposes and its membership all serve concurrently on the more powerful; party CMC.

The MND's primary role is to liaise with the foreign military establishments, and it has a small but growing administrative staff, including a foreign affairs bureau³⁰ and a conscription bureau. In a move that may suggest the MND could acquire more responsibility and influence in the future, the foreign affairs bureau was upgraded to a general office.³¹ Additional duties include liaising with local governments in the preparation of wartime contingency plans, because a growing number of provincial authorities have established defense mobilization committees during the past thirty years.

As the government lacks representation within the military establishment, so the military also lacks a strong presence in the governmental hierarchy. Few senior government leaders have responsibilities that bring them into contact with the military. Most of the interaction between the government and the PLA, therefore, is between the PLA general headquarters departments and the government ministries and commissions. These ties are extensive, although narrowly focused:

30. Unattributed article, "*Take the Road of Building Crack Troops with Chinese Characteristics*," *Ta Kung Pao*, September 3, 1997, in FBIS; Yi Jan, "*the People's Liberation Army Will Conduct Massive Anti-Hegemony Military Drill*," *Ching Pao*, No. 263 June 1, 1999, in FBIS, Li Xuanqing, Fan Juwei, and Su Kuowshan, "*Defense and Technology Forges Sharp Sword for National Defense – Second Roundup on the Achievements of Army Building Over the Past 50 Years*," *Jieanguin Bao*, September 7, 1999, in FBIS, and Zhang Yining and Sun Kejia, "*Understanding Development by Leaps in the Build-Up of the Armed Forces*," *Zhongguo Junshi Kexue*, June 1, 2001, pp. 123-131, in FBIS. These documents were cited in (54) Page 357 para 1) and speak directly to the relationship between civilian-military institutions within the People's Republic of China.

31. Cited in the *Making of Chinese Foreign Policy in an Era of Reform*. The author cites a series of interviews of Chinese military and civilian officials in the preparation of this chapter of the work which is cited as (34) in the attached bibliography. The author provides a skillful interweaving of interviews and in-depth research throughout this volume which is the most comprehensive study the author has seen on this subject.

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The GSD and GLD, for example, negotiate regularly with the Ministry of Finance over the size of the defense budget, although the political leadership makes the final decisions on granting funding increases.

COSTIND liaises with the State Development and Planning Commission and the State Science and Technology Commission regarding the activities of the defense industry as well as scientific research and development.

The MFA and the military elements meet to discuss policies and coordinate actions on foreign policy issues ranging from specific topics such as arms control and relations with major countries to broader analyses of the international strategic situation.

MOFTEC liaises with the CMC, the GED, and other PLA elements in dealing with arms trade matters.

The Ministry of Public Security coordinates with the paramilitary People's Armed Police and GSD over internal security matters.

The Ministry of Civil Affairs cooperates with the GPD and Local military authorities regarding the resettlement of demobilized troops and the welfare of retired soldiers.

The Ministry of Information Industry works closely with the GSD's communications department and the GED in the development of defense telecommunications and electronics systems.

During the Reform Era, the PLA's worry that economic reforms could erode its interests led to increased dialogue with the government. Military leaders have been especially concerned that the government's move to cut support to inefficient and loss-producing industrial enterprises could have an adverse impact on the country's sprawling defense-industrial complex. Defense factories are among the biggest loss-producers in the state sector, and the military chiefs are concerned that reforms could lead to widespread closures and a reduction of the defense production base. The military chiefs have lobbied the leaders of the central government to give defense-industrial enterprises special financial assistance (34) Page 87 para 1).

Shortly after the anti-smuggling campaign was launched, the central leadership ordered the PLA's divestiture of its commercial activities because of its involvement in these illegal activities. Jiang Zemin personally ordered the PLA to halt its business operations, the decision for which had already been made by the State Economic and Trade Commission (SETC).

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In a rare move, the party leadership ordered that civilian agencies manage the divestiture because it was felt that the military authorities could not be relied upon to carry out orders.³² The SETC was put in charge with the GLD and other military bodies playing a subordinate role. The military chiefs generally welcomed the PLA's separation from business, but they were concerned about the loss of earnings and assets and pressed for adequate compensation. The PLA apparently received a substantial reward in the form of double-digit increases in the defense budgets in 2000 and 2001. This divestiture, which was officially completed at the end of 2002, appears to have been largely successful.³³

Under the 1997 National Defense Law, the State Council has taken on expanded responsibilities for defense matters. This could pave the way for government ministries to play a more active role in supporting the military in coming years., These enhanced obligations include:

1. The drawing up of programs and plans for national defense construction
2. The formulation of principles, policies, and administrative laws for national defense construction
3. The direction and administration of scientific research and production for national defense
4. The administration of expenditures and assets for national defense
5. The direction and administration of work related to national economic mobilization as well as mobilization of the people's armed forces, the people's air defense, national defense communications and other related matters
6. The direction an administration of work in support of the army
7. The direction of work concerning national defense education
8. The direction of work concerning the building of the People's Armed police and the people's militia and the conscription and reserve service, as well as the administration of work concerning frontier, coastal, and air defense in coordination with the CMC³⁴

33. Law of the People's Republic of Chinas on National Defense as cited in (34) page 88 para 3.

34. Ibid.

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The NPC is also becoming a more important forum for the military to use to lobby for its own interests and to exert influence on other issues. At a recent NPC annual session, for example, the PLA delegates were prominent in voicing their concerns and submitting a series of bills on military spending, defense industry reforms, and a range of other topics. This behavior was in marked contrast to the behavior of such delegates in the past, when PLA delegates kept a low profile and voiced their opinions in private group gatherings.

As the NPC gains in independence and influence, the voice of the military representatives could also strengthen. Although the role of the congress has traditionally been to rubber stamp government decisions, it has shown increasing independence in policy-making and the drafting of legislation during the past twenty years. The NPC's annual sessions have also become an important arena for the exchange of views among central and provincial leaders. With the increasing outspokenness and strong representation of the military delegates – who account for 109 percent of the total NPC membership p the PLA could play a growing role in congress debates. Finally, there has also been a revival of the discussion about the establishment of a parliamentary defense committee (34 page 89 para 3).

3.4 Summary

The study of the structure and policy-making process of the CMC offers some useful insights into the military's changing role in national security decision-making and can be summarized as follows:

- The military decision-making process is increasingly institutionalized and bureaucratic throughout the broader foreign and national security policy-making system. Although personal factors occasionally play an important role in shaping policies, they are generally no longer of great significance
- China's premier has successfully solidified his control of the military although he gives only limited attention to military affairs. This has allowed the PLA chiefs to exercise more autonomy in setting their own professional priorities and agendas, although they remain under tight party supervision
- Decision-making among the senior military leadership is consensus driven and is done by committee. Although there is ample room for debate, especially among competing bureaucratic entities at the lower levels, there tends to be a strong unity of views at the top of the high command.

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- The PLA's influence in the national policy-making process remains strong, but its ability to be heard at the very top levels of the political leadership cannot be taken for granted except during major crises. The military chiefs have to rely on institutionalized channels of communications, such as the party Secretariat, to pass their views to the senior political leadership.
- Professional military interests largely shape the PLA's involvement in national security and foreign policy decision-making, which focuses on safeguarding sovereignty and territorial integrity. Its role in the mainstream foreign policy arena has diminished. In its domain, the PLA is powerful, but its influence in this sector does not translate into equal influence in other realms of policy.
- The PLA's organizational structure has been undergoing substantial reform throughout the last decade in order to adapt to changing military missions and priorities. The traditional dominance of the ground forces is being gradually eroded, and other service branches, especially the air force and Second Artillery, have begun receiving more funds for weapons procurement. This shift in the PLA's organizational makeup is likely to accelerate in the foreseeable future, because its chief challenges are increasingly offshore.
- The military carefully coordinates its decision-making with the civilian leadership and is not a freewheeling actor. Nonetheless, it is willing to put forward and stand by opposing views, such as on the issue of Taiwan, although it will act only with the civilian authorities.
- The military's ties with the state apparatus are likely to proliferate in the coming years, especially over economic-related issues such as bureaucratic fights for resource allocations and defense-industrial reforms. There will also likely be growing interaction over how to cope with China's vulnerabilities in the economic security arena, such as the high-technology and financial sectors.

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Section IV The Future Evolution of China's Foreign Policy Making System

4.1 The Great Leap Forward

China has successfully passed out of the period of rule by those who made the Chinese revolution. Succeeding Chinese leaders have been better educated and are certainly less powerful, charismatic, and visionary than Mao or Deng (and their generations). China interacts with the world in more ways, in more depth, and with more complexity than it ever did under Mao or Deng. Limited government capacity and legitimacy color all policy developments. The economy has made extraordinary advances, but there remain many bottlenecks and areas of unsatisfactory performance. Very hard choices confront the leadership about further reform measures, particularly with regard to state-owned enterprises, the banking system, increasing tax revenues, and support to international organizations like the United Nations and the World Trade Organization. In terms of politics, the succeeding generations of leadership will face the need to re-legitimize the regime's position (or at least try to turn hostile feelings toward the regime to apathy or distrust in the regime's activities to more active support).

4.2 The Complexity of the International Environment: The Reliance on Information for Decision-Making

The growing depth, complexity, and intensity of China's relations with the outside world have a number of functional requirements for the making of China's foreign policy, not the least of which is dependence on information sources on which to base foreign policy decisions. More Chinese experts and more Chinese foreign-policy and national-security research institutions will become more actively engaged in these activities. This involvement will place pressure on the system to develop more robust information sources as well as better coordinating mechanisms to monitor and understand the dynamics of the international security environment (1) page 49 para 2).

Most scholars believe that foreign policy formulation in China will begin to increasingly resemble domestic economic policy formulation, with extensive bargaining, negotiations, and deal making. Issues will be more complex and potentially less zero-sum. The time frame in which a decision will have to be made will be lengthened and perhaps stretched indefinitely into the future. Compromise and consensus building will become key political processes, and bureaucratic politics and interest politics will likely color the positions taken by China's policy-makers during the course of foreign policy and national security policy debate. However, despite these predictions, the policy making process for foreign policy is likely to continue to represent more fully or over represent central

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bureaucratic interests and under represent provincial and local interests. Foreign affairs will remain an area of central government predominance in China as will the continued reliance on information sources and portray a narrow view of an ever increasingly complex international environment.

4.3 The Evolving Future

The predicted pattern of policymaking may be only a temporary one. Given China's size compared to all other countries (except India), if China's economy continues to grow rapidly and its military continues its gradual modernization, other countries in the Asia-Pacific will increasingly be forced to view China the rising power in the region (if they do not do so already). A number of Asian states have indicated that they can or will accommodate the rise of Chinese power; others are deferring a decision whether to accommodate or develop internal resources to enhance their military capabilities and seek external support to bolster their security; and some are building up their defense capabilities and thinking about the nature of their relations with the United States. But an arms race or the rise of Chinese power is likely to move China and the rest of the region back to a situation where security issues appear much more frequently on the political agendas of all the states in the region. In China, this is likely to mean that patterns of policymaking that incorporate the military dimension more fully in the policy process, that limit the ability of leaders to compromise, both internally and externally, and that have greater short-term consequences and short term time frames are likely to predominate. This is also predicated on the assumption that information sources will be effectively utilized to support course of action analysis that will allow China's senior leadership to formulate the necessary foreign policy and national security decisions. The rewards of success as well as the costs associated with foreign policy failure will be directly attributed to China's senior leadership ³⁵

35. On the policymaking process in China generally, some of the best works include: Kenneth Liberthal and Michael Okenberg, Policymaking in China, (Princeton: Princeton University Press, 1988); Kenneth Liberthal and David M. Lampton, eds, Bureaucracy, Politics, and Decision Making in Post-Mao China, Berkeley: University of California Press, 1992); Kenneth Liberthal, Governing China (New York, Norton, 1995), esp. chaps. 6 and 7; and Carol Lee Hamrin and Suisheng Zhao, eds., Decision-Making in Deng's China (Armonk, N.Y.: M.E. Sharpe, 1995). Important discussions on foreign policy making (in addition to some of the chapters in the edited works above) include: A. Doak Barnett, The Making of Foreign Policy in China (Boulder, Colo.: Westview Press, 1985); Carol Lee Hamrin, "Elite Politics and the Development of China's Foreign Relations," in Thomas Robinson and David Shambaugh, eds., Chinese Foreign Policy (Oxford: Oxford University Press, 1994), pp. 70-109, Lu Ning, The Dynamics of Foreign Policy Decision-Making in China (Boulder, Colo: Westview Press, 1997); Michael Swaine, The Role of the Chinese Military in National Security Policymaking (Santa Monica, Calif: RAND Corporation, 1996). See also David Bachman, "The Limits of Leadership in China," in *Asian Survey* 32:11 (November 1992): 1046-1062; "Succession, Consolidation, and Transition in China's Future," *Journal of Northeast Asian Studies*, 15:1 (Spring 1996): 86-106.

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Section V

The Role of Think Tanks in the Formulation of China's National Security and Foreign Policy Decision-Making

5.1 Overview

The relationship between political leaders and their advisers is critically important to any study of government decision-making. In China, think tanks have generally become more visible political actors during the past twenty years. Beijing has increasingly recognized their value as sources of analysis and innovative ideas, particularly in the areas of national security and foreign policy decision-making.

Although both Chinese and American scholars have discussed the growth of international studies in China, the role played by think tanks in China's national security and foreign policy decision-making has gone relatively ignored. Some studies briefly mention these research organizations, but their activities are much more widespread and far deeper than previously realized (35) page 33 para 1).

5.2 The Development of Think Tanks

The history of China's think tanks can be divided into two periods: 1956 to 1976, and the period 1977 to the present. With few exceptions, however, the foreign policy think tank landscape in China was barren until the early 1960s.

As relations with Moscow began to deteriorate in the mid-1950s, China faced an extremely unfavorable international environment, and in consequence Beijing set about modifying its "lean-to-one-side" policy. In 1956, on the recommendation of Zhang Wentian, then vice-minister of foreign affairs, Prime Minister Zhou Enlai approved the establishment of the Institute of International Relations to study international politics and economics. Its research focused primarily on Western countries.

In the early 1960s the Chinese government created its first research institutes on Latin America, Western Asia and Africa, and the Soviet Union and Eastern Europe. The Institute of World Economy grew out of the Department of World Economy of the Institute of Economics, Chinese Academy of Sciences (CAS). On May 19, 1964, the Institute of World Economy was formally established in accordance with a 1963 decree by Mao Zedong (35) page 34 para 2).

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All of these institutes were closed during the Cultural Revolution (1966-76), for throughout that period, the Chinese government regarded foreign policy as the special and almost exclusive province of the top decision-makers and bureaucrats. The central leadership did not trust academic institutions and found no need for think tanks in the formulation of national security and foreign affairs policy making. Thus, although the government had initially encouraged the establishment of institutions that studied international affairs, their activities were curtailed by the Cultural Revolution.

The second period of think tank development began with the end of the Cultural Revolution in 1976. After a decade of neglect, the study of international affairs suddenly became an important priority in both academic and government circles. Intellectual constraints gradually loosened after 1978 as the Party sought to draw “expert” knowledge into the national security and foreign policy-making process. Area studies institutes under the Chinese Academy of Social Sciences (CASS) were created or restored to provide policymakers with greater insights into the problems and prospects of international politics and economics. By the end of 1999, there were about a hundred institutes of international studies in China with about 10,000 researchers, including several thousand senior research professors. Reference (35) page 34 para 4). In addition, there are centers for international studies at many Party schools, such as the Institute for International Strategic Studies at the Central Party School, which opened in 2000. ³⁶

36. Ramon Bahamonde, *International Policy Institutions Around the Pacific Rim: A Directory of Resources in East Asia, Australasia, and the Americas* (Boulder, CO: Lyanne Rienner, 1998); Douglas Murray, *International Relations Research and Training in the People's Republic of China*, Special report of the Northeast Asia-United States Forum on International Policy (Stanford: Stanford University Press, 1982). See also: Doak Barnett, *The Making of Foreign Policy in China: Structure and Process* (Boulder, CO: Westview Press, 1985); David M. Lampton, (ed.), *The Making of Chinese Foreign and Security Policy in the Era of Reform, 1978-2000* (Stanford: Stanford University Press, 2001); Lu Ning, *The Dynamics of Foreign Policy Decision-Making in China* (Boulder, CO: Westview Press, 2000); Thomas Robinson and David Shambaugh, (eds.), *Chinese Foreign Policy: Theory and Practice* (New York: Oxford University Press, 1995); Gerald Segal, (ed), *Chinese Politics and Foreign Policy Reform* (New York: Kegan Paul International for the Royal Institute of International Affairs, 1990). Of particular note is the publication by Lao Zong, “*Globalization Challenge and the Role of Think Tanks in China*,” in John W. Langford and K. Lorne Brownsky, (eds.), *Think Tanks and Governance in the Asia Pacific* (Halifax, Canada: Institute for Research on Public Policy, 1991), pp. 75-77

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Think Tanks revived because Chinese policy-makers were confronting a growing number of international issues. Research institutes blossomed in the 1980s as the country's leaders recognized that the existing state apparatus could not generate the information required to make sound decisions related to China's participation in the international economy. 37 Global issues such as external trade and foreign investment had outstripped the policy-making capacity of the government, forcing it to seek new mechanisms for analysis and consensus-building.

With China opening to the outside world, the government recognized the enormous benefits that would accrue from encouraging the nation's best scholars to study critical domestic and foreign policy issues and advise officials on possible courses of action. The American experience, in particular, shows that a "sophisticated" governmental system is populated by a wide spectrum of research institutes. Both eighteenth-century Russia and late-nineteenth-century Japan invested heavily in learning from more advanced economies and societies but attempted to filter out "dangerous" foreign ideas. Since 1978, Beijing has tried to follow the same pattern: licensing intellectuals to work within certain limits, and using such concepts as the "Four Cardinal Principles" to signal that there are clear differences between what is acceptable discourse in China and in other political systems. 38

Finally, the growth of think tanks is associated with the generous financial support provided by foreign organizations. Grants from Western foundations have enabled Beijing to send hundreds of foreign policy specialists abroad to study and do research. Foreign foundations and institutions have cultivated Chinese think tanks, and the impact of Western financial support has been profound and extensive.

In sum, as the Chinese economy has become ever more integrated and interdependent with the global marketplace, the importance of quality information to assist policy-making and assessment has become more critical. Think tanks are now not only fashionable, but necessary to collect and assimilate data and to fully comprehend vital international issues and their effects and implications for China's economic development and national security. In the long run, post-Deng leaders trained as technocrats and lacking extensive experience in foreign policy, will probably rely more upon the advice of specialists.

37. Diane Stone, Andrew Denham, and Mark Garnett, (eds.), Think Tanks Across Nations: A Comparative Approach (New York: Manchester University Press, 1998), p. 224

38. The Four Cardinal Principles are: China must uphold the socialist road, the dictatorship of the proletariat, the leadership of the Communist party, and Marxist-Leninist-Maoist thought

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5.3 Structure of Think Tanks

The analysis of Chinese think tanks is complicated by the differences between such institutions in China and elsewhere. In the West, think tanks are independent, non-governmental policy-research organizations, and are generally operated on a non-profit basis. In the Chinese socialist context profit is not an issue, but independence and autonomy are. All institutions (with a few minor exceptions) are funded by the state, and all specialists are state employees (although not necessarily members of the Communist Party or the civil service).

Think tanks in China are defined as institutions or associations organized for research on policy issues. Although their size, structure, and functions may vary somewhat, they possess a basic set of common features. First, they are financed mainly by the state. Major research institutions are “owned” by the institutional player’s in China’s national security and foreign policy-making process. Second, they are comparatively large, employing hundreds of research personnel.³⁹ Third, they are highly specialized. The various institutes are designed to cover every aspect of the study of a particular topic or country, and individual scholars often specialize even further. Fourth, most think tanks are located in Beijing. The Shanghai Institute of International Studies (SIIS) is one of the few institutions outside the capital that engages in serious research on strategic issues and has an impact on policy planning. (Provincial and municipal universities and affiliates of the CASS are peripheral to the policy process). Fifth, since the late 1970s, Chinese research institutes have begun to emerge from their self-imposed isolation, and many are open to some form of international collaboration (35) page 35 para 1).

The structure of think tanks varies according to their relation to and position within the state. Basically, there are four kinds of foreign policy think tanks in China: government research institutions, academic research institutions, university-based research institutes, and independent think tanks. Despite China’s limited financial resources for international affairs studies, there is no central institution to coordinate the competing and often overlapping research programs.

39. However, some important think tanks at key universities are quite small. The Center for American Studies at Fudan University and the Center for European Studies at Renmin (People’s) University have very few employees on their payrolls. See also David Bachman, “*Structure and Process in the Making of Chinese Foreign Policy*,” in China and the World: Chinese Foreign Policy Faces the New Millenium, (ed.), Samuel S. Kim, 4th ed. (Boulder, CO: Westview Press, 1998), p. 38.

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China's premier also seeks advice from a group of retired ambassadors, some of whom serve as heads of major think tanks. For example, Yang Chenxu, a former ambassador to Austria, is the director of the China Institute of International Studies (35) page 35 para 3).

Major Chinese Foreign Policy Think Tanks

Name of Institution	Date	Affiliation	Location	Staff size
Center for American Studies (Fudan University)	1985	Fudan University	Shanghai	20
Center for European Studies	1996	Renmin University	Beijing	5
Center for Japanese Studies	1990	Fudan University	Shanghai	10
China Institute for International Strategic Studies	1979	MND	Beijing	100
China Institute for International Studies	1956	MND	Beijing	100
China Institute for Contemporary International Relations	1965	MSS	Beijing	340
Institute of American Studies	1980	CASS	Beijing	51
Institute for Asia-Pacific Studies	1988	CASS	Beijing	61
Institute of East European, Russian, and Central Asian Studies	1964	CASS	Beijing	139
Institute of European Studies	1981	CASS	Beijing	46
Institute of International Relations	1997	Qinghua University	Beijing	10
Institute of Japanese Studies	1981	CASS	Beijing	49
Institute of Latin American Studies	1961	CASS	Beijing	67
Institute of West Asian and African Studies	1961	CASS	Beijing	66
Institute of World Economics and Politics	1964	CASS	Beijing	138
Shanghai Institute for International Studies	1960	Shanghai Municipality	Shanghai	106

5.4 Government Research Institutions

In the Chinese system, the Central Foreign Affairs Leading Small Group (FALSG) is responsible for foreign relations. The FALSG consists of key members of the Standing Committee of the Politburo and top bureaucrats from government and party foreign affairs agencies, such as the ministries of foreign affairs, trade, and economic cooperation. Of late it also included a senior military officer. 40 The ***FALSG makes major policy decisions and coordinates work by the Party, government, and military.*** As was mentioned in a previous chapter, the FALSG is not a standing institution and has no permanent employees. Traditionally it relies on the Foreign Affairs Office of the State Council for staff work and to exercise overall sectoral coordination.

40. David Bachman, "Structure and Process in the Making of Chinese Foreign Policy," in China and the World: Chinese Foreign Policy Faces the New Millennium, (ed.), Samuel S. Kim, 4th ed. (Boulder, CO: Westview Press, 1998), p. 38. Lu Ning, "Central Leadership, Supraministry Coordinating Bodies, State Council Ministries, and Party Departments," in The Making of Chinese Foreign and Security Policy in the Era of Reform, 1978-2000, page 45.

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Government research institutions provide direct services to the government by formulating positions, designing implementation procedures, and consulting on specific issues. The government, either the State Council or individual ministries, directly authorizes the majority of these research activities. 41 Relevant internal reports are forwarded to the respective ministries. If the ministry's leadership considers a report valuable for decision-making, it will be revised, condensed, and submitted to the Politburo, FALSG, CMC, State Council, and Standing Committee of the National People's Congress and it will also be circulated among related ministries.

Not all policy suggestions are transmitted through formal channels. Researchers with personal connections sometimes send their suggestions directly to higher levels through private channels – that is, friends in the right places. 42

Prior to 1999, the China Center for International Studies (CCIS) served as the clearinghouse for the transmission of raw and finished intelligence as well as policy papers to the highest levels of the state. The CCIS reports to the FAO of the State Council, which was the principal channel; for decisions in the foreign affairs sector. When the CCIS and FAO were abolished in the late 1990s, their functions were transferred to the Ministry of Foreign Affairs.

There are four major foreign affairs research institutions affiliated with ministries or the State Council: the China Center for International Studies, the China Institute for International Studies, the China Institute for Contemporary International Relations, and the China Institute for International Strategic Studies.

Established in 1982, the China Center for International Studies evaluated the global political situation and made foreign policy suggestions to the government. In 1999, a government ministry consolidation campaign merged the CCIS with the China Institute for International Studies. The CIIS is the most prominent foreign policy think tank in China for several reasons. It is well funded and has the closest connections to the foreign policy establishment. (35) page 35 para 8)

41. Lu, *Dynamics of Foreign Policy*, p. 13.

42. Luo, "Globalization Challenge and the Role of Think Tanks in China," p. 71. See also David Shambaugh, "China's America Watches," *Problems of Communism* 37, nos. 3-4 (May/August 1988); p. 85, and Doak Barnett, "The Study of Chinese Foreign Policy: Problems and Prospects: The Making of Foreign Policy in China," *World Politics* 46, no. 2 (January 1993): 252.

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The CIIS covers a variety of policy areas and serves as a brain trust for the Ministry of Foreign Affairs. Its journal (*International Studies*), has become the most authoritative semi-official publication elaborating China's position on vital international issues. The institute has also been very active in regional and international initiatives. The CIIS enjoys deputy-ministerial ranking, whereas other governmental and CASS research institutes hold the lower rank of bureau.

The China Institute of Contemporary International Relations (CICIR), with a research staff of more than 300, is the largest think tank in the Chinese foreign policy community. The CICIR is very influential. Originally the research arm of the Investigative Department of the Communist Party, it began to assume a separate identity in 1965 when it acquired its current name, but it remained an affiliate of the Central Investigative Department.⁴³ Although the CICIR partially closed down during the early years of the Cultural Revolution, its functions were restored in 1969. By 1980 it had become a full-fledged research institute. Currently, the CICIR reports to the Ministry of State Security.⁴⁴ Its monthly journal (*Contemporary International Relations*), is one of the most influential publications in international studies.

When Chen Zhongjing was director of the CICIR, the institute was very influential because of personal ties to Prime Minister Zhou Enlai and other top leaders from the Yan'an era. Today, the CICIR has lost its former clout. It no longer provides daily intelligence briefings to senior leaders and instead focuses on long-term development and security issues. The Internet has contributed to the CICIR's waning influence. The foreign policy bureaucracy long controlled the flow of information to scholars, complicating their ability to pursue policy-relevant issues. The CICIR has China's best library resources and database on international affairs, as well as access to classified materials, but now scholars from other institutes can bypass the CICIR and obtain most of the information they need via the Internet (35) page 36 para 2).

43. Lu Ning, *The Dynamics of Foreign Policy Decisionmaking in China*, (Boulder, CO: Westview Press, 1985), pp. 143-144.

44. Michael Pillsbury, *China Debates the Future Security Environment* (Washington, D.C.: National Defense University Press, 2000). See also Doak Barnett, "The Study of Chinese Foreign Policy: Problems and Prospects: The Making of Foreign Policy in China," *World Politics* 46, no 2 (January 1994); 252. Ramon Bahamonde, *International Policy Institutes Around the Pacific Rim: A Directory of Resources in East Asia, Australasia, and the Americas* (Colder, CO: Lynne Rienner, 1998); Douglas Murray, *International Relations Research and Training in the People's Republic of China, Special Report of the Northeast Asia-United States Forum on International Policy* (Sanford: Stanford University Press, 1982).

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The China Institute for International Strategic Studies (CISS), founded in 1979, is the People's Liberation Army's window to the world. It provides a venue for the General Staff Department to conduct academic exchanges and interact with foreign military forces, security experts, and scholars on an "unofficial" basis. Many retired researchers from the Second Directorate of the General Staff continue to work on international issues by joining CISS.

In general, research institutes affiliated with the Ministry of Foreign Affairs have more points of access to directly and indirectly influence foreign policy than do their counterpart's in academic research institutions. MFA-affiliated institutions have better access to confidential information and top decision makers. Unlike their counterparts in the CASS and the universities, the government research institutes tend to engage in policy-oriented research rather than theoretical and historical analysis. Because they are located within the government, these institutes do not have the latitude to create their own research agendas or to freely explore the subjects assigned to them.

5.5 University-Based Think Tanks

University-based think tanks exist to train future generations of national security and foreign policy experts and to expand existing knowledge. Unlike the Chinese Academy of Social Sciences, their facilities are more classroom-oriented, and their research is more theoretical and historical. It is doubtful that their research could have any real effect on national security or foreign policy decision-making. China's educational system was modeled on the Soviet system during the 1950s, but the Western tradition of serious university-based research is gaining wider currency. For example, Beijing University has established research in studies in international law and international relations, American studies, and Afro-Asian studies, as well as centers on Asian-Pacific studies, international politics, Soviet and East European studies, and American studies.

In recent years, major universities like Beijing, Fudan, and Renmin (or Renda) have established schools of international studies. Qian Qichen, who guided China's foreign policy from 1988 to 1999, currently serves as dean of Beijing University's School of International Studies. Qinghai University, "China's MIT," created an Institute of International Studies and has attracted several leading foreign policy experts from government institutions. In 2000, the Department of Education allocated 34 million Yuan (\$4.1 million) to support 100 academic centers in the humanities and social sciences. Nine of these are in the field of international studies, including the Center for European Studies at Renda and the Center for American studies at Fudan. Several major foundations and foreign governments have made sizable grants to international studies at Chinese universities.

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5.6 Independent Research Institutions

Most Chinese think tanks are governmental institutions, but this may be changing. A handful of independent think tanks have emerged. Although their opportunities to influence national security and foreign policy is limited, they provide a forum for prominent academic and government officials to discuss and examine a host of sensitive international issues.

One such independent outlet is the Unirule Institute of Economics Consulting Firm, which was established in 1993. Unirule is headed by Mao Yushi, a retired senior fellow of the CASS Institute of American Studies, and all of its founding members come from CASS. Unirule is funded on a project-by-project basis by provisional grants from both domestic and foreign foundations. Private corporations, including the Beijing Daxiang Culture Co., also provide it with financial support.

Unirule resembles an informal club where influential individuals study economic issues and international affairs rather than a policy-research institution made up of scholars preparing detailed analysis of world events. Unirule sponsors a biweekly forum for lectures by elites from different sectors of the intelligentsia (including current and former members of CASS and their counterparts in government-supported think tanks).

The Institute of China and the World (ICW) is a nongovernmental think tank based in Beijing, headed by Li Fan, a former research fellow at the China Center for International Studies. Despite its promising name, the ICW is currently concentrating on elections at the village and country level and has very little to do with foreign policy issues.

Chinese foreign policy institutes differ in their interests, resources, influence, and effectiveness. They are marked by wide variations in quality and a vertical bureaucratic structure that inhibits collaboration and exchange of information. To remedy these problems, policy-makers launched academic associations that cut across administrative boundaries. Numerous professional societies and research associations concerned with international relations and area studies have been established since 1979. These associations hold annual meetings, sponsor publications, and facilitate the exchange of research findings among scholars and professional researchers. In addition, there are many informal gatherings where Chinese foreign policy specialists share ideas (35) page 38 para 7).

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5.7 Summary

For the last ten years, the Party hierarchy has begun to pay close attention to the views and opinions of a select group of research institutions. Chinese policy makers now consult national security and foreign policy specialists on a wide range of issues. The consultations take several forms. Individual specialists are commissioned to write reports for the top leadership. Scholars are required to furnish internal reports that can be used to brief Chinese officials prior to state visits. Ad hoc research teams assess critical issues, such as Taiwan and U.S. Chinese relations. Specialists often brief top officials, accompany them on short visits to foreign countries, or attend key international conferences. And finally there appears to be a revolving door between the diplomatic service and the academic community. A growing number of researchers from think tanks have been invited to work in Chinese embassies abroad where they write reports for the Ministry of Foreign Affairs. About one third of the staff members of the CIIS are diplomats on rotation, and some scholars have become members of regional security organizations, including the Council for Security Cooperation in the Asia-Pacific.

In addition, the think tanks have begun to engage in “academic diplomacy,” send foreign affairs experts abroad to gather information for government decision makers. A recent academic conference of Chinese and Taiwanese scholars in Hong Kong created a “second-track dialogue,” functioning as a communication channel because no quasi-official contacts have existed between Beijing and Taipei since 1999. Several think tanks affiliated with the government maintain close ties with foreign governments and foreign think tanks. For instance, the CIIS holds a monthly Sino-American Forum at the U.S. embassy.

The public visibility of think tanks gives some indication of their influence in shaping the national security and foreign policy environment. The Chinese government and media have come to rely on think tanks to provide immediate insight and expertise on international events. Beijing often uses such media exposure to send diplomatic signals. Domestic and foreign media outlets increasingly interview Chinese scholars for their opinions on international affairs. Members of think tanks often publish in major newspapers, such as *Renmin ribao* and mass circulation periodicals like (*World Affairs*). Many institutes publish journals, such as (*Strategy and Management*) and (*World Economy*) that enable Chinese scholars to share insights, debate critical issues, and influence national security and foreign policy. More recently, several research institutions have established Web sites. Thousands of influential Chinese are on-line, as are many foreign policy specialists.

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Think tanks also play an important role in channeling the views of international players to the Chinese national security and foreign affairs community. Established networking activities enable think tanks to be sensitive to global trends and thinking. National Security and foreign policy specialists closely monitor the publications of their counterparts in other parts of the world. Valuable academic works are quickly translated into Chinese. With their numerous foreign contacts, think tanks serve as a valuable source of information for senior officials regarding external views on international affairs.

In the last twenty years, the national security and foreign policy institutes have conducted a considerable amount of research on the international environment and China's foreign policy. However, much of their research is classified, and some of their publications are for internal use only. Their reports have made many valuable suggestions to policy-makers, as the following case demonstrates.

The think tanks helped transform the thinking of China's leaders about the possibility of another world war. Prior to the 1970s, fear of an inevitable third world war dominated Beijing's worldview, so much so that the PRC dared not invest in its geographically vulnerable coastal industrial areas. After 1978, more and more research reports argued that war was actually avoidable, since peace could be maintained through global efforts. The reports maintained that peace would facilitate modernization, since peace and development were important contemporary global themes, and therefore China should attract as much foreign capital and technology as possible to pour into its coastal areas. The country's decision-makers accepted these ideas, and in 1983 estimated that a new world war was unlikely within the next ten years. As a result, China claims to have cut its defense spending from more than 6 percent of gross nation product (GNP) in the 1960s and 1970s down to about 1.5 percent of GNP in the 1990s.

Quite obviously think tanks have an indirect influence in regard to medium and long-term issues. The strength of the think tanks derives not from power to shape policy directly but from their ability to offer policy alternatives for consideration by top decision-making institutions. They often provide early warning against possible international problems and check government excesses. Nonetheless, think tanks are not always part of the policy-formulation system. In many instances, major changes in national security and foreign policy are initiated entirely without their knowledge. For example, China's third world policy is based on aid and trade. Academic area specialists have long advocated the use of economic means to strengthen ties with the developing world, but they have little impact on much aid or trade China has with any given third world country.

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Since the late 1970s, the national security and foreign policy process has become more open to influence from outside the bureaucracy. Chinese think tanks enjoy relative intellectual freedom, moderate access to the policy process, and access to information from abroad. They provide a link between the theory of academia and the policy-making of government. The quality of the analysis produced in these institutions is steadily improving. There has rarely been a more propitious climate for Chinese think tanks to have an impact on national security and foreign policy.

Despite all these favorable developments, however, China's top leaders still control the formulation of national security and foreign policy, and the think tanks remain subject to Party political and ideological controls. Nonetheless, a number of research institutes play an important role in the policy formulation process through their publications, conferences, and consultations with government officials. Indeed, think tanks have become a notable feature of the Chinese political scene. With globalization and the increasing integration of China into the international market place, they will gain more influence and status in the years to come. 45

45. For an overview of the influence of think tanks in China, see the following works: Lao, "Globalization Challenge and the Role of Think Tanks," pp. 75-76; Pillsbury, China Debates the Future Security Environment, p. 6; Fei-Ling Wang, "To Incorporate China: A New Policy for a New Era," *Washington Quarterly* 21, no. 1 (winter 1998) pp. 74-75; Li Zong, "Fifty Years of International Studies," pp. 626-627. For an extended discussion of China's think tanks, see Gerald Chan, "International Studies in China: Origins and Development," *Issues & Studies* 32, no. 2 (February 1997); pp. 40-61; David Shambaugh, "China's National Security Research Bureaucracy," *China Quarterly*, no. 110 (June 1987); pp. 276-304; National Institute for Research Advancement (NIRA), NIRA's World Directory of Think Tanks, 1999 (Tokyo: National Institute for Research Advancement, 1999); Cong Cao, "Red or Expert: Membership in the Chinese Academy of Sciences," *Problems of Communism* 46, no. 4 (July/August 1999): p 89; Cheung Tai Ming, "The Impact of Research Institutes in the Post-Mao Period on Peking's Foreign Policy Making," *Issues and Studies* 23, no. 7 (July 1987), pp. 86-101. See also David S.G. Goodman, ed., *Groups and Politics in the People's Republic of China* (Cardiff: University of Cardiff, 1984), and Harry Harding, "Competing Models of the Chinese Communist Party Process: Toward a Sorting and Evaluation," *Issues and Studies* 20, no. 2 (February 1984): 13-36. More specifically on Communist Chinese foreign policy factions, see Lucian W. Pye, *The Dynamics of Chinese Politics* (Cambridge, Mass: Oelgeschlager, Gunn & Hain, 1961), pp. 65-82. See also Kenneth Lieberthal, "Domestic Politics and Foreign Policy," in Harry Harding, ed. *China's Foreign Relations in the 1980s* (New Haven: Yale University Press, 1984), 85.

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Section VI Military-Related Think Tanks and Research Institutions in China

6.1 Overview

Attempting to understand the role and impact of military-related research institutions in China poses unique challenges for scholars studying the People's Liberation Army (PLA) and Chinese defense issues. In the first instance, almost all matters military related are treated with particular caution in China. Moreover, certain topics in particular, such as weapons development and nuclear weapons, are deemed particularly sensitive by the Chinese (likewise in other countries), and are "off-limits" to direct avenues of foreign inquiry.

However, as noted in the previous chapter, there are more open sources of information available in China today than ever before, and this is true as well for military matters. In particular, the steady loosening of information control in China has combined with some 35 years of ongoing interaction between China and the outside world to create greater access than ever before to persons and institutions associated with the Chinese military. Increased exchanges of military-related delegations, visiting scholarships for Chinese military personnel abroad, graduate-level educational opportunities in the United States and elsewhere, increased exposure to foreign cultures and thinking, opening of Chinese military academies and institutes to foreign visitors and students, and – perhaps most importantly, the steady establishment and consistent re-evaluation of longstanding, personnel relationships have dramatically increased the potential to transcend China's traditional concealment of military matters. In ways simply unheard of in the past, scholars are now able to have greater access to military research institutions, one-on-one exchanges with military officers, tours of military bases and other facilities, and opportunities to spend lengthy periods of time in conversation and analysis with persons associated with the Chinese military (18) page 617 para 2).

6.2 The Role of Military Research Institutions

PLA think tanks and research institutes can be divided along a number of useful typological axes. First, the institutional affiliation of a given unit is a highly correlated indicator of the focus and even world-view of a given research institute. For instance, the Academy of Military Sciences is much more focused on the future of warfare than the National Defense University, whose mandate is primarily to educate the senior officer corps about the present international environment. Further, the political officers from the General Political

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Department's Centre for Peace and Development see the world in a very different way than the intelligence officers at the China Institute for International Strategic Studies. Secondly, PLA-related think tanks and research organizations can be identified roughly by mission, including intelligence analysis, weapons research and development, arms control, exchanges, and research. In some cases, one will find overlap and shared responsibilities of these missions across the various institutions (18) page 618 para 1).

Some overarching generalizations can be made about the military think tank system. First, the system has undergone a significant evolution over time. According to Michael Swaine in 1999:

“Most military research, analysis, and intelligence prior to the reform period was highly ideological in approach, overly cautious, internally fragmented, and generally lacking in rigor. Only during the past decade or so has it become more dynamic, creative, pragmatic, and collaborative. This trend toward greater professionalism and sophistication continues today, according to informants.” 46

Secondly, the output of this research system does reach the top civilian and military leadership. Most reports produced by PLA research units for internal consumption are routed through the Central Military Commission General Office (CMCGO) before they can be sent to the top defense policy, foreign policy and national security policy organs. The CMCGO evaluates, summarizes and distributes these reports. Occasionally, individual PLA institutes will submit less formal analytical reports directly to the offices of Politburo Standing Committee members, as in the civilian sphere. In addition, military strategists often attend, on an informal basis, various internal discussion meetings and report preparation conferences convened by civilian research institutions and departments. These activities indicate that a significant amount of interaction occurs between military and civilian strategists.

46. Michael Swaine, **The Role of the Chinese Military in National Security Policymaking.** (Santa Monica, CA: RAND, 1999). See also Gill Bates and James Mulvenon, “Chinese Military-Related Think Tanks and Research Institutions,” *China Quarterly* 171 (September 2002): pp. 617-624

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6.3 Intelligence Analysis Research Institutions

Although some of the institutions referenced below were discussed in the previous chapter, the following paragraphs illustrate the connection of these institutions to intelligence analysis.

China Institute for International Strategic Studies. The premier intelligence analysis think tank in the Chinese military is the CIISS, directly subordinate to the General Staff Department Second Department (Intelligence) through it is often publicly and incorrectly identified as the Ministry of National Defence's major research unit on international affairs (18) page 619 para 1). Founded in 1979 as the Beijing Institute for International Strategic Studies, the institute is located in north-central Beijing. The staff of CIISS consists of a mixture of senior retired intelligence officers, active-duty intelligence officers, and a permanent research staff. According to Michael Swaine from the RAND Corporation, the CIISS was formed "primarily by transferring to it, on a temporary or permanent basis, some of the best military analysis from the Second Department."

According to the official description, CIISS "offers consultancy and policy advice to and undertakes the task of preparing research papers for relevant departments of the Chinese government, the army and other institutions..." (18) page 619 para 2). There are approximately 100 research personnel appointed to CIISS, drawn from "active and retired officers, diplomats, experts and scholars..." Support for CIISS comes from the government and military, but also from "consultancy services."

CIISS is primarily charged with analysis of China's external threat environment, including the capabilities of foreign militaries and especially the United States military presence in Asia. According to Shambaugh, CIISS reports circulate to the General Staff Department and throughout the PLA leadership. The institute also publishes an open, unclassified journal (*International Strategic Studies*). CIISS is also an important interface between the military intelligence apparatus and foreign experts, with regular interactions both at home and abroad.

In certain instances, individuals from CIISS have had a hand in shaping Chinese arms control and nonproliferation policies. For example, it was tasked in the early 1980s to track developments between the United States and Russia during the negotiations on the Treaty on Conventional Armed Forces in Europe (CFE). Those same persons were later tapped to serve on the negotiating team which concluded the border disarmament agreements with Russia and three other former Soviet republics now codified in what became known as the "Shanghai Five" process. Arms control specialists from CIISS also serve as

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military specialists on the Chinese delegation to the United Nations Conference on Disarmament. Several prominent CISS researchers were responsible for putting together a 300-page (internal circulation) volume entitled (*Arms Control and International Security Handbook*), published in 1997 by the Shijie zhishi Press.

Centre for Peace and Development Studies. A less significant intelligence analysis research institution is the Centre for Peace and Development Studies (CPD) of the China Association for International Friendly Contact, which is also affiliated with the General Political Department's Liaison Department. Because of this department's principal interest in Taiwan issues, the institute is reported to have developed an important analytical expertise in this area, though Swaine (see (60)) argues that it is also strong on strategic analysis and intelligence related to Hong Kong and Macau. According to Gill and Mulvenon (18) page 620 para 2), who assert that the reputation of the CPD originated in the pre-liberation period, when Red Army political operatives and intelligence agents were active in all three areas. By all accounts, however, the CPD is still a second rank player, especially when compared with the CISS. It contains few full-time researchers and thus most often employ specialists from other units, including the Chinese Academy of Social Sciences (CASS).

6.4 Weapons Research and Arms Control Institutions

The PLA has hundreds of weapons-related research institutes, but they are mostly strictly off limits to foreigners. However, in some cases, especially on issues related to arms control, weapons research and development organizations have opened their doors to interactions with outsiders.

China Defence Science and Technology Information Centre. This centre (CDSTIC) is an overt intelligence collection and clearinghouse operation, gathering together all manner of information across the world on military-technical affairs. According to official information, it was founded in March 1959 and has a "strong strength in scientific research with extensive links with outside, rich information resources and advanced technical tools." (18) page 620 para 4). CDSTIC has approximately 400 senior and mid-level researchers who focus on the development of weapons systems, defense technology management and defense conversion. Within it is a small shop known as the Programme on Arms Control and Disarmament which among other things has conducted research on the fissile material cut-off treaty for use by the military, as well as on broader issues of arms control and disarmament. During the spring 1998 reorganization of China's weapons production and procurement system, oversight for the CDSTIC was transferred from the Commission on Science, Technology and Industry for National Defense (COSTIND) to the PLA's General Armaments Department (GAD).

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Research results and policy advice from CDSTIC and GAD are probably provided to the Chief of the General Staff for use in interagency discussions, and to PLA representatives in the field at overseas embassies and at multilateral disarmament organizations such as within the United Nations system. In addition, with the establishment of GAD in April 1998, it absorbed a number of other COSTIND academies – such as the Command Technical Academy and the Aerodynamics research and Development Centre – which would have some technical research input to procurement and arms control policies and decisions.

6.5 Exchange-Related Research Institutions

Foundation for International Strategic Studies. The Foundation for International Strategic Studies (FISS) is a critical interface for military and security-related exchanges between foreigners and the PLA. FISS is a semi-independent research group with ties to the Second Department (intelligence) of the PLA General Staff Department. It serves as a kind of liaison organization between foreigners and the Chinese military, conducts its own wide range of research and contract research projects, overseas meetings, seminars and conferences, and helps facilitate dialogue between the Chinese security research and decision-making bureaucracies and outside analysis from abroad. Founded by a former Second Department officer in 1989, FISS began as a forum for international exchange and policy research. According to formal statutes approved in January 1990, FISS is supported by “donations and contributions from government institutions, civilian organizations, enterprises, financial institutions, and individuals...” and “from foreign and domestic foundations and financial institutions” (18) page 622 para 1).

During the past several years, FISS has reaffirmed and expanded its commitment to facilitating international exchanges with foreign groups, convening meetings, and conducting both internal and for-profit research projects. The work of FISS also includes the conduct of research projects, organizing domestic and international conferences, providing financial support to Chinese scholars, arranging visits by foreign scholars to China, and providing “consultation services in international and strategic studies.” FISS has successfully brokered the quasi-official William Perry-Ashton Carter meetings on Confidence Building Measures for cross-Taiwan Straits relations and was involved in former Defense Secretary Perry’s consultations with Beijing about the North Korean issue. In terms of internal research for the military, the institute also reportedly submits an annual year-end analytical report similar to those submitted by China’s civilian institutes. Occasionally, FISS submits less formal analytical reports directly to the offices of PBSC members. The institute, for example, is closely associated with an effort to build an inter-agency, crisis management-oriented “national security council” type organization within the government. On the commercial side, the institute is also involved in commercial publishing, including contract research on a 22-volume set on the history of the 20th century (sections include international affairs and science and technology) and other books.

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6.6 Research-Related Institutions

Academy of Military Sciences. Founded in March 1958, the Academy of Military Sciences (AMS) is the “national centre for military studies” and is the premier military research institution in the PLA. It is directly subordinate to the Central Military Commission, but also receives direct tasking from the General Staff Department. According to its official description, the AMS conducts broad, academic research on “national defense, armed forces development and military operations,” consults with CMC and PLA General Departments, and co-ordinates academic work throughout the PLA. With about 500 full-time researchers, it is the largest single research organization in the PLA.

AMS researchers write reports for the military leadership, ghost-write speeches for top military leaders, and serve on temporary and permanent small groups as drafters of important documents like the Defense White Paper. The AMS also conducts analysis on foreign militaries, strategy, doctrine, and has consistently taken the lead role in the study of the future of warfare. The academy recently added a PhD program, solidifying its reputation as the PLA’s primary theoretical institution. AMS researchers do not limit themselves to the ivory tower, however, as academy personnel regularly observe field exercises, making the AMS the closest analogue to the US Training and Doctrine Command. Moreover, some AMS researchers lecture at military education institutions around the country, and therefore serve as an important conduit for ideas from the regional military academies and schools to the national military leadership. The AMS also often organizes and channels the submission of reports from other military think tanks and research units to the CMC level.

National Defense University. By contrast, the National Defense University (NDU) is the PLA’s top professional military education institution, charged with educating the senior officer corps at the group army commander level and above. As such, its mandate is much more focused on the present state of the world and the current challenges facing the PLA, through its researchers have dabbled significantly in debates over the future of warfare. Within the NDU, the most important department for research is the Institute for Strategic Studies, which performs two functions: to produce analysis for the CMC and General Staff Department, and to conduct research and writing on strategic issues in support of the university’s officer instruction programs. In addition to the AMS and NDU, the PKLA has a large network of some 115 other academies, schools and research institutes. The PLA’s NDU is modeled after the US National Defense University located at Fort McNair in Washington, DC. There have been a number of academic exchanges between these institutions over the past fifteen years including an exchange of library research materials for which the Chinese never reciprocated (18) page 623 para 1).

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6.7 Summary

The growth and professionalism of the Chinese military think tank community combined with the widening degree of interaction between PLA researchers and foreigners presents a new set of challenges and opportunities for scholarly research. On the one hand, the new environment complicates the task of outside scholars as they seek to understand the basics and reliability of new sources of information. At the same time, the new environment offers foreign scholars an unprecedented opportunity to test theories, delve into new research and improve understanding of the PLA.

China's think tanks and research institutions have grown and matured considerably over the past three decades since relations with the West and Asian countries began to grow. Much of the credit for the increased quality of research is owed to the role played by foreign institutions in educating and training Chinese researchers. While they still operate with their own distinctly Chinese paradigms, and also stubbornly cling to realist, state-centric and sovereign-based analysis, researchers are much more aware of foreign concepts and methodologies of research. While Westerners may not agree with their analysis of international affairs, at least they now come closer to speaking the same language. However, there remains a large "perception gap" between their analysis and those of American, European, Japanese or other Asian security analysts.

Over time the policy influence of China's national security and foreign affairs research institutions have fluctuated, but have generally grown. As a result, China's officials and leaders are now better informed about the world, which, it is to be hoped, means that they better understand the consequences of their actions before they take them. If they are performing this role, then China's national security and foreign policy research institutions are making an important and positive contribution to China's relations with the world.

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Appendix - A China's National Security and Foreign Policy Decision-Making Support Institutions

For more than 20 years, American scholars from major universities and privately endowed research organizations like the Brookings Institution, Heritage Foundation, American Enterprise Institute, and Council on Foreign Relations have all been received by their apparent "counterparts" in Beijing for discussions on foreign policy and defense issues. However, these Chinese institutions are quite different from their U.S. counterparts. Although their staff produce journals and books, and participate in international conferences like their U.S. "counterparts," they have additional roles.

A.1 Chinese Foreign & Defense Policy Authors at the Seven Main National Security and Foreign Policy Research Institutes

CIIS	CISS	NDU	SIIS
Jiang Yuechun Shi Ze Ye Zhengjia Song Yimin	Chen Feng Chen Xiaogong Huang Zhengji Hu Ping Li Qinggong Liu Mingde Lu Dehong Sa Benwang Shen Guoliang Wang Naicheng Wang Zhenxi Xie Wenqing Xiong Guangkai Zhang Changtai Zhang Taishan Zhu Chun	Bao Zhongxing Li Zhiyun Liu Chunzi Pan Zhengqiang Wang Zhongchun Wen Zhonghua Xu Weidi Yang Xuhua Yu Guohua Zhang Zhaozhong Zhu Chenghu	Chen Peiyao Chen Qimao Ding Xinghao Wang Houkang Xia Liping Zhang Jialin

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AMS	CASS	CICIR
Chen Zhou	Chen Shao	Bing Jinfu
Fang Ning	Feng Zhaokui	Cao Xia
Gao Chunxiang	Gao Heng	Chen Zhongjing
Gao Rui	He Fang	Chu Shulong
Han Shengmin	Jiang Yili	Dao Shulin
Huang Shuofeng	Liao Yonghe	Feng Yujun
Huang Yingxu	Liu Jinghua	Gan Ailan
Li Jijun	Luo Zhaohong	Gu Guanfu
Li Qingshan	Shen Jiru	Guo Chuanlin
Liu Gang	WangJisi	Hong Jianjun
Liu Jingsong	Wang Jincun	Jin Dexiang
Liu Tinghua	Wang Songfeng	Li Yiyan
Luo Yuan	Wu Guoqing	Li Zhongcheng
Meng Renzhong	Xi Runchang	Liu Guiling
Mi Zhenyu	Xiao Lian	Liu Jiangyong
Pan Jiabin	Yang Dazhou	Lu Zhongwei
Pan Junfeng	Yang Shuheng	Ouyang Liping
Peng Guangqian	Zhao Jieqi	Qi Dequang
Sun Bailin		Shen Qurong
Wang Naiming		Song Baoxian
Wang Pufeng		Wang Liuji
Wang Xuhe		Wang Zaibang
Wu Chunqiu		Xu Zhixian
Wu Rusong		Yan Xiangjun
Yao Youzhi		Yan Xuetong
Yao Yunzhu		Yang Bojiang
Zhai Zhigang		Yang Mingjie
Zhao Nanqi		Yu Xiaoqiu
Zhao Xiaozhuo		Yuan Peng
Zhen Xi		Zhang Liangneng
Zhu Liangyin		Zhang Minqian
Zhu Xiaoli		Zhang Wenmu

The primary difference between these Chinese institutes and American research institutes is their "ownership." Research institutes are "owned" by the major institutional players in the national security decision making process in China. Their staffs in many cases have access to what in the US would be considered government classified information such as cables from embassies abroad. Unfortunately, it is difficult to be precise about these differences. Members of these institutes often decline to discuss in any detail the exact nature of their internal reports. They are not puppets, however, and many research institutions are important in their own right for the creative ideas they produce. Their leaders carry great prestige and have high rank in the Communist Party.

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A. 2 CHINA INSTITUTE FOR CONTEMPORARY INTERNATIONAL RELATIONS

CICIR analysts do not hide their affiliations with the Ministry of State Security, the Chinese leadership, and their access to classified materials, but they like to stress their open source research and publications. They are proud of their openness to foreign visitors, their extensive travel abroad, their foreign language capabilities, and their record of publishing short-term predictions about foreign political events, things that more cautious analysts do not have. CICIR also hosts many U.S. visitors to China.

CICIR employs about 500 professional analysts, slightly larger than the Academy of Military Science (AMS) and much larger than the Shanghai Institute of International Studies (SIIS), the China Institute of International Strategic Studies (CISS), and the China Institute of International Studies (CIIS), but dwarfed by the 5,000 at the Chinese Academy of Social Science (CASS). CICIR has a campus-like compound in northwest Beijing to which dozens of open-source materials are air mailed daily. In the United States, an equivalent institute might cost \$50 million or more annually to operate. CICIR maintains its own publishing house (Shishi chubanshe) and book store and publishes a monthly journal in Chinese, *Xiandai guoji guanxi* (Contemporary International Relations). One or two articles are selected from the 10 or more in each issue to be translated and distributed free for exchange to foreign counterparts.

CICIR seems to focus on analysis and forecasts based largely on open source publications and interviews with foreign leaders. It has its own training college. Numerous foreign visitors have been impressed with the quality of CICIR briefings and articles. CICIR analysts can disagree with each other and conduct limited debates, even in the presence of foreign visitors. CICIR is well known for its boldness in making forecasts about political, economic, and military trends. A recent collection of articles by the director of the East Asia Division examined Japan in the 21st century. The author-editor complained that he could find no counterpart studies of Japan's future in the United States or Europe.

A. 3 CHINA INSTITUTE OF INTERNATIONAL STUDIES AND SHANGHAI INSTITUTE OF INTERNATIONAL STUDIES

These two research institutes are under the budgetary control of the Foreign Ministry. Graduates of China's Foreign Affairs College may be assigned to the CIIS and SIIS. Each institute is much smaller than CICIR, neither exceeding 100 professional staff. They publish journals and use the Foreign Ministry's press for publishing books and research reports. The CIIS journal *Guoji wenti yanjiu* (International Studies) features articles by their staffs who are often diplomats on rotation. The SIIS has numerous publications, including the annual *Guoji xingshi nianjian* (The Yearbook Survey of International Affairs), the biweekly *Guoji zhanwang* (World Outlook), and *Guoji wenti* (International Review), as well as

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two journals of English language translations of selected articles from the main journal, *SIS Paper* and *SIS Journal*.

SIS focuses on future issues more boldly than CIIS, where the diplomat/analysts seem more comfortable with research on the recent past and near-term trends. Both avoid dealing with military or future warfare issues. Each has an impressive building and happily receives foreign visitors, CIIS in Beijing and SIS in Shanghai. There are five main SIS research departments: American Studies, Japanese Studies, European Studies, Asian-Pacific Studies, and Comprehensive Studies, which focuses on global issues.

A. 4 CHINESE ACADEMY OF SOCIAL SCIENCE

Once a part of the Chinese Academy of Science, the Chinese Academy of Social Science was established in 1977. It occupies a 12-story building in downtown Beijing and maintains a professional staff of 5,000 scholars and has its own publishing house for books. It houses five institutes: the Institute of World Economics and Politics, the Institute of American Studies, the Institute of Russian Studies, the Institute of Japan Studies, and the Taiwan Institute. Each institute publishes its own journal. The academy's library on the ground floor has specialized collections for each institute. CASS scholars and institute directors can advocate policies in the national press. CASS is viewed as being highly influential. Li Tieying, who was appointed by the State Council as the president of CASS in March 1998, is also a member of the Political Bureau of the Central Committee of the Communist Party and serves as a State Councillor. An article in the *Hong Kong Ta Kung Pao*, a state-owned newspaper, reported recently, "According to the conference held in Beijing today to discuss information-related affairs of the Chinese Academy of Social Sciences, last year central leaders and other high-ranking officials read and commented on hundreds of CASS research reports, some of which were republished in documents of the Central Committee of the State Council, and research results were studied and applied by relevant departments." 47

CASS research is oriented toward the future, both in terms of China's domestic development and the world structure. Currently, CASS is reported to be focused on establishing a new set of research projects that deal with "major historical challenges and opportunities facing China after five or ten years or after even several decades in the next century. At present, a 'research plan on major issues in 2010' is being discussed and shaped, including the following aspects: the experiences and lessons of the rise and fall of the Soviet Union, development

47. "Central Leadership Attaches Importance to 'Think Tanks'; Heeds the Views of Experts of the Chinese Academy of Social Sciences Before Making Major Decisions," *Ta Kung Pao*, March 3, 1998, in FBIS-CHI-98-062, March 7, 1998.

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trends of modern capitalism, the formation of property rights system and public ownership in a market economy, financial globalization and national economic security, the mechanism for achieving socialist democracy, problems of central and west China, and problems of corruption." 48

Many of China's most famous human rights activists after the Tiananmen incident in 1989 came from CASS, such as the former director of the Institute for Marxist Leninist Studies and the former director of the Institute of Political Science, Su Shaozhi and Yan Jiaqi, who are well known leaders of the democracy movement in exile. In the early 1980s, CASS leaders lead the economic reform effort. In the mid-1990s, Liu Ji, as Deputy CASS director, has encouraged reform and published books about Jiang Zemin's reform concepts. It was reported in the Western press in July 1998, that CASS was one of the institutes tasked by Jiang Zemin to study the political systems of other nations. The Wall Street Journal quoted a CASS researcher as saying that "the U.S. [system] obviously made an impression" on Jiang. Upon his return from his summit in the U.S. in October 1997, "Jiang asked the academy to draft a manual on democracy for mandatory reading by high-ranking officials. The manual to be passed out with booklets on human rights and the rule of law will feature sections on the historic development of democracy, Western models of democracy and China's own democratic path." 49 However, a recent shakeup in the top leadership of CASS, in October 1998, may be moving the institution in a more conservative direction. The *Hong Kong Standard* reported that the retirement of four vice-presidents, including Liu Ji, was, "a move seen by many as consolidating academy President Li Tieying's power." 50

A. 5 ACADEMY OF MILITARY SCIENCE

Founded in 1958, AMS produces journals, books and classified reports for the Chinese military strategic planning process. Of all the research institutes, AMS is the most secretive and least visited by foreigners. It occupies a large compound northwest of Beijing and employs more than 500 professional military staff (a 10-minute walk from the National Defense University). AMS has no students (other

48. Zhu Huaxin, "Provide Theoretical Support for China in the 21st Century--New Explorations in Reforms at the Chinese Academy of Social Science," *Renmin ribao* (People's Daily), September 18, 1998, 5, in FBIS-CHI-98-265, September 24, 1998.

49. Kathy Chen, "China to Test Waters of Political Reform," *Wall Street Journal*, July 27, 1998.

50. Fong Tak-ho, "Politburo Reshuffles Chinese Academy of Social Sciences," *Hong Kong Standard*, October 26, 1998, 6; translated FBIS-CHI-98-299. See also, "CPCCC Changes CASS Party Committee into Party Group," *Zhongguo xinwen she*, October 26, 1998, in FBIS-CHI-98-300.

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than a new small graduate student program). It performs analysis for the Central Military Commission and the General Staff Department. It participates in task forces organized by other important organizations such as the Commission on Science, Technology and Industry for National Defense.

The president of the Academy of Military Science is usually a full general, equivalent to a Deputy Chief of Staff. This would translate roughly in American protocol terms to an Under Secretary of Defense combined with a four- star flag officer. The current commandant of AMS, appointed in 1998, is General Liu Jingsong, former commander of the PLA Lanzhou military region. The AMS has its own publishing house (Junshi kexue chubanshe) and publishes an estimated 50 books a year. Its open source journal is *Zhongguo junshi kexue* (*China Military Science*), published by the AMS editorial board; its restricted journals are *World Military Trends* and *Military Thought*. AMS leaders acknowledge a counterpart relationship with the General Staff Academy in Moscow.

The AMS has 10 departments, each of which has 50 or more officers, and a few of which publish their own journals: Planning and Organization Department; Strategic Studies Department; Operations and Tactics Department; Military Systems Department; Military History Department, which publishes the bi-monthly *Military History*; Foreign Military Studies Department, which publishes the monthly *World Military Review*; Military Encyclopedia Department; Center for Mao Zedong Military Thought; Center for Political Education of the People's Liberation Army (PLA); and Center for Operations Research, which publishes the quarterly *Military System Engineering*. According to the introductory brochure describing the institute, AMS is the "national center for military studies; AMS plans and coordinates for the army all the research programs concerning military science. AMS has made good progress in war gaming, command automation, machine translation, and military data bases. It has formed its own operational and tactical simulation systems, military experts systems, and specific research models."

AMS seems to be more closed to foreigners than the National Defense University (NDU)--its staff rarely travels abroad, and no foreign delegations receive permission to visit the AMS Compound without an extensive review by the unit called the General Staff Foreign Affairs Bureau, one mission of which is to control contact between foreigners and sensitive Chinese military organizations. An article in May 1998 commemorating the 40th anniversary of the founding of the AMS mentioned, however, that since it has been under the leadership of Chairman Jiang Zemin, the institute has "gradually improved contacts with foreign institutions and organizations for military scientific research, and enabled a setup of research open to the outside world to take place." The article, however, praised the institute for "having completed more than 1,000 research projects" in its 40 years of existence, especially those written of late.

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In recent years, aiming at the forward positions of military reforms in the world, the Academy of Military Sciences presented more than 200 research reports on such major realistic issues as strategies for border security, guidance for strategies and battles under high-technology conditions, and the regularization of our army under the new situation.⁵¹

The strategy department of AMS publishes books on military doctrine and strategy with a focus on the military thinking of Chairman Mao. In the past decade, it added books on the strategic thinking of Deng Xiaoping. A recent book by the former president of the Chinese Academy of Military Science, *The Categories of Military Science* by General Zheng Wenhan, offers numerous footnotes to Soviet works on the same subjects and employs the categories established in Soviet military science publications. Chinese authors never explicitly acknowledge their debt to Soviet military science and to Soviet military terminology. Readers are not made aware of the Soviet tutorial role in China in the early 1950s because there were political penalties paid by senior Chinese general officers in the 1950s for assuming policies civilian Communist leaders deemed to be pro-Soviet. Perhaps this is one reason Chinese military authors still do not refer to their deep Soviet roots in some matters of doctrine and terminology.

The Chinese Academy of Military Science has a mission to understand future warfare and the future security environment. Like its former Soviet counterpart, it still must use Marxist-Leninist "military science," which includes the notion of "dialectics" in analyzing technological influence on military doctrine. According to both Soviet and Chinese authors, the operation over time of "military dialectics" will more or less automatically change the nature of warfare quite drastically as a completely new synthesis is formed from the clash of thesis and antithesis. To examine the future of warfare, a vital task of military science is to anticipate and to identify the "dialectical" arrival of "military-technical revolutions." These military-technical revolutions are neither produced nor accidentally discovered by a single genius. They must occur with historical inevitability as science and technology progress forward. Military strategists must therefore be diligent to detect an approaching military technical revolution, because it will require the re-design of obsolete military doctrine.

Although the AMS does not have regular classes, in 1988 six of China's most important military strategists created a doctoral program in military science at the AMS, authorized by the State Council. It is significant that one of the two major

51. Xiao Pu and Jiang Wenming, "Be A Good Forerunner of Great Military Reform--Military Scientific Research Undertakings Advance in a Pioneering Spirit Thanks to the Concern of Three Generations of the Party's Core Leadership," Beijing Xinhua Domestic Service, May 19, 1998, in FBIS-CHI-98-139, May 21, 1998. The article provides a history of AMS research under Mao Zedong, Deng Xiaoping, and Jiang Zemin.

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fields for doctoral degrees are "Future Warfare." The program director is General Li Jijun, who has had a long association with the Academy. Significantly, General Li supervised the 38th Group Army near Beijing from 1983 to 1988, when it was the test bed for the new Chinese concept of the mechanized group army (corps). Prior to that experimental work, General Li had been with Academy of Military Science for many years, particularly in the field of foreign army studies. He compared strategic concepts in the Soviet Army with U.S. joint force doctrine. There are five senior officers of the AMS in charge of the new doctoral program: General Mi Zhenyu, former Deputy Commandant; General Wang Zhenxi; General Wang Pufeng, a former Director of the Strategic Research Department; Senior Colonel Qian Junde of the Strategy Department; and Zhang Zuiliang. General Mi was Deputy Commandant of the AMS beginning in 1985 and is the author of an important book on Chinese national development concepts published in 1988 and described in chapter 6. General Wang Zhenxi is a specialist in foreign military studies, who served as military attaché in both Yugoslavia and Romania, from 1977 to 1983. He became head of the Foreign Military Studies Department in 1986. General Wang Pufeng was the Deputy Director of the Strategy Research Department at the AMS in 1991. In an interview in *China Daily*, October 10, 1992, General Wang called for more attention by the PLA to the challenge of information warfare. He has been a prominent author in 1995 and 1996 on the Revolution in Military Affairs (RMA).

Since 1992, there has been a limited restoration of contact between China's Academy of Military Science and its Soviet model, the General Staff Academy. A former Vice President of the Soviet Academy was even invited to come to Beijing for a year for research on the significance of the revolution in military affairs that has been a major subject at the Russian academy for 20 years.

A. 6 NATIONAL DEFENSE UNIVERSITY

China's NDU was formed in 1985 by combining three colleges, one for logistics instruction, one for political/commissar instruction, and a more general military academy. Unlike AMS, the NDU trains hundreds of students annually. It also has its own publishing house (Guofang daxue chubanshe) that produces 50 or more books annually, including textbooks. Much more open than the AMS, NDU has in the past decade hosted hundreds of foreign military delegations. NDU staff travel widely abroad. An exchange of letters between the U.S. NDU in Washington and the Chinese NDU in Beijing established an exchange program between the two institutions on the premise that they are roughly counterparts.

Operating under the Central Military Commission, NDU has two main functions: to train military commanders, officers, and government officials and, as described by the brochure handed out to visiting foreigners, to "conduct research into the modernization of national defense in order to advise the Central Military Commission and other military headquarters in making decisions." Its 13 teaching divisions "specialize in: strategic studies; operational art of war;

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command and management; arms and services; foreign military studies; Marxist theories; political work; international economics and politics; logistics studies; science and technology; foreign languages; foreign training; and audiovisual teaching."

In the past decade, a Scientific Research Department at NDU and its subordinate Institute of National Security Studies (INSS) has been increasingly involved in efforts to redefine Chinese military strategy and doctrine. A comparison of the two major journals produced by NDU and the Academy of Military Science shows they have different perspectives and methodologies. The *Guofan daxue xuebao* (NDU Journal) seems more interested in local war issues and has published very little on the potential RMA compared to the AMS journal. Perhaps to correct the NDU near-term focus, it announced in 1996 the formation of a center for military research on future warfare issues, including the RMA as well as traditional statecraft. General Pan Zhenqiang and Colonel Zhu Chenghu, director and deputy of the NDU INSS, publish articles on the security environment in national newspapers and frequently attend foreign conferences.

A. 7 CHINESE SOCIETY FOR STRATEGY AND MANAGEMENT

Founded in 1989, the Chinese Society for Strategy and Management (CSSM) occupies a building in the former U. S. Embassy compound, made famous during the 55-day Boxer Siege in Beijing. It publishes a lengthy quarterly journal, *Zhanlue yu guanli* (Strategy and Management), containing articles forecasting the future security environment. According to the brochure describing the institute, "Many famous veteran national leaders' diplomats and writers who have made great contributions to China's modernization serve as its senior advisers." The chairman of the CSSM is former Vice Premier of the State Council Gu Mu, and one of the Vice Chairmen is former Defense Minister Zhang Aiping, who is perhaps best known in China for his successful management of the Chinese nuclear weapons program. Indeed, CSSM articles have been described by some as more nationalistic than the journals of CASS and CICIR.⁵² CSSM journal articles have discussed the rise of Chinese nationalism.⁵³ In 1996, the journal

52. The East West Center in Honolulu published a study in 1996 on the rise of Chinese nationalism, the sole references of which were to "nationalistic" articles from this journal.

53. For example, see Wang Hui and Zhang Tianwei, "Wenhua pipan lilun yu dangdai Zhongguo minzu zhuyi wenti" (Cultural criticism theory and the issue of contemporary Chinese nationalism), *Zhanlue yu guanli* (Strategy and Management) 5, no. 4 (1994): 17-20; Xiao Gongqin, "Minzu zhuyi yu Zhongguo zhuanxing shiqi de yishixingtai" (Nationalism and the ideology of China's period of change), *Zhanlue yu guanli* (Strategy and Management) 5, no. 4 (1994): 21-25; and Dong Zhenghua, "Minzu zhuyi yu guojia liyi" (Nationalism and national interests), *Zhanlue yu guanli* (Strategy and Management) 5, no. 4 (1994): 26-27.

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announced it would annually publish China's ranking in the various international indices of competitiveness and Comprehensive National Power. In 1997 and 1998, CSSM issued an annual strategic assessment, written by authors from CICIR, CASS, and the AMS.

A. 8 FOUNDATION FOR INTERNATIONAL STRATEGIC STUDIES (FISS)

The Foundation for International Strategic Studies (FISS) was founded in the last few years by Chinese military officers on leave or retired from active duty and is authorized to engage in business as well as strategic studies. It publishes a few books a year and a journal and actively seeks "counterparts" overseas with whom to co-host conferences on political/military issues, including the future of the security environment. As a result of its close connection with both the Foreign Ministry and Chinese Military Intelligence, FISS can sometimes take more controversial positions than other better known research institutions. For example, in 1995 FISS published *Can Taiwan Become Independent?*, a book other research institutions and publishing houses had declined to print because it was too controversial in concluding that a major danger existed in Taiwan's movement toward independence.

A. 9 COMMISSION ON SCIENCE, TECHNOLOGY, AND INDUSTRY FOR NATIONAL DEFENSE (COSTIND)

COSTIND coordinates at least six ministry-level defense industrial complexes, which seem to be responsible for both production and research and development for future defense weapons and equipment. They publish magazines and books with assessments of the future. COSTIND has its own publishing house, newspaper, and series of journals, most of which are not released publicly. Some Chinese interviewed complained that COSTIND shrouds itself in secrecy not so much to prevent foreign observation but to maintain its autonomy from the Chinese military services and the General Staff.

There is apparently resentment that hundreds or thousands of COSTIND employees wear military uniforms and are assigned military ranks even though they have never participated in military units or received formal training. One General Staff officer said COSTIND officials can be spotted on the street by their nonuniform socks, coats, sweaters and general nonmilitary appearance even while wearing PLA uniforms. The COSTIND headquarters building in Beijing is a long distance from the rest of the military compound and General Staff buildings.

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Another example of the COSTIND little concealed autonomous style can be seen in the two books it has released about its history since the 1950s that clearly distinguish between COSTIND and the Chinese military, for which it produces weapons and equipment. ⁵⁴

COSTIND oversees a vast conglomerate of research institutions, factories, and government organizations that may employ more than 3 million people. COSTIND has published a series of books on the history of China's defense science and technology since the 1950s. One theme is the need to have "three moves on the chess board," a Chinese metaphor for the need to have weapons acquisition plans thought through in terms of an action-reaction sequence of possible opponents.

A.10 CHINA AEROSPACE SCIENCE AND TECHNOLOGY CORPORATION (CASC)

In addition to the central research institutes of COSTIND, assessments of the future security environment are also prepared by a number of other large research institutes in the complex, such as the CASC.

China Aerospace is not a corporation in the Western sense. It controls the ministries and firms that manufacture weapons and civil-use equipment in aviation and missiles. ⁵⁵ It is particularly important in providing published assessments of the future of space warfare. ⁵⁶ The Chinese Aerospace Corporation complex, together with the Ministry of Electronics, may be the two organizations most interested in the RMA. Chinese analysts interpret the RMA as a reduction in emphasis on armor, artillery, large naval vessels, and manned fighter aircraft that are all "products" of other parts of COSTIND, not China Aerospace. According to the version of 21st-century warfare described in some COSTIND and AMS publications, it will be the capability to link "sensors" with "shooters" while preserving the "invisibility" of both that will be decisive.

54. COSTIND is being restructured. See Harlan Jencks, "COSTIND is Dead, Long Live COSTIND! Restructuring China's Defense Scientific, Technical, and Industrial Sector," in *The People's Liberation Army in the Information Age*, eds. James C. Mulvenon and Richard H. Yang (Santa Monica, CA: The RAND Corporation, 1999), 59-77.

55. See *China Today Defense Science and Technology* (Beijing: National Defense Industry Press, 1993), vol. 1; and Mark Stokes, "China's Strategic Modernization," U.S. Army War College, Strategic Studies Institute, forthcoming.

56. A restricted journal, *Space Electronic Warfare*, has been published for several years and is described in Mark Stokes.

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A.11 CHINA INSTITUTE OF INTERNATIONAL STRATEGIC STUDIES

The China Institute of International Strategic Studies (CISS) is an important public research institution subordinate to the General Staff's Second Department. CISS publishes a quarterly in Chinese and English, *Guoji zhanlue yanjiu* (*International Strategic Studies*). However, CISS is located far from the secretive General Staff Department of the PLA. Its chairman is Deputy Chief of the General Staff for Intelligence General Xiong Guankai (whose speech at Harvard in December 1997 on the future security environment is described in chapter 1). Because of China's traditional secrecy about military matters, a few retired military attachés and a few civilians at the CISS provide the sole "window" on general staff and military intelligence assessments.

It is unfortunate that foreign visitors are not permitted to visit the General Staff Department. The GSD, several blocks from the Zhongnanhai Compound facing the lake at Beihai Park, may have over 2,000 officers. In the 1950s the GSD had Soviet advisors resident for several years. Its internal structure probably resembles the former Soviet General Staff. The First Department manages operations and probably is the national command center for all PLA forces. The Second Department is the military intelligence service and has its own headquarters building. Its chief is usually a deputy chief of staff of the PLA and is a prominent representative sent abroad on public diplomacy missions. Unlike the well-known Second Department of the GSD, its Third Department is the "no such agency" of China and apparently is responsible for signals intelligence, which foreign experts such as Desmond Ball believe may be the world's third- or even second-largest communications intelligence organization after the United States and possibly Russia.⁵⁷ The Fourth Department is the most recently established part of GSD; since 1990 it has been responsible for electronic warfare and early warning analysis.⁵⁸ Of these General Staff departments, the Operations Department is probably the largest and most important in terms of its direct responsibilities for military operational planning and the program of annual exercises. However, the Second Department (the Chinese equivalent of the Soviet intelligence agency, GRU) is apparently also quite large, with some estimates as high as 2000 analysts and professional staff, according to one interview. The Second Department and possibly the Third have their own headquarters compounds in northern Beijing. According to interviews, the

57. The sole source on this matter seems to be Desmond Ball, "Signals Intelligence in China," *Jane's Intelligence Review* 7, no. 8 (August 1995): 365-370.

58. Nicholas Eftimiades, *Chinese Intelligence Operations* (Annapolis, MD: Naval Institute Press, 1994).

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Second Department's director, as a Deputy Chief of the General Staff, apparently serves as the PLA representative in foreign policy discussions below the Politburo level. It would be a mistake to see the GSD Second Department as a counterpart to the American Defense Intelligence Agency because of this policy role the DIA lacks. Rather, the GSD Second Department seems to perform not only the functions of DIA foreign intelligence collection and analysis but also the policy deliberation role played by the 300 professional staff under the U.S. Assistant Secretary of Defense for International Security Affairs. Thus, the CISS quarterly journal merits attention.

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Appendix – B China's Military Capabilities

B.1 Introduction

In the past decade China's growing military capability has attracted a great deal of attention, but details about the current and likely near-future state of China's military power have been in short supply. While it is true that China is modernizing its forces and increasing defense spending, the prospective improvements in overall military capability need to be set against the very low-technology starting point of China's armed forces.

The article begins by looking at recent trends and likely future developments in China's nuclear and conventional forces. It then discusses potential military courses of action by China towards Taiwan, now and in the future.

China's Nuclear Forces

According to the *Bulletin of the Atomic Scientists* and the *SIPRI Yearbook 1999*, the size of the Chinese nuclear arsenal is about 400 warheads. The *Bulletin* estimates that 20 nuclear-armed missiles are deployed in the intercontinental role and another 230 nuclear weapons on deployed (or can be deployed) on aircraft, missiles, and submarines with regional capabilities. The 150 remaining nuclear warheads are believed to be reserved for "tactical" uses (short-range missiles, low yield aircraft-dropped bombs, and possibly artillery shells or demolition munitions).⁵⁹

Nuclear weapons in China are under the control of the Central Military Commission, which is headed by the President. Other members of the commission are generals from the People's Liberation Army (PLA), who may also serve on the Politburo of the Communist Party.

B.2 Intercontinental Nuclear Forces

China currently maintains a minimal intercontinental nuclear deterrent using land-based intercontinental ballistic missiles (ICBMs). The Dong Feng-5 (DF-5) liquid-fueled missile, first deployed in 1981, has a range of 13,000 km and carries a single multi-megaton warhead. Twenty are believed to be deployed in central

59. William Arkin, "Nuclear Notebook: Chinese Nuclear Forces, 1999," *Bulletin of the Atomic Scientists* Vol. 55, No. 4 (May/June 1999).

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China, southwest of Beijing. Unlike China's earlier ballistic missiles, which were stored in caves and moved out for launch, the DF-5 can be launched directly from vertical silos—but only after a two-hour fueling process. In order to increase the survivability of the DF-5s, dummy silos are placed near the real silos. The DF-5's range gives it coverage of all of Asia and Europe, and most of the United States. The south-eastern US states are at the edge of the missile's range.

Two additional long-range ballistic missiles are in the development stage, the 8,000 km DF-31 and the 12,000 km DF-41. Both missiles are expected to be solid-fueled and based on mobile launchers. It is not known how many missiles China plans to deploy nor how many warheads the missiles may carry, but it is believed that China is hoping to deploy multiple nuclear warheads and penetration aids. These may be either multiple re-entry vehicles (MRVs) or the more capable, but technically difficult multiple independently-targetable re-entry vehicles (MIRVs). First deployment for the DF-31 could occur before 2005; the DF-41 is likely to follow, possibly around 2010. ⁶⁰

China's nuclear-armed naval forces are currently limited to one Xia Type 092 nuclear-powered and nuclear ballistic missile-equipped submarine (SSBN), which has a history of reactor and acoustic problems. The Xia can carry 12 Ju Lang-1 (JL-1) SLBMs with a single 200-300 kt warhead and a range of 1,700 km. Due to its technical limits, the Type 092 is never deployed outside regional waters.

China is reported to be planning to build four-to-six new Type 094 SSBNs. The Type 094 will introduce a safer, quieter reactor and better overall performance. It is expected to have 16 JL-2 missiles, capable of carrying up to six warheads per missile (probably MRVs that are not independently targetable). The initial launch date is supposed to be scheduled for 2002; but development of the JL-2 missile may take considerably longer because to date the land-based missile on which it based, the DF-31, has been test launched only once. If China were to employ a deployment rotation similar to that for US Navy SSBNs (three submarines for each one in target range, with one on station, one in transit, and one in refit), then six SSBNs would give China the ability to keep two submarines on station in the Pacific at all times, able to strike all of Asia, Europe, and North America. ⁶¹ If the planned 6 submarines are built with the maximum number of

⁶⁰. Bulletin of the Atomic Scientists, *ibid*, and Federation of American Scientists website: <http://www.fas.org/nuke/guide/china/icbm/index.html>.

⁶¹. Doug Thacher, "IDDS Web Report: Chinese Naval Forces 2004," referencing news report FBIS-CHI-1999-1207, Institute for Defense & Disarmament Studies website: <http://www.idds.org/idds-mainpages/database/samples-database/china/chinesenavalforces2004.html> (May 2004).

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warheads per missile, the number of total deployable submarine-based nuclear warheads will rise to 576. Even if the warheads were not independently targetable, the minimum number likely to be on station and capable of striking the United States would be 192—that is, enough to saturate the proposed light US national missile defense, which is now driving the Chinese strategic nuclear modernization and expansion program.

B.3 Regional Nuclear Forces

China also deploys three weapons in the intermediate-range ballistic missile (IRBM) and medium-range ballistic missile (MRBM) categories. These missiles are capable of posing strategic threats to countries in Asia, such as India or Japan, but represent a lesser threat to Russia, and are only a threat to the United States through the vulnerability of US military bases in Japan and South Korea.

The oldest nuclear missile deployed by China is the semi-mobile 2,800 km-range DF-3A. The estimated 40 liquid-fueled DF-3s still in service today are being phased out in favor of the DF-15 (see below) and DF-21. They were followed by the liquid-fueled DF-4, which has a maximum range of 4,750 km. About 20 DF-4s remain in service in fixed launch sights. Chinese regional ballistic missile capabilities advanced greatly with the introduction of the DF-21, the first solid-fueled medium-range missile. The solid-fuel design provides China with a faster launch time, because the lengthy and potentially dangerous fueling procedure of the earlier Dong Feng models has been eliminated. First deployed in 1986, the 48 operational DF-21s have a range of 1,800 km and are carried on mobile launchers. The DF-21 is the basis for the JL-1 submarine-launched ballistic missile (SLBM).

The older liquid-fuel missiles carry single warheads with yields estimated at 3.3 MT. The newer solid-fuel missiles have single warheads with maximum yields of a few hundred kilotons each.

The Chinese bomber force is based on locally produced versions of Soviet aircraft first deployed in the 1950s. With the retirement of the H-5/Il-28 from the nuclear role, the H-6/Tu-16 remains the only nuclear-capable bomber in the Chinese inventory. First entering service with the Soviet Air Force in 1955, the Tu-16 was produced in China in the 1960s. The H-6/Tu-16 is capable of carrying one-to-three nuclear bombs over a combat radius of 1,800 km to 3,100 km. About 120 People's Liberation Army Air Force (PLAAF) H-6/Tu-16s are believed to be capable of nuclear missions. Another 20 H-6/Tu-16s are under the control of the People's Liberation Army Navy (PLAN) and do not perform nuclear missions. There is no indication of a replacement for the H-6/Tu-16 in the near future. The J-7/MiG-21 and the newer Chinese-designed JH-7s and Russian-exported Su-27s are capable of performing nuclear missions, but they are not believed to be deployed in that role.

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B.4 Short-Range, Low-Yield Nuclear Weapons

The PLAAF has 20-40 Q-5 Fantan attack aircraft that it uses in the nuclear role. Initially deployed in China in 1970, the Q-5 is a substantially upgraded version of the MiG-19, which was initially deployed in the Soviet Union in 1954 and later produced by China under the designation J-6. The Q-5 can carry a single free-fall nuclear bomb over a combat radius of 400 km. The very short range of the Q-5 limits its battlefield effectiveness, even with conventional armament.

Two types of short-range ballistic missile (SRBM) entered service with China's Second Artillery forces around 1995: the DF-11/M-11, with a range of 300 km, and the DF-15/M-9, with a range of 600 km. (The 'DF' designation is used by missiles in service with China, while the 'M' designation is used for export versions.) In theory both missiles but could be fitted with small nuclear devices. As of 2000, a few hundred DF-15s and DF-11s may be deployed; but most if not all are believe to be equipped with conventional warheads.

China's Conventional Forces

China maintains one of the largest militaries in the world, based on its inventory of major weapon systems.⁶² However, the bulk of China's holdings are old in both physical age and technology. Many weapon systems which came into service in the 1950s, 1960s, and 1970s remain in the inventory today; and all of those systems use 1950s-era technology originally imported from the Soviet Union. While China is modernizing its conventional forces, the new systems are entering at a low rate compared with the overall size of the older forces. As a result over the next decade, as the oldest weapon systems are fully retired, the size of China's conventional forces will shrink dramatically.

B.5 Ground Forces and Tanks

The People's Liberation Army (PLA) is moving toward an overall reduction and reorganization of personnel and equipment with the goal of creating a more modern and mobile army. In 2000, the total estimated personnel strength of the Chinese military is 2.5 million, of which 1.8 million are in service with the PLA

62. IDDS estimates a continued high level of holdings for China's tanks and combat aircraft due to the continued presence of those systems in China's inventory. IDDS holdings estimates do not reflect the readiness status or maintenance of the weapon systems; they indicate the total number of systems at military bases around the country. Some Chinese weapon systems may not have been used in years, having been placed in storage areas. For example some J-6s (MiG-19) sit on airfield tarmacs for months at a time; many of these aircraft may not be in flying condition.

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(ground forces). The ground forces are divided into 7 military regions with 27 military districts. Within the 7 military regions lie 21 Group Armies, each containing about 60,000 personnel. The Group Armies contain among them 44 infantry divisions, 13 infantry brigades, 10 armored divisions, 12 armored brigades, 5 artillery divisions, 20 artillery brigades, and 7 helicopter regiments. In addition, 5 infantry divisions, 2 infantry brigades, 1 armored brigade, 1 artillery division, 3 artillery brigades, and 3 anti-aircraft artillery (AAA) brigades are independent elements of the PLA not assigned to any specific Group Army. There are also three airborne divisions, which are manned by the PLAAF. ⁶³

There are also numerous reserve and paramilitary units, some of which do not fall under the direct control of the PLA. The PLA reserve component has about 1.2 million personnel divided into 50 infantry, artillery, and air-defense divisions. In addition, approximately 1.1 million personnel serve in the People's Armed Police, which includes internal security and border defense forces under the control of the Ministry of Defense. The People's Armed Police is organized into 45 divisions. The reserve forces and the People's Armed Police are expected to increase in size in the near future as active units are shifted to reserve status under China's modernization and restructuring plan. ⁶⁴

China's tank inventory has numbered around 10,000 for three decades. IDDS estimates the size of China's tank force as of 1 January 2000 at 10,100. Over the past 30 years, most Soviet World War II-vintage tanks (the T-34/85 and the IS-2) have been retired. Initially, these were replaced with large numbers of Soviet T-54/-55s and Chinese-produced versions of the T-54/-55 (Types 59/69/79). Of these, the Type 59 was the most common, with over 8,000 built for the PLA. Production of the Type 59 began in the late 1950s and probably continued into the early 1980s. The subsequent models, Type 69 and Type 79, made their first public appearances in 1982 and 1984, respectively; but despite being produced nearly 30 years after the original Type 59, they were not much more capable than their predecessor.

In 1988, the Type 80 was ready for production. The Type 80 represented China's first major break from the original T-54/-55 design. It features a computerized fire-control system, a laser range-finder, a gun stabilizer, better suspension and power plant, and night-fighting equipment. The tank currently in

⁶³. International Institute for Strategic Studies, *Military Balance 2003-2004*.

⁶⁴. *Ibid.*

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production is the Type 85-II/III, which was introduced in the early 1990s as a further development of the Type 80. In addition to the Type 80's electronic and power plant improvements, the Type 85 has an automatic loading system, which reduces the crew to from 4 to 3. The most recent design to come out of China is the Type 90-II, first revealed in late 1991, which resembles the Russian T-72 and is believed to be similar in performance. The Type 90-II has yet to enter full production, and it is not expected to do so in the near future for PLA service. ⁶⁵

China also has a nearly 2,000 light tanks. Again, these tanks are copies of old Soviet models: the Type 62 is a scaled down version of the Type 59, while the Type 63 is based on the Soviet amphibious PT-76. Both entered production in China in the early 1960s.

The active Chinese tank inventory may be smaller than the 10,100 holdings estimated by IDDS. With production having started before 1960, many of the 6,000 Type 59s still in service could be over 40 years old. Many are probably not operational due to poor construction and maintenance. In fact, China's history of poor maintenance may also put into question the operational status of some of its newer equipment as well. In any event, as a product of the new Chinese military strategy and the higher tank cost per unit, China seems to be replacing older systems on a less than one-for-one basis, moving slowly towards a much smaller, and somewhat more modern force. China may eventually mass produce the Type 90-II, instead of the Type 85-II/-III, for replacing the bulk of its older tanks. Alternatively, China may be working on an even more advanced tank model, which would further reduce the gap in technical capabilities compared with Western tank designs.

B.6 Air Forces and Combat Aircraft

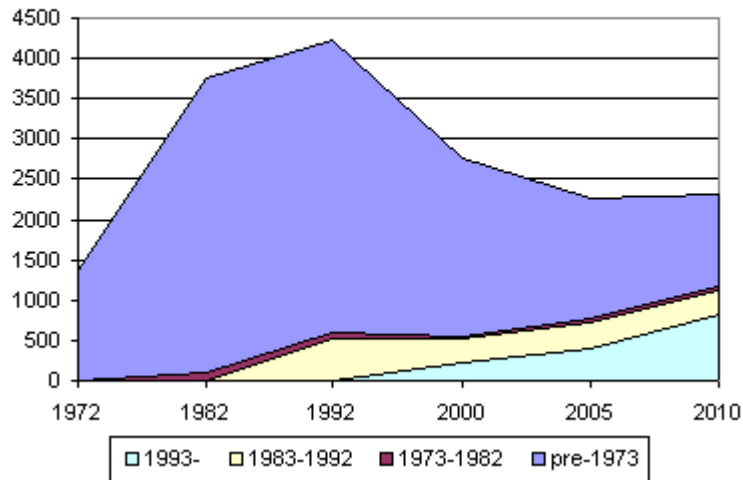
The People's Liberation Army Air Force, PLAAF, currently possesses about 4,350 aircraft, of which the majority are combat aircraft. IDDS estimates that the inventory of Chinese combat aircraft on 1 January 2000 includes the following: 1900 J-6/MiG-19 (all roles and models: fighter, reconnaissance, trainer); 720 J-7/MiG-21 (all roles and models: fighter, reconnaissance, trainer); 222 J-8I/II/III; 55 J-11/Su-27SK; 440 Q-5 (modified MiG-19); 307 H-5/Il-28; and 142 H-6/Tu-16. Small numbers of JH-7s (fewer than 12) and K-8s (10-15) may also be in service. Of these aircraft, the great majority (J-6 and J-7) are of types which began to be deployed before 1972 (See Chart 2). With the exception of 10 Il-76s, the airlift capabilities of the Chinese Airforce are limited to old Soviet tactical airlift planes

66. *Jane's Armour and Artillery 1999-2004.*

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built under license or reversed-engineered in China, such as the Y-5/An-2, Y-7/An-24, and Y-8/An-12. ⁸⁷

Chart 2: Combat Aircraft Holdings By Production Period



Much confusion exists as to the direction China will take in the future regarding combat aircraft acquisition. The Chinese government has made a priority of the development of a local aerospace industry capable of producing technologically advanced aircraft. However, the results produced by the Chinese aircraft industry to date have not been promising. Despite decades of work, the only original combat aircraft to be designed and produced in China are the J-8 and JH-7, both of which took so long to develop that by the time they entered service, they were already obsolete by Western standards. The newer J-10, which has been in development for twenty years, probably won't enter service for another five years.

China is by no means unique in this respect. Except for the five largest industrial arms producers (the USA, Russia, Britain, France, and Germany), other countries that have attempted to produce indigenously designed combat aircraft, such as Israel, South Africa, India, Taiwan, and South Korea, have abandoned these efforts and returned to importing systems from one of the five

67. IDDS shows a high level of retention for older Chinese aircraft, especially the J-6, because the rate of retirement is not known. The numbers of active units for these aircraft may be much lower.

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main producers. The basic reason is that the economies of scale required to finance research, development, and production of all the systems and sub-systems that make up today's frontline combat aircraft are not available to smaller industrial countries nor to large developing countries with smaller GNPs and smaller industrial bases. (In fact, for this reason, Russia is lagging increasingly behind the West in most areas of military technology.)⁶⁸

As a result of the inability of the Chinese aircraft industry to produce indigenously designed, technologically advanced combat aircraft, the Chinese government has partially reversed its policy of relying on domestic arms production and has renewed imports of combat aircraft from Russia—specifically, Su-27s and Su-30s—in small numbers. Over the next decade, China will produce Su-27s, with the Chinese designation J-11, under license from Russia. Up to 200 Su-27s may be built, but the total may be curtailed if China obtains licensing rights to the Su-30, which offers several technological advances over the Su-27. China currently plans to buy 30–60 Su-30MKs.⁶⁹ In addition, China will continue to pursue its own aviation projects. Production of the latest model of the J-8 will continue in small batches. The JH-7 may also be produced in greater numbers, if PLAAF or PLAN can find a role for the aircraft in their inventories. The J-10 is scheduled to enter service around 2005 with initial reports of expected production up to 300 aircraft (depending in part on the progress of the Su-27 program). In any case, the J-10 and the J-11/Su-27 are expected to form the mainstay of the Chinese Air Force in the early 21st century.

Of great significance is China's plan to buy one-to-four AWAC aircraft from Israel.⁷⁰ If China purchases just one copy of the aircraft, which is an insufficient number for operational use, it will still provide an opportunity for the PLAAF to experience the use of airborne command and control. China is also making progress in in-flight refueling, and several H-6/Tu-16 bombers and Y-8/An-12 transports have been converted to tankers. As is the case for AWAC aircraft, more acquisitions of tankers will be needed if China seeks to obtain the capability to conduct combat aircraft operations at any distance from its own territory.

68. Randall Forsberg, ed. *The Arms Production Dilemma: Contraction and Restraint in the World Combat Aircraft Industry* (Cambridge, Massachusetts: MIT Press, 1994), p. 243.

69. Washington Post, "Russians help China modernize its arsenal", p. A17, 2/10/2000.

70. While the Israeli AWAC aircraft is based on the Il-76, the United States is trying to block the sale of the plane to China on the grounds that the radar contains restricted U. S. components. (*Jane's All The World's Aircraft 1999-2000*, p. 354).

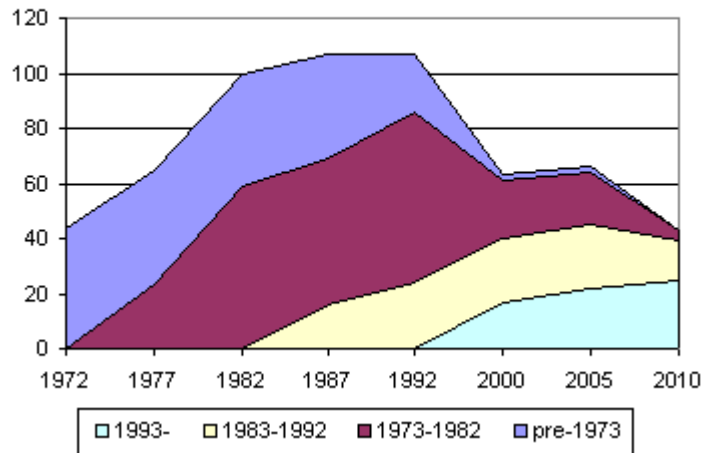
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B.7 Submarines:

China embarked on a large submarine building program in the 1960s, which tapered-off in the late 1980s, which included many diesel-electric patrol submarines and some nuclear powered submarines. Many of the diesel-electric submarines from that construction period are now in reserve. Recently, construction and acquisition of new submarines has begun to intensify. In the near future, China's submarine fleet is expected to be smaller, but more modern (See Chart 3).

For most of its history, the People's Army Liberation Navy (PLAN) submarine fleet has consisted of small coastal patrol submarines and domestically produced versions of the Soviet 'Romeo' class sub. Initially lacking any real ASW capability, the Chinese 'Romeo' class (Type 033) is now outclassed by nearly every ASW system deployed by China's neighbors. In all, 73 Romeos were built for use by China between 1962 and 1987.⁷¹ Of these about 38 remain in active duty, although they may only go out to sea a few days per year. Another 30 are in varying conditions of reserve status. One Romeo was modified to carry six YJ-1 (C-801) anti-ship missiles, but it must surface to fire them.

Chart 3: Submarine Holdings (>1000 tons) By Production Period



In the 1970s, China embarked on a program to domestically produce submarines of its own design. The first of these was the 'Ming' class (Type 035), produced from 1971 to 1979, with production resuming again in 1987. The Mings

71. *Jane's Fighting Ships 1999-2004.*

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are not much better in capability than their Romeo predecessors, although they are of newer construction. Submarines of the Song (Type 039) follow-on class are slightly larger than the Ming and incorporate streamlined hull for better submerged performance. The first Song was commissioned in 1999, and two more are now under construction. Later models may incorporate design features from the Kilos. The Song class may be fitted with a version of the C-801 or C-802 anti-ship missile that is capable of submerged launch. In addition, China has purchased 4 Kilo class submarines from Russia. Additional purchases of Kilos or the newer 'Amur' class from Russia may depend on the progress of the Song class.

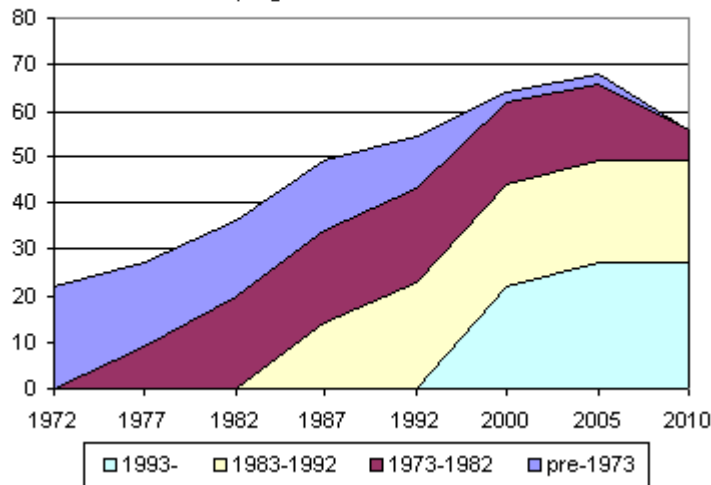
Like China's effort with the Xia SSBN, China's first attempt to domestically produce a nuclear-powered attack submarine produced disappointing results. The 'Han' class (Type 091) first entered service in 1974. Again, power plant problems plagued the class, and the next ship in the class was not commissioned until 1980. The fifth and final ship did not enter service until 1990. Despite their problems, which may have been fixed, and the long delays in construction, China seems committed to deploying the five subs built. The follow-on Type 093 class is expected to build on the experience from the Han class and on assistance from Russian submarine builders. The class will be similar in capability to the Russian Victor III, first deployed in 1978. The first Type 093 entered service last year.

Surface Warships:

Since the 1972, the number of ships and overall tonnage of China's surface combatants has increased at a steady rate. The increase is expected to continue for the next five years, but may decline after that if no new construction or acquisition programs are undertaken. (See Chart 4). The most recent additions to the Chinese Navy are two Russian-built 'Sovremenny' class destroyers. These ships, the first of which was delivered in February 2000, are the largest and most powerful surface warships ever operated by the Chinese Navy. Their most formidable weapon is the SS-N-22 Sunburn supersonic sea-skimming ASM, of which eight are carried. The Sovremenny is also armed with the SA-N-7 'Gadfly', which will give China a limited naval air-defense capability. Up to now, China has possessed only short-ranged SAMs of French or domestic design.

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Chart 4: Surface Warships Holdings (>1000 tons) By Production Period



The newest Chinese-built destroyers are two 6,000 ton 'Luhai' class. The first ship of the class entered service in late 1999, and the second is expected to enter service in 2000. Two more are planned with commissioning dates in 2002 and 2003. ⁷²

China operates 18 other destroyers of two principle classes. The 4,200 ton 'Luhu' class was the basis for the 'Luhai' class. Two ships were built, with commissioning dates in 1994 and 1996, respectively, although they were originally ordered in 1985. (Construction was delayed to allow for completion of a frigate order from the Thai Navy.) The Lulus are armed with 8 C-802 ASMs, a domestically built Crotale SAM launcher, which France provided copies of in the 1980s, ASW torpedoes and mortars, and many guns. They are also capable of carrying 2 Harbin Zhi-9A helicopters, which are used for ASW and anti-ship missions.

The largest class of destroyers is the 16 'Luda' I/II/III class (3,670-3,730 tons). These ships are armed with 6 C-201 ASMs, ASW torpedoes and mortars, and a heavy gun armament. The Luda II replaces the aft-most 130 mm and 37 mm gun turrets with a helicopter pad and hangar. The sole Luda III carries the C-801 instead of the less capable C-201. Two of the classes have been fitted with a Crotale launcher. Others may be fitted in due course, but priority is being given to the construction of additional ships.

72. IDS Database of World Arms Holdings, Production, and Trade 1972-2000, with Projections to 2010, April 2000.

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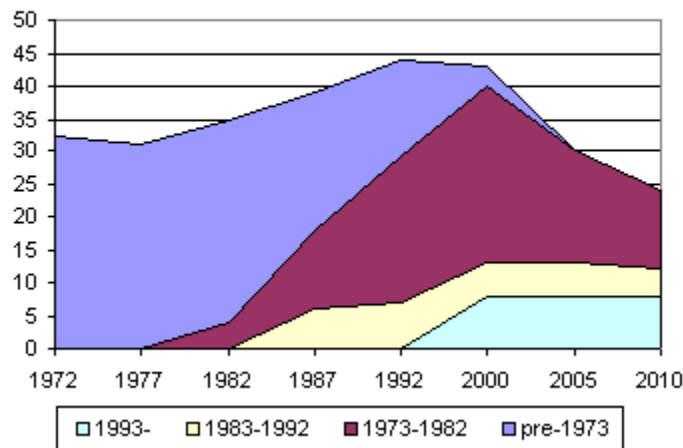
The remaining major surface combatants comprise 37 frigates. As is the case for the destroyers, the frigates are designed mainly for anti-surface warfare and lack any significant self-defense (AAW or ASW) capabilities. The newest and most capable frigates are the 6 'Jiangwei' class ships (2,250 tons). Their armament is similar to the 'Luhu' class, but with fewer guns and missiles. They are capable of carrying a single Dauphin helicopter. The first of these ships was laid down in 1990. Three more are now under construction, with 2 more planned.

There are 31 units of the one other type of frigate in service, the 1,702 ton 'Jianghu' class. The class has four sub-groups: the Jianghu I (27 in service) carry 4 C-201 ASMs, 2-4 100 mm guns, plus varying numbers of lighter caliber guns; the sole Jianghu II replaces aft armament with a helicopter hanger; and the 3 Jianghu III/IVs replace the C-201 with 8 C-801 or C-802 ASMs.

B.8 Amphibious Assault Ships:

China's amphibious assault capabilities are very limited. As of 1 January 2000, China has only 49 amphibious assault ships with full displacements of 1,000 tons or more (with three more ships under construction). (See Chart 5). Of these, 42 are under 2,000 tons, and none is larger than 4,800 tons. Many are quite old, including 3 ex-US Navy LSTs built between 1942 and 1945.

Chart 5: Amphibious Assault Ship Holdings (>1000 tons) By Production Period



This small fleet size excludes any possibility of China attempting to seize control of Taiwan by means of an amphibious assault. Moreover, there is no sign that China is building or planning to build the larger troop and cargo ships which would be necessary for a large-scale attack. Similarly, China's small force of marines (about 5,000) indicates that an expansion of amphibious assault capabilities is not expected.

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Overall, the Navy is gaining the most from recent increases in Chinese military spending. Potentially the most ambitious naval program is the possible purchase or construction of aircraft carriers. If and when China acquires an aircraft carrier for active deployment, it will probably be a conventional take-off and landing (CTOL) type, since China does not have access to vertical and short take-off and landing (V/STOL) aircraft, such as the British Sea Harrier. The smallest CTOL carrier currently in service is the Brazilian *Minas Gerais*, at 20,000 tons. However, China would probably want to use its new Su-27/J-11 and possibly J-10 fighters on any carrier, which would require a flight-deck longer than that on the Brazilian ships. Current estimates place the size of the needed ship at 45,000 to 50,000 tons, which would put it in the same category as the Russian *Kuznetsov* or the French *Charles de Gaulle*.⁷³ Russian design assistance has been sought for the Chinese carrier program and China has studied the ex-Australian carrier *Melbourne*, which it was towed to China for scrap.⁷⁴ China also purchased the ex-Soviet carrier *Kiev* in May 2000. China is expected to deploy a carrier capable of carrying 24 fighter planes plus helicopters in the support role. The ship is likely to be conventionally powered, since China has limited experience with nuclear power in submarines only. According to press reports, the first Chinese carrier could be in service by 2005, with a second in service by 2009. Additional carriers could follow every three years.⁷⁵

China also plans to strengthen its surface fleet through the purchase of additional destroyers from Russia: In addition to the two "off the shelf" Sovremennys already bought, China plans to acquire two more Sovremenny DDGs with modifications. The delivery dates are unknown.⁷⁶

B.9 Potential Chinese Uses Of Armed Force Against Taiwan

The West's concern about China's military capability is focused mainly on potential military action against Taiwan. China has threatened to take military action if Taiwan declares independence from the mainland or indefinitely prolongs the unification process. While the modernization of China's military forces currently under way may facilitate a potential attack on Taiwan, it does not make success a forgone conclusion for the foreseeable future. Reviewing

73. Agence France Presse (AFP), "China's first aircraft carrier", 1/12/00.

74. *Jane's Fighting Ships 1999-2004*.

75. AFP, "China's first aircraft carrier", 1/12/00.

76. BBC Summary of World Broadcasts, 'Ta Kung Pao' web site, Hong Kong, 2/15/00, 2/17/00.

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potential uses of armed force by China, this section concludes not only that Chinese capabilities are limited now, but also that given the slow pace of modernization, China's capabilities for attack on Taiwan are likely to remain limited for the next 10-15 years.

B.10 Combined Arms Attack and Invasion

In theory, China could launch a combined arms amphibious and airborne assault on Taiwan. China's current forces do not include enough transport assets to accomplish such a task, however; and there is no evidence that China is building up larger numbers of amphibious assault ships or large cargo aircraft. Current military doctrine calls for a 5-to-1 attacker to defender ratio for amphibious assaults. Today China can only transport 1 armored or 3 infantry brigades with its amphibious ships, which would be completely inadequate for an attack on Taiwan. The use of commercial and fishing vessels (for example, splitting a company of troops among 4 fishing trawlers) could not substitute effectively due to communication problems and the resulting inability to coordinate units. An amphibious assault would only be conducted with control the skies over the Strait, which the Chinese Air Force probably cannot accomplish. The weather and terrain of Taiwan favors the defender, with high waves and wind in the Taiwan Strait, combined with cliffs on the eastern part of Taiwan and expansive mudflats on the western coast. Finally, Taiwan and the United States could see an invasion coming many months before the event, because it would take that long to prepare if China did have the forces to attempt the effort.

B.11 Missile Attack

China could attack Taiwan with a few hundred DF-15 and DF-11 conventionally armed missiles; but history suggests that such an attack would probably not force Taipei to capitulate (compare, for example, Britain in 1944-45, or Serbia in 1999). These missiles are not accurate enough to be precision weapons against airfields, radar, transport nodes, etc. They would have to be used more as a terror weapon, against cities and town. If only conventional warheads were used, damage would not be any more significant than that from a large natural disaster, such as the one Taiwan survived in 1999 (a major earthquake near Taipei). Since China only has a limited number of DF-15 and DF-11 missiles, a long-lasting missile siege would be difficult.

B.12 Blockade

China's navy could attempt to blockade Taiwan, forcing ships to dock at Chinese ports before proceeding on to the island. If the number of China's large surface ships (frigates and destroyers) continues to increase, such a blockade would be easier. China currently has more ships than Taiwan, and could attempt to enforce a blockade with a combination of naval vessels and mines. And despite the lack of sophistication of China's submarines, Taiwan has limited ASW

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assets to counter China's large submarine fleet. As with a missile attack, a blockade would bring international condemnation and, as a result, hurt China's economy, even if it were technically legal under international law (with Taiwan recognized as part of China).

B.13 Summary

China's military is modernizing, but there are distinct limits to the modernization program. First, the current force structure is so old that the rate of retirement will exceed the rate of acquisition in all major weapons categories, with the possible exception of major surface combatants. This means that the size of China's armed forces will continue a recent pattern of decline, and to drop quite steeply in some cases, such as combat aircraft. The only exception may be China's surface combat ships. (See China versus Region charts).

Second, the modernization is proceeding slowly and in a piecemeal manner. All military forces take a significant amount of time to integrate new weapon systems into its forces; for China the process seems to take longer than most.

Third, China is adding only a handful of modern systems to its inventory. New systems are purchased in small batches or singly, which is cannot dramatically change the balance of power. Moreover, while "modern" relative to existing Chinese systems, current acquisitions from Russia are not as capable as the comparable systems fielded by the United States or even Japan, South Korea, or Taiwan (in some areas).

Finally, China's military modernization plan has highlighted the inability of the indigenous arms industry in China to produce the advanced technology weapon systems that the military wants. The recent return to dependence on foreign assistance (specifically, aircraft and naval vessels from Russia, and technical assistance from Israel) runs contrary to the Chinese government's desire to fully control its own military destiny.

China may eventually change its policies and invest more financial resources in military modernization; but for the foreseeable future, China's potential for military action in Taiwan and other areas will remain limited. China may take a more active military role in its region, but the overall balance of power in East Asia will remain unchanged. ⁷⁷

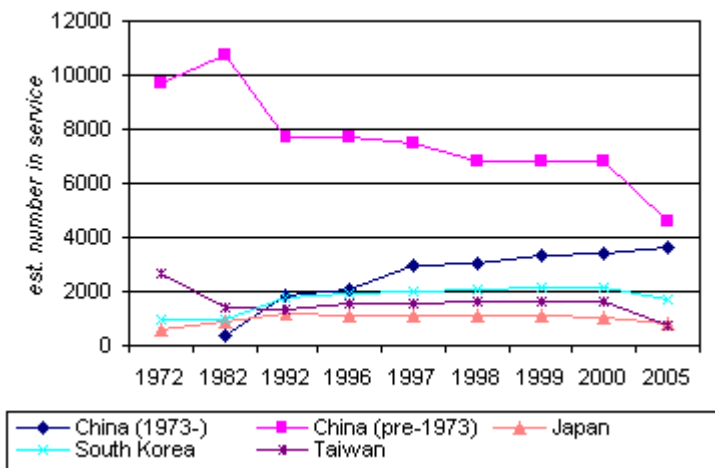
77. This article and the associated graphics were prepared by Frank W Moore, Research Analyst, Institute for Defense and Disarmament Studies, June 2000. This article and associated graphs may be freely quoted and reproduced with proper attribution to the author, and the publishing organization, Institute for Defense and Disarmament Studies, Cambridge MA 02139. This appendix was included as a service to CIFA analysts. In the opinion of the author of this study, this appendix represents the best unclassified

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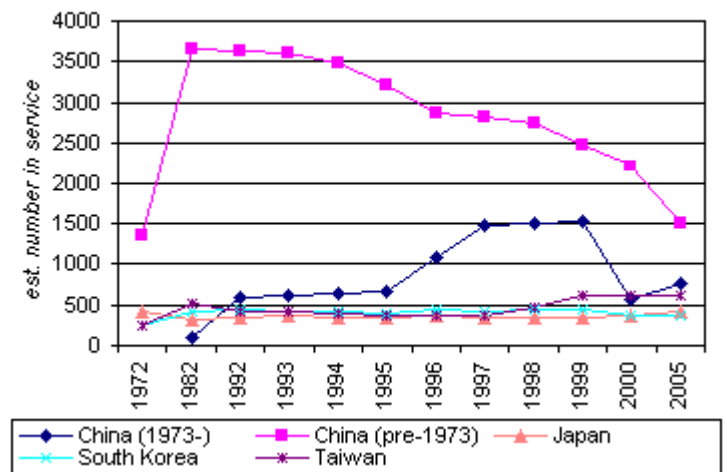
overview of the capabilities of China's armed forces, and should be included in any study the CIFA China Campaign develops when unclassified data on China's armed forces is required. It should be noted that the numbers for Chinese naval, air and ground equipment holdings was extracted from the Military Balance, published by the International Institute for Strategic Studies in London. The users of this appendix may wish to know that those figures are vetted through agencies of the U.S. National Foreign Intelligence Community and major defense staffs, and they represent the most accurate unclassified equipment figures outside of the classified Modernized Integrated Database (MIDB).

China versus Region

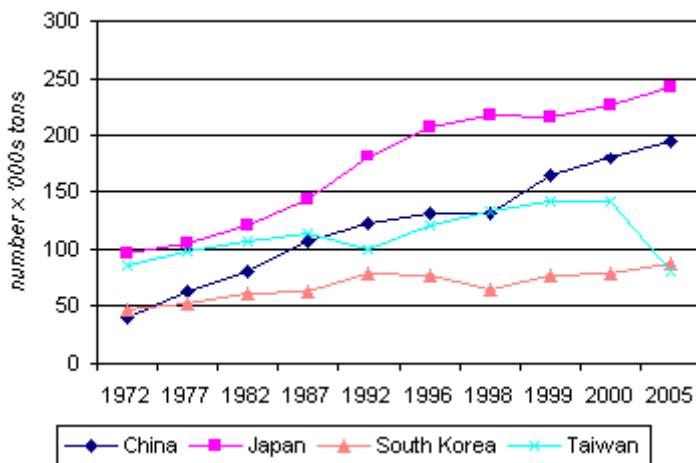
Tanks



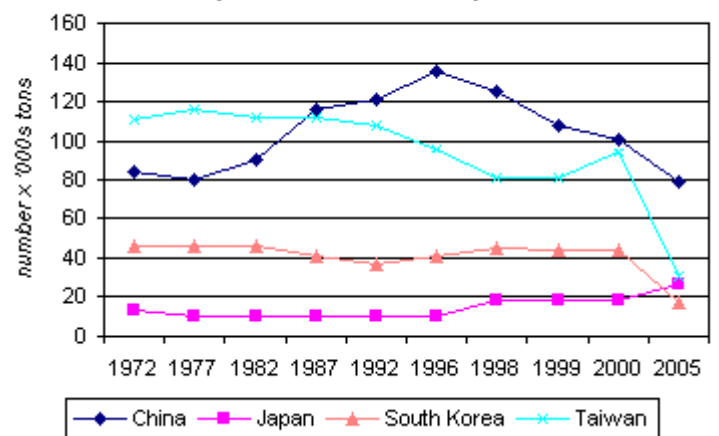
Combat Aircraft



Surface Combat Ship Tons



Amphibious Assault Ship Tons



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