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The Taiwan Strait Crisis of 1996
Strategic Implications for the United States Navy

Douglas Porch

THE TAIWAN STRAIT CRISIS of March 1996 demonstrated that tense relations between the People's Republic of China (PRC) and the Republic of China (ROC) constitute an Achilles' heel of East Asian stability. When the PRC began to fire missiles into the seas off Taiwan's two major ports, the United States demonstrated its commitment to the peaceful "unification" (or "reunification") of Taiwan with the mainland by dispatching an armada that included two carriers, the USS *Independence* (CV 62) and the USS *Nimitz* (CVN 68), in the most significant naval display in the area since the 1950s. Because the crisis faded away and was soon consigned to distant memory, its implications have failed to receive the attention they deserve.

This is a pity, for at least three reasons. First, this is a recurring problem. Although the 1996 Strait crisis, like its predecessors in 1954 and 1958, was resolved short of open warfare, who is to say that this will be the case in future? The fundamental disagreements between the two Chinese governments are far from resolution. Taiwan remains the hinge of discord in East Asia, over which Beijing, Taipei, and Washington may yet come to blows.

Second, the conventional wisdom, especially in U.S. government and naval circles, may be wrong. It holds that the arrival of two carriers effectively

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deterred Beijing's intimidation of Taiwan. Unfortunately, a close analysis of the crisis yields little evidence to support this thesis.

Worse, from an American and Taiwanese perspective, the 1996 Strait crisis and its aftermath reveal that while it is more imperative than ever that the United States be able to support policy with military force, technology and force structure may be working against it. Indeed, one consequence of the Strait crisis of 1996 is that it increased the PRC's incentive to develop or purchase new generations of weapons aimed at maximizing the advantages of its geographic position while exploiting vulnerabilities in the American and Taiwanese force structures. Hence, the third reason for concern about the importance of the crisis is that in a future confrontation the United States may find it far more difficult to counter PRC pressure on Taiwan, because aircraft carriers, submarines, and cruisers will give it diminished leverage over a continental power like the PRC. The dreary but inescapable present assessment is that the United States has no immediate counter to emerging Chinese (and other nations') technologies. Indeed, the Taiwan crisis, when linked with technological—especially missile—developments, suggests that Washington's ability to ensure regional stability through forward presence and the deployment of naval power may be nearing an end.

This article will examine the origins and events of the 1996 Strait crisis, the consequences of that crisis for Taiwan-PRC-United States relations, and the implications, both diplomatic and military, for the future.

Origins of the Crisis

The source of the 1996 crisis resides in the evolving political dynamic between the governments of Taiwan and China. Taiwan's attempts, with the aid of its political supporters in Washington, to increase its claims to status as an independent nation especially alarmed PRC policy makers and military leaders, for several reasons. Most obviously, the prospect of a growing movement toward explicit Taiwanese independence signaled a major policy failure: the former PRC leader Deng Xiaoping had committed the Communist government to develop economic and cultural relationships in preparation for the "reunification" of Taiwan with the mainland, which the independence movement was rejecting. Second, the development caught China at a particularly delicate time; the Communist government was struggling to maintain its legitimacy as a new generation of leaders began to guide the PRC's transition to a market economy.

The decision by the PRC to employ threatening military measures in the Taiwan Strait can be traced to the emergence of a new leadership in China as early as 1992, when the Fourteenth Communist Party Congress named Jiang Zemin head of the Taiwan Affairs Leading Small Group. The group concluded

that Deng Xiaoping's policy of peaceful engagement of Taiwan as the prelude to "reunification" was moribund. Taiwan, which according to that policy was scripted to tumble like overripe fruit into Beijing's basket, in fact clung tenaciously to its autonomy, while popular support for a formal declaration of independence gathered momentum.

From Beijing's perspective, Taiwan had developed into a hotbed of secessionist sentiment, guided by a confederacy of island-born leaders determined to evolve a political culture, economic infrastructure, and foreign policy that defines a destiny for their island distinct from that of the mainland. In 1988, Li Denghui succeeded Jiang Jingguo, Jiang Kaishek's* son, as president of the ROC without the chaos that many predicted would accompany the passing of the Kuomintang old guard—chaos that would offer Beijing opportunities for intervention in the island's affairs. The Republic of China quickly shed its image as a reliquary of Nationalist "bitter-enders" dedicated to a *reconquista* of the mainland. Beijing looked on aghast as Li initiated reforms that increasingly distinguished Taiwan from its ramshackle mainland counterpart by the vibrancy of its democratic structures. Li's government assiduously leveraged Taiwan's new image, and incidentally its financial clout, with international organizations and with governments in Africa, the Middle East, and Central America. Li Denghui simultaneously cultivated relations with members of the Japanese Diet and the U.S. Congress, insurance against sudden swerves in the national policies of those countries in the PRC's favor. PRC leaders became incensed as Taipei picked apart the Beijing-constructed arms embargo to purchase modern frigates and aircraft from France and the United States.[1]

Still, Li's dynamism and single-minded pursuit of Taiwan's interests accounted for no more than half of his success; Beijing's infallible maladroitness in the court of world opinion worked as Li's most valuable collaborator. Relations with Washington and other Western capitals had plummeted following the bloody repression of the 1989 Tiananmen Square demonstrations. Chinese mistreatment of dissidents, religious groups (notably Christians), and ethnonationalist movements (such as that of Tibet) were recurrent reminders that Tiananmen had not been an anomaly.

Early in 1994, the PRC leadership apparently reached four alarming conclusions: Li Denghui was committed to the creation of a separate Taiwanese state; support for independence among the Taiwanese, as represented by the electoral strength of the Democratic Progressive Party, was growing; Beijing's attempts to isolate Taipei diplomatically were foundering; and the ROC's presidential election in March 1996 would set these trends in concrete. As a consequence,

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* In the Wade-Giles spelling, Chiang Kai-shek.

the People's Liberation Army was ordered to plan for action against Taiwan; major exercises were accordingly carried out in Fujian Province opposite Taiwan, and in November 1994 a conference was called to publicize the PLA's new strategy of "local war under high-technology conditions." On the basis of the Chinese analysis of the Gulf War, advocates of that doctrine preached that a display of the PLA's capabilities during a crisis would deter an enemy.[2]

Nevertheless, relations between Beijing and Taipei appeared calm in early 1995; cross-Strait committees narrowed differences over the repatriation of airline hijackers, the return of illegal immigrants, and the settlement of fishing disputes. At the end of January, Jiang Zemin delivered a speech that (apart from a reiteration of Beijing's intention *not* to renounce the use of force "against the schemes of foreign forces to interfere with China's reunification and to bring about the 'independence of Taiwan'"—a hint of menace considered almost obligatory) was remarkably civil by prior standards. Diplomats were warm in their approval of Jiang's declaration that "Chinese should not fight Chinese." Li's reply in April restated Taiwan's positions in firm but restrained language. Observers were gratified by the fact that the two Chinese leaders were engaged in a dialogue, even if it was carried on through media interposition rather than face to face.[3]

The calm proved deceptive, however. An American decision to grant Li a visa to visit Cornell University in May 1995 coaxed the latent tension into the open. Although Li's visit was a "private" one, Beijing screamed foul and lashed Secretary of State Warren Christopher for deceit. Those who blame the uproar on Chinese misperception of American politics point out that it should have been obvious to Beijing that the administration had denied Li a visa, in line with U.S. policy, until Congress compelled the State Department to grant it. From Beijing's perspective, however, who had issued the visa was immaterial. The important point was that Li used the trip to demonstrate his good standing in America's eyes and to boost his campaign for reelection as president in March 1996. During his U.S. stay Li took advantage of all the media attention he could get; also, he repeatedly referred to the "Republic of China on Taiwan," which Beijing interpreted as a mere stepping stone to "two Chinas." Soon afterward, Li launched Taiwan's fifth *Oliver Hazard Perry*–class guided missile frigate and dispatched a "friendship fleet" to Singapore, to the delight of the Chinese community there. Also at this time, Germany announced that it was easing restrictions on Taiwanese weapons purchases; in response, PRC leaders warned "foreign forces" not to "interfere" with China's "reunification."

The Crisis

Hard-line factions within the Chinese Communist Party (CCP) and the military probably forced Jiang Zemin to respond to what they interpreted as

deliberate provocations by Li Denghui, although some analysts argue that these actions were merely an acceleration of a trend of increasingly aggressive behavior on the part of the PRC against its own citizens and its neighbors.[4] In fact, the 1996 maneuvers were a continuation, at an increased level of complexity, of exercises that had begun in 1993 to test new technologies and to develop the PLA's capabilities in combined arms and joint warfare. These maneuvers had been carefully sequenced; defensive assets had been deployed in advance, and only when the defensive screen was in place had offensive air and sea assets been committed. These maneuvers had acquired a momentum of their own, which suggests that the Chinese had intended to continue them whatever the U.S. response. Indeed, the PLA may have expected the Taiwanese or the Americans to react and was preparing to deal with that.

Beijing's decision to adopt a more muscular approach in its dealings with Taiwan had at least two goals. The first was to propitiate hard-liners among the PLA generals and admirals and within the CCP. The second was to intimidate Taiwan, to pour frigid water on illusions that the island could walk away from "reunification" with impunity. To that end, missiles of the Second Artillery Corps (the strategic missile service) were the weapon of choice; then as now, missiles constitute the PLA's trump card, the one area in which it possesses a technological advantage over the ROC, the one weapon against which no battle-tested defense so far exists. A possible third goal was to drive a wedge between Washington and Taipei by undermining the U.S. security commitment to Taiwan.[5]

On 18 July, Beijing announced that missile tests would be carried out from 21 to 28 July about ninety miles northeast of Taipei, preceded by extensive defensive deployments. Six missiles were fired between 21 and 26 July, all of which appear to have been CSS-6/M-9 short-range ballistic missiles (SRBMs). These firings constitute the first reported M-9 use in exercises. A second "guided missile and artillery firing exercise" was carried out between 15 and 25 August in the same area, by about twenty PLA Navy ships and forty PLA Air Force planes firing antiship and antiaircraft missiles. Coincident with these exercises, on 18 August an underground nuclear test was conducted. In November, as legislative elections approached in Taiwan, the PLA held large naval and amphibious exercises off Dongshan Island, opposite Taiwan, during which bombing and blockade tactics were rehearsed.[6] Beijing also announced major military exercises for March 1996, scheduled to coincide with Taiwan's presidential elections.

Beijing's tactics seemed to bear fruit: the 2 December parliamentary elections on Taiwan returned candidates favorable to reconciliation with China.

On 19 December, the United States responded by sending the USS *Nimitz* battle group through the Strait, the first carrier to make that passage since 1979.

The Crisis

July 1995	Six SRBMs fired
August 1995	Air/sea exercise, nuclear test
November 1995	Naval amphibious (blockade) exercise
December 1995	USS *Nimitz* transits Taiwan Strait
January–March 1996	SAMs and aircraft deployed; amphibious exercise; four SRBMs fired; U.S. CVs deploy

"This simple movement, belated in terms of events unfolding on Taiwan, but nevertheless unprecedented in fifteen years, was clearly intended to symbolize American concern," concludes a July 1997 Naval Postgraduate School study on forward engagement. "But it had no visible deterrent effect."[7] Beijing did file a diplomatic protest, labeling the transit potentially hostile.[8]

By February, the Hong Kong press was printing stories about the mobilization of as many as four hundred thousand troops in Fujian Province, in an operation code-named EXPRESS 60. The PLA also moved another missile unit toward the coast. On 5 March, Beijing announced that between 8 and 15 March, missiles would be fired across important air and sea lanes into areas thirty to forty miles off Taiwan's two largest ports. Ships and aircraft were warned to avoid these zones. On the 8th, three M-9s were fired, landing about twenty miles from ports in Taiwan's north and south.

On the same day, Secretary of Defense William J. Perry joined Secretary of State Christopher and National Security Advisor Anthony Lake for a meeting in Washington with Liu Huaqiu, China's vice minister of foreign affairs, in order, Perry wrote, "to deliver a crystal-clear . . . strong and unambiguous message."[9] "I have no doubt," Perry continued, "that he immediately conveyed our message to the highest levels in the Chinese government. However, our words were not heeded. The Chinese announced on March 9 that they would hold live-fire military exercises in the Taiwan Strait between March 12 and March 20, and during that period they conducted one more missile firing. Our diplomatic approach, although uncommonly blunt, had not been effective."[10]

Consequently, Perry conferred with General John Shalikashvili, Chairman of the Joint Chiefs of Staff, and, with presidential approval, directed the USS *Independence* battle group toward Taiwan, shifted the USS *George Washington* (CVN 73) from the Adriatic to the Persian Gulf, and ordered the USS *Nimitz* battle group from the Gulf to Taiwan—a transit of twelve days.

From 10 March, statements by Chinese foreign ministry spokesmen promised that Chinese forces would "resort to non-peaceful means" if "foreign forces" attempted to "invade" Taiwan—quite different from a blanket threat against those who "interfered" in China's reunification. "Thus," in the words

of one analyst, "China blinked."[11] A second argument that the carriers' arrival had a salutary effect is that they may have deterred a PLA escalation. The Chinese had declined to comment on a 24 January 1996 *New York Times* report that Beijing planned to escalate in the event that Taiwanese elections returned candidates favorable to independence, a reticence that justified the dispatch of a large force capable of aiding the defense of Taiwan.[12] So, the carriers may have closed out the option of escalating military pressure against Taiwan.

Other analysts remain unconvinced, pointing out that although the Chinese reacted vigorously to what they regarded as "unnecessary meddling and interference" by U.S. forces, the "blinking" appears to have been done purely on paper.[13] This may suggest that while rhe appearance of U.S. ships may have given the polirical leadership pause, the American presence did not cause the PLA to alter its operations one jot—a fourth missile was fired on the 13th. More air and sea exercises took place between 12 and 20 March along the Fujian coast opposite the southern shore of Taiwan, and again on 18 to 25 March near Pingtan on Haitan Island farther north, in conjunction with amphibious assaults.

These exercises revealed several "firsts" for the PLA—for instance, the deployment in unprecedented numbers of newly purchased, advanced surface-to-air missiles. Also, F-6s, F-7s and F-8s appeared in record numbers.[14] Complementing the capabilities of these fighters and air defenses were Su-27 interceptors, which played a prominent role in the exercises. The exercises also witnessed the first dispatch of advanced Chinese submarines to the Taiwan Strait. Observers were impressed by the deliberate nature of the exercise: a deployment of air defenses, followed by ships and troops, and then launching of SRBMs. The joint-force amphibious exercises were the largest observed in the PRC in two decades, and they might have been larger still had not bad weather caused them to be curtailed. The planning and execution of the exercises revealed an operational sophistication hitherto unseen in Chinese forces. Navy and Air Force aircraft executed a two-stage exercise, a counterair phase followed by an attack phase. The PLA practiced air and amphibious assault, with helicopter insertion supported by combined arms, including naval gunfire support.

Consequences of the Strait Incident

If the first Chinese goal of the Strait incident was to solidify Jiang's control of the party and of the PLA, that appears to have been achieved. PLA leaders, for their part, today believe that they demonstrated Beijing's resolve to dispel Taiwan's fantasies of independence.[15] However, an American scholar of China, Arthur Waldron, suggests that Beijing's decision to rely on force (or the threat of force) was flawed, in that it lacked military credibility and was diplomatically counterproductive. The firing of missiles, designed to demonstrate Taiwan's

vulnerability, showcased instead PLA weakness, at least in the short run. Indeed, for the moment, the PLA lacks punch. It lacks sealift, ability to provide air cover, and enough highly trained troops to invade Taiwan, although it might be able to seize one of the islands just off the mainland. By rattling its missiles, the military's single "pocket of excellence," Beijing threatened to undermine both the stability of the region and its own economic future.[16] Its position today is analogous to that of Wilhelmine Germany, for which peace offered every advantage but whose leadership "encircled itself" through bellicose behavior designed for home consumption. Beijing's bullying raises Taipei's stature in the world and makes China appear a threat to other countries in the region. It has already ignited an arms race in which the PLA is well behind where its competitors started.

The second goal of the Strait incident was to intimidate Taiwan. Here the results appear inconclusive. Those, like retired Admiral Eric McVadon, who argue that Beijing achieved its goal point out that the missile firings alarmed the Taipei stock market and stimulated capital flight. The missiles caused even greater fissures in the ranks of the Taiwanese Democratic Progressive Party, never a unified group at the best of times. The anti-independence New Party scored gains in the December 1995 legislative elections, although these may have been due more to its anticorruption platform than opposition to Li's policies.

Li actually capitalized on the missile firings, winning the March 1996 presidential election by an impressive 54 percent. Li does appear to have moderated his provocative behavior somewhat; he has curbed his "vacation diplomacy" and has no further plans to visit the United States, although he continues to court other countries.[17] Conversely, Li remains adamant that "Taiwan's destiny isn't China's to decide." As if to underline this point, an estimated 40 percent of Taiwanese now favor outright independence from China, while only 18 percent desire unification, even in the long run.[18] Even if this number fails to grow, it is obvious that Taiwan has more to lose than to gain from unification, both politically and economically.

Short of a cataclysmic change that brings a more enlightened leadership to power in Beijing, then, "peaceful unification" remains a mirage. The Strait incident of 1996 suggests that unification by force is also out of the question for the foreseeable future. However, the "status quo" works poorly for Beijing, because it means an open-ended future of de facto independence for Taipei.

One reason why unification by force is out of the question in the short term is that it is ambiguous whether China achieved a possible third goal of the Strait incident—to undermine U.S. security commitments to Taiwan. As noted, neither the passage of the *Nimitz* through the Strait in December 1995 nor the appearance of the American armada in March 1996 appears to have caused China to alter its military operations. However, for the moment, it is impossible to

know for certain what political impact these events had in Beijing. One may well begin by asking: "Would the Chinese have provoked the Strait incident had they known that Washington would deploy fourteen ships to Taiwan, including two aircraft carriers and an Aegis cruiser, in the largest show of force in the Strait since the 1950s?"[19] Arthur Waldron believes that they would not have done so, that the goal of Beijing's missile rattling was to intimidate Taiwan while remaining below the threshold of U.S. intervention.[20]

The best-case interpretation is that Washington's reaction will induce caution among PRC leaders in the future. Here, not only did the United States respond firmly, but the Strait incident proved diplomatically counterproductive for Beijing, because it drove many of China's neighbors—notably Japan, the Philippines, and Australia—to strengthen their security alliances with Washington.[21] On the plus side for Beijing, the Strait crisis did cause President William Clinton to underline the limits of the U.S. commitment to Taiwan during his 1998 visit to China.

Still, Beijing has not renounced the use of force against Taiwan. On the contrary, some observers believe that while PRC leaders have always been willing to fight to prevent Taiwan's independence, the Strait incident of 1996 convinced them that war has become more likely, especially if Taipei convinces itself that U.S. naval support will thwart PLA retaliation.[22] For this reason, the Chinese government has accelerated PLA efforts to develop counters to U.S. naval superiority, with a goal of neutralizing American sea power in the region and thereby acquiring the capacity to coerce compliant behavior from Taiwan.

Relations between Washington and Beijing have been defined by the so-called "three communiqués" of 1972, 1979, and 1982. As national security advisor to Richard Nixon, Henry Kissinger accepted the "one China" formula, which included Taiwan as part of China—although he did not necessarily mean a China exclusively dominated by the Communists. The sticking point for Beijing has been that Kissinger and subsequent U.S. diplomats have made it clear that unification, when it comes, is to be voluntary and peaceful.

In 1979, the Carter administration transferred diplomatic recognition from Taipei to Beijing, stating that "the United States expects that the Taiwan issue will be settled peacefully by the Chinese themselves." What looked to be the nail that sealed the coffin of Taiwanese independence was hammered home in 1982, when the United States declared its intention "to reduce gradually its sales of arms to Taiwan, leading over a period of time to a final resolution."[23] Weaponless, Taiwan's ability to defend itself must have gradually withered; but in 1979 Congress, by the Taiwan Relations Act, had linked diplomatic relations with the PRC to "the expectation that the future of Taiwan will be determined by peaceful means."[24] With the Taiwan Relations Act, in Waldron's words, Congress "came within a micron of committing the United States to Taiwan's defense."[25] Deng Xiaoping, who sealed diplomatic relations with a visit to the

United States in 1979, appeared willing to accept this condition. After all, in the heady pre-Tiananmen days, the only challenge to Communist Party control of the mainland resided in a geriatric clique of refugees in Taipei. Deng was also acutely aware that China's ability to shift its defense priorities toward Taiwan was limited by the Soviet threat.

Washington, perhaps fixated on the post-1989 revolution in Europe and the crisis in the Persian Gulf, appeared slow to grasp the security implications for East Asia of the collapse of the Soviet Union and of the decline, and eventual death, of Deng. Warren Christopher's frequently vapid statements about the future of Taiwan may have led Beijing to believe that Washington's Taiwan policy had lost focus. The U.S. response to the Chinese occupation of Mischief Reef in a zone claimed by the Philippines, and to the firing of missiles in Taiwan's general direction in 1995, was mild enough perhaps to have encouraged Jiang Zemin to view the threat of military force against Taiwan as a low-risk, high-reward strategy.[26]

Still, it would require immense insensitivity on the part of Beijing to believe that bullying Taiwan would be free of charge. Beijing had heen the object of universal condemnation and economic sanctions since its repression of the prodemocracy demonstrations in Tiananmen Square in 1989. France had concluded a major arms deal with Taiwan in 1991, followed by President George Bush's approval of the sale of F-16 fighters to Taipei the following year. In 1993, President Clinton had linked China's application for most-favored-nation trading status to human rights (although he dropped the policy the following year). Washington had complained about the "reeducation" of monks and nuns in Tibetan monasteries, and about an estimated 2,500 "prisoners of conscience" in Tibet and elsewhere in China.

The Strait crisis did force the United States to come off the fence. U.S. policy toward Taiwan up to the time of the incident may be characterized as one of "strategic ambiguity." This "ambiguity" had been the product of a general convergence of the goals of both the United States and the PRC since relations were established 1972. A major reason that Beijing elected to "normalize" relations with Washington in the 1970s was that it seemed the best means to dismantle gradually the underpinnings of U.S. support for Taiwan; shorn of U.S. backing, Beijing calculated, Taiwan would be forced to reintegrate with the mainland. Once Beijing opted to fire missiles at Taiwan, it should have understood, one would think, that the United States could not stand idle while its client was intimidated. Beijing's provocation placed "the credibility of our policy toward Taiwan, and perhaps in Asia generally" in doubt.[27] Nor should PRC leaders have been surprised that their actions in the Strait would drive Japan to seek closer security ties with the United States.[28]

Implications of the Strait Crisis for the Future

What are the implications of the Strait crisis of 1996 for the future? Taiwan will continue to be a fulcrum of tension in East Asia, because the crisis in the Strait did not resolve the differences between Beijing and Taipei. On the contrary, if anything, it accentuated tensions between the PRC, Taiwan, and the United States. This is bound to impact the security environment in East Asia.

From Beijing's perspective, the future of Communist control of the mainland—and the future of China *tout court*—hinges upon the maintenance of a "one China" policy. If Taiwan manages to gain even the de facto status of an independent power (rather than its present "temporarily separated" mutual depiction), Beijing fears, there will be an avalanche of demands for autonomy from other provinces, especially Tibet, Xinjiang, and Inner Mongolia. What would elsewhere appear a healthy exercise in administrative decentralization or federalism holds special terror for the Chinese Communist Party. An experiment in provincial autonomy would not only discard the theoretical foundations of Marxist centralization but also, in the context of Chinese history, might induce a political and geographic implosion of China. Such an implosion, as the party depicts it, would replicate the worst decades of the "century of humiliation," when a weak central government left China at the mercy of foreign powers, warlords, and rebel movements. So far, the party has maintained control through repression of political dissent, by posing as the champion of Chinese national interests (which has helped to keep the PLA in line), and because economic prosperity has worked to the government's benefit. Beijing has adopted a program of "forcible recentralization" to prevent an evolution toward local and regional autonomy. How long the heirs of Mao Zedong can keep the lid on political change is an open question, especially given the dynamism of China's economy.

The Strait crisis vividly underlined Beijing's repeated assertion that it will not rule out force to resolve an intractable political problem on which, in Beijing's view, the very future of the PRC rides. The increasing militarization of China's Taiwan policy from 1993 through the Strait crisis of 1996 might be explained by the fact that the PRC is in the midst of a delicate political transition, one that Professor Jia Qing-quo of Beijing University has characterized as a shift from a personal, charismatic leadership style characteristic of Mao and Deng to a "bureaucratic and technocratic" model.[29]

China has no stable political tradition, no anchor of political culture, no set menu of practices and customs to guide political responses and automatically garner the respect and loyalty of its population. The inability of the imperial system that ruled China for centuries to reform and restructure, and to respond to Western and Japanese imperialism, brought about its overthrow in 1911. The republic that replaced it, and more especially the Kuomintang, frittered away

the hopes of many Chinese for a national renaissance in an orgy of corruption, political compromise that left warlords in place, and murderously inept military campaigns against a powerful and efficient Japanese army. Disgust with the regime of Jiang Kaishek caused many Chinese to transfer their loyalties to the Communists with hardly a qualm. The absence of opposition was striking, as the PLA rolled up the vestiges of Jiang's forces in Manchuria in 1948 and moved south to claim the rump of the country in 1949. Once in power, however, Mao Zedong squandered his political capital in eccentric, destructive, and ideologically driven "great leaps forward" and a Cultural Revolution that left his country politically riven, psychologically exhausted, and economically retarded.

The capacity of the current government to retain legitimacy and hence survive will depend on its ability to achieve economic prosperity while restraining the evolution toward political pluralism. Taiwan threatens the legitimacy of Communist rule, because it represents a successful political and economic alternative. In a party and a country where stability is grounded in networks of personal relationships rather than in a transparent political process and the rule of law, the inevitable rotation over time of those in power could invite significant political instability, as happened during the transition of power from Deng to Jiang Zemin after 1992.

Because of his need both to exert political control over the PLA and to prepare it for possible action to rein in a rogue Taiwan, Jiang has sought to modernize, and to encourage more professional attitudes in, his military. For the moment, Jiang appears to be more securely established in political power than he was in 1995–96, less beholden to the PLA. Deng's supporters have retired or transferred their loyalties to Jiang. Jiang counts no rival who can claim a following in the Chinese military, which is untroubled by at least obvious ideological or regional divisions. (As elsewhere, however, bureaucratic and interservice rivalries abound.) Haunted by the memory of the warlord era, Beijing rotates commanders to discourage the emergence of regional power bases.[30] General Zhang Wannian, whose forces were involved in the 1996 Strait incident, and a leading advocate of PLA modernization, was handpicked by Jiang in September 1997 as executive vice chairman of the Communist Party's Central Military Commission, the PLA equivalent of the Chairman of the Joint Chiefs of Staff.

General Zhang appears typical of a new breed of "technicians" promoted to the top of the service on the basis of their operational abilities. To emphasize that he expects the PLA to play a nonpolitical role, Jiang did not appoint Zhang to the Politburo Standing Committee, the PRC's most influential policy body; instead, Zhang joined the defense minister, General Chi Haotian, on the less prestigious Politburo. Chi Haotian, whose background is that of a political commissar, is considered Jiang's most loyal military supporter in the PLA.[31] In a February 1998 speech at Japan's National Institute for Defense Studies, Chi stressed that the PLA would focus on improving quality within the economic

limitations of a developing Chinese economy and in ways that will not provoke a regional arms race.[32] A new national defense law passed in March 1997 underscores that the PLA is "subject to the leadership" of the Communist Party.[33] Jiang appears intent on forcing the PLA to concentrate on soldiering, placing defense industries under civilian control, and ending the corruption and nepotism that have characterized many aspects of Chinese military life.[34]

Military modernization cannot occur without economic development, however. Jiang seeks to nudge China away from a rigidly directed socialist economy toward a freer, market-based model—a courageous experiment for any government. Stephen S. Roach, the chief economist of the brokerage firm of Morgan Stanley Dean Witter, has called Beijing's about-face in economic policy quite simply "the greatest economic reform and restructuring of this century." The potential payoff is huge, in terms of a more prosperous life for ordinary Chinese but also in the political leverage that China can acquire as one of the world's economic powerhouses. Roach and other observers foresee an economically innovative China displacing a stodgy, conservative, protectionist Japan as Asia's economic titan.[35] A more dynamic industrial base would also allow China to update its military arsenal, either through the purchase of advanced systems or, over time, development of a sophisticated indigenous arms industry.

China's bold economic experiment is not without risks for the PRC. The most obvious resides in its potential for derailment, which, as the current Asian economic crisis demonstrates, is high. The political costs of economic failure would also be enormous. China must modernize to remain competitive. For this reason, it requires social and political stability at home as well as international investment, trade, and more advanced technologies. Even in good times, however, capitalist economies exact social costs—regional development can be uneven, and social and occupational groups often are left stranded by change. Economic downturns may excite social unrest or, worse, revolution. Indeed, according to "liberal" doctrine that informs America's strategy of "engagement," even economic success—*especially* economic success—incites political participation and democratic reform. Whether after a half-century of Communist rule the Chinese have any residual faith in the moral mandate of their leaders is questionable.

For the moment, there is tremendous popular pride in the economic gains made by China over the last few years. This pride may discourage political unrest, but it has deepened the dilemmas of leadership. On one hand, economic success, together with its ability to protect and advance Chinese national interest, remains virtually the sole justification for the continuation of the present regime. On the other, the very pragmatism on which present Communist Party success has been built has done great violence to the economic and social philosophy of communism. The logical contradiction of a communist government perching its legitimacy on its success in directing a capitalist economy must be

apparent to even the least educated peasant. Indeed, some fear that the (at least in Western eyes) incompatible combination of economic liberalization and political repression will induce a Soviet-style implosion. Famine, mass migration, and rogue proliferation of nuclear weapons could be among the consequences.[36]

Precisely because the Communist government feels insecure, Beijing is compelled to assert its authority in East Asia and to brandish the whip over Taiwan and those who would support the island's pretensions to independence. PRC leaders appear haunted by the fate of their former Soviet counterparts, who in their attempt to modernize lost control to centrifugal forces of nationalism and liberal reform. Such forces lurk close to the surface in China, and they have unraveled previous regimes. For any PRC leader ambitious to secure the "mandate of heaven"—and incidentally the support of the People's Liberation Army—the future of Taiwan is a nonnegotiable issue. Any concession on Taiwan threatens to open the dikes to democracy and regionalism. For this reason, Beijing's conditions for a resumption of high-level dialogue between the PRC and the ROC remain immutable: both the mainland and Taiwan must adhere to a "one China" policy; any movement by Taiwan toward independence must be opposed; foreign intervention in the internal affairs of China must cease; and all exchanges that are conducive to reunification must be promoted.[37] For the moment, Beijing has stepped up its diplomatic campaign to isolate Taiwan, punishing countries, like Guatemala, that dare advance diplomatic courtesies to their rival.

An obvious consequence is that military action in the Taiwan Strait remains a distinct possibility. The PRC and the ROC appear to be headed in opposite political directions. The PRC leadership may also wish to play the Taiwan card again to shore up its political support at home, especially given the risks of instability inherent in its political and economic reforms.

The Soviet analogy is often evoked by America's China specialists. Is Jiang Zemin a Chinese version of Mikhail Gorbachev, a man who believes that he can institute a benign and liberal form of Communism, or an apparatchik, more in the image of Leonid Brezhnev? Clearly, the Clinton administration chose in 1998 to believe that Jiang is a man capable of leading China toward a more responsible international role. The president's Republican critics, on the other hand, complain that dealing with Jiang, reminiscent of the policy of détente with the Soviet Union under Brezhnev, only reanimates an otherwise moribund regime and suggests to Asian allies that Washington seeks to marginalize them by concocting a "strategic partnership" with Beijing.[38] However, Jiang is unlikely to lead China willingly down Gorbachev's path to political dissolution. He cannot. The unity and legitimacy of the Chinese Communist Party require a tough stand over Taiwan, as well as little tolerance for political dissent at home.

In any case, the evolution of the strategic environment in East Asia has given Beijing greater freedom of strategic maneuver. The constraints on Beijing's behavior are not what they once were. In the past, Beijing's uncompromising militancy toward Taiwan could be moderated by outside influences. In 1958, for instance, a combination of U.S. carriers and Soviet pressure caused Mao to back off from the bombardment and blockade of Quemoy.[39] The Soviet threat kept Deng on his best behavior in the 1980s. However, alterations in the strategic situation in East Asia have removed the constraints once provided by Moscow. On the contrary, by becoming a major arms supplier to China, Russia has contributed to the militarization of the Taiwan issue. The disappearance of the Soviet Union and the development of cordial relations with Russia overnight altered the PRC's strategic outlook. The obliteration of the major land threat to China has allowed Beijing to concentrate on its oceanic interests, of which Taiwan is paramount.

Finally, PRC aggression may be encouraged if Beijing convinces itself that the United States lacks the resolve to support Taiwan. As has been suggested above, Washington's tepid response to China's escalation of military tensions in the Strait and elsewhere in 1995 may have convinced Beijing a few months later that missile shots would elicit near indifference in Washington. Many of the PRC's leaders are men whose cunning and survival instincts have been honed in the Stalingrads fought within the Chinese Communist Party; few have experience of the world outside. In the arena of international relations, they are forced to fall back on stereotypes, especially vis-à-vis the United States. One of the fears expressed by observers is that President Clinton's June 1998 visit to China may have reinforced Beijing's unsophisticated view of American political culture as one defined by raw capitalism and pragmatism, shaped exclusively by a quest for economic relations and profit. Failing to appreciate that American politicians must justify foreign policy on moral grounds, the PRC leaders also may not understand the staying power of issues like human rights, tecbnology transfer, espionage, and political interference in the American electoral process.[40] Even if it could be explained to them, the subtle relationship between Congress and the president, especially as it influences Washington's Taiwan policy, would seem a ludicrous fiction to men indoctrinated in a political culture where losing a political argument means hard labor on a pig farm in Yenan Province. They could also tumble into the assumption that ensnared Saddam Hussein: that the United States is averse to casualties to the point of strategic paralysis.[41]

Given the political and strategic conditions for PRC military action against Taiwan, would a military offensive be feasible? In fact, it may not matter—the absence of feasibility does not always rule out military action as an option, especially not for China. The PRC civilian leadership is compelled to adopt a hard line on Taiwan for its own reasons. That Jiang now seems to have the PLA well

in hand does not mean that the military is no longer a player in Chinese decision making. Taiwan is an issue over which the PLA has significant influence, especially as Beijing's political strategies appear to be steaming at full speed toward calamity.[42] PRC officials, who lack the imagination, confidence, or the secure political base to explore a more "federalist" solution to unification, may be all the more willing to utilize the technologically modern and operationally efficient military they appear keen to create.

Whether the PLA can actually succeed in an invasion of Taiwan may be immaterial. After all, Mao attacked U.S. forces in Korea in 1950 against the advice of his generals because he believed that the political benefits of uniting China behind the Communist Party and standing up to the United States in world and Chinese opinion were well worth the investment of a million or so casualties.[43] In a future Strait crisis, revolutionary nationalism, combined with "niche" weapons like tactical ballistic missiles, may seem to Beijing to compensate for its overall military weaknesses. Suffice to say that the 1996 Strait incident illustrated that military options can be attractive given an impoverishment of political thinking or a perceived absence of peaceful alternatives. This is a special danger in China, where the strategic culture assumes that great risks can bring great rewards. Sun-tzu argued that bluff, audacity, and deception can compensate for the lack of raw power. Chinese officers assert that technological superiority is immaterial if one adopts "correct strategic principles, proper strategies, flexible tactics and high operational efficiency."[44] It is this line of reasoning, as Waldron points out, that causes China's reach regularly to exceed its grasp.[45]

History is full of examples of military campaigns launched on the most slender expectations of success, especially when political leaders felt that they had no alternative. The Chinese may convince themselves, however, that despite their relative backwardness as against dynamic and innovative U.S. and ROC forces, they possess the ability to impose their will on Taiwan. The 1996 Strait crisis validated the PLA quest to develop and refine its capacity to coerce Taiwan, possibly even to invade it. At the very least, one obvious objective of the PLA investment in missiles is to minimize a potential U.S. role in any future crisis by holding the U.S. Navy at bay. Missiles remain the near-term PLA trump card.

Conventional wisdom holds that theater ballistic missiles (TBMs) are an ineffective investment for at least three reasons. First, they can be countered by sophisticated ABMs, like Patriots or the weapons soon to be carried on Aegis cruisers and destroyers.[46] Second, they are primitive weapons, without the terminal homing necessary to hit moving targets at sea—for instance, a U.S. carrier battle group sent to bolster Taiwan's defenses. Third, ballistic missile assaults have seldom produced strategic results, as campaigns against Britain, Iran, and Iraq testify. In this view, missiles can decisively affect a campaign or a war only if they are armed with nuclear, chemical, or biological warheads, thus becoming

"weapons of mass destruction"—a dangerous escalation that governments so far have been unwilling to undertake.

While these arguments may once have been well founded, their validity is rapidly eroding. Hardly had the last shots of the Gulf War been fired than the efficaciousness of Patriots was challenged. The problem was what commanders called inadvertent or unintentional "penetration aids," effects producing fuzzy or complex radar returns that hinder interception. For instance, a Scud reentering the atmosphere is likely to break into several pieces. The battery commander has the choice of firing missiles at all the pieces or of waiting until the warhead, which descends fastest, separates itself from the debris—by which time it will be over the target and likely to cause damage even if intercepted. Additionally, it is difficult for the same Aegis ship to scan for both steep-trajectory TBMs *and* over-the-horizon cruise missiles.

The second argument—that TBMs are ineffective against maritime targets—also rests on specious logic. TBMs at present cannot hit (except accidentally) ships steaming at thirty knots, but vessels in confined waters, engaged in maneuver-restricting activities like gunfire support or underway replenishment, or in flight operations, are less able to dodge. Besides, maritime targets are not limited to ships at sea. In February 1991, the U.S. Navy came within a whisker of disaster when a Scud struck the water within a few meters from a quay in Al-Jubayl—a quay crowded with ships, including the amphibious assault ship USS *Tarawa* (LHA 1), and stacked with munitions.

Saddam Hussein's army invariably fired Scuds singly at maximum range, with the result that the slightest performance degradation meant an impact short of the target. Even TBMs without terminal seekers might have been employed to greater effect had they been launched in clusters of five or six, as Soviet doctrine required. While there is nothing to suggest that the Chinese have fitted terminal seekers on their CSS-6s and CSS-7s, doing so is not a challenging proposition; indeed, it is thought that the Soviets developed (but never deployed) a terminally homing version of the Scud. The technology that already exists for the cruise missile can be fitted to hallistic weapons as soon as demand justifies it. When this happens, the fleetest ship on the seas will discover that its speed cannot save it. Also, a ship that tries to hide from a terminally guided reentry vehicle hy shutting down radiofrequency emissions on which the weapon might home lays itself open to attack by antiship cruise missiles, of which the Chinese have many—HY-2, HY-4, and C-801 weapons launched from ship, shore, and aircraft.

The third argument is that TBM assaults never produce strategic results. This is true insofar as TBMs are designed as tactical, not strategic, weapons. Saddam Hussein's decision to use Scuds as stand-alone weapons was one of his many operational mistakes. The Chinese are more likely to employ TBMs as part of an arsenal that includes cruise missiles, mines, submarines (with wake-homing

torpedoes), and aircraft. The point would be to force the enemy—in this case the U.S. Navy—to stand so far off shore and spend so much energy protecting its ships that it would be reduced to impotence. In such a case, TBMs might produce strategic results against a small nation like Taiwan with a relatively small number of critical targets.[47]

PLA Force Modernization

Experts remain divided over the significance of PLA modernization. One school links China's military upgrades with its alleged ambitions to become a world power by 2020, and to displace the United States as the Pacific hegemon well before that. These analysts insist that China's defense budget has grown 159 percent since 1986, as Beijing restructures its forces to project power beyond its shores, secure oil in the South China Sea, and dominate Taiwan. They point out that PLA renovation comes at a time when the PRC faces no external enemy, and they criticize Beijing's tendency to define regional disputes as strictly domestic matters.[48] They ascribe to Washington a reflex of dismissing China as a backward nation, incapable of challenging the power of the United States, simply because the PLA force structure does not resemble its own.

At the very least, they argue, the Strait incident of 1996 accelerated within the PLA both force restructuring to increase proficiency in amphibious operations and development of technologies that would augment strategic options in a future Strait crisis. Such technologies—which include antiship and theater ballistic missiles, wake-homing torpedoes, computer viruses, and electronic jamming—could give Beijing a capacity to inhibit the U.S. Navy's ability to protect Taiwan. "China is a weak military power by American standards, and will remain so for some time," writes Peter W. Rodman, director of national security programs at the Nixon Center. "Nevertheless, China will be in a position—in the near term—to raise the costs, risks and inhibitions for an American President in the Taiwan Strait or South China Sea."[49] In this view, the end of the "easy monopoly" enjoyed by the U.S. Navy for a half-century in the Pacific is looming, to be followed by "a significant geopolitical shift" in China's favor.

A second school takes a broad view of Chinese military development. They argue that the PLA's groping toward modernity is an old story, one that began in the 1970s and has proceeded at a glacial pace ever since. PLA talk of expanding its power to "the first and second island chains" remains for the moment purely theoretical. The PLA is so hopelessly antiquated, these analysts find, so ill adapted to the new strategic and technological landscape, that even a major upgrade will leave it far behind U.S. forces in technology, organization, and logistics. At best, PLA modernization means acquiring capability without the capacity for employment.[50] The disappearance of the USSR, and subsequent friendlier relations with Russia, have removed the need to maintain a

cumbersome and unwieldy army designed to absorb a Soviet invasion. The Gulf War was something of a deterrent, because it demonstrated to the PLA the capabilities of technologically sophisticated weapons applied to a limited, localized conflict; China would infer, clearly, that one should not fight the United States on its own terms. Finally, while the 1996 Strait incident forced Beijing to upgrade its navy and air force and the Second Artillery, it has been pointed out that the seemingly huge amounts China is spending on defense shrink when one factors in inflation and the Asian financial crisis, which has delayed and scaled down Chinese goals.[51] This school also recalls that alarmist estimates of Soviet military potential were propagated by some American defense experts in the 1980s at a time when the Soviet forces were in fact falling hopelessly behind. Whether deliberate or not, the argument is made that, as in the 1980s, one chooses to view China as a threat to justify inflated defense budgets.[52]

The truth probably lies somewhere in between. China does have ambitions to replace the United States as the premier power in the western Pacific at some time in the future. For the moment, its attempts to achieve technological and operational proficiency have encountered problems; however, that is not to say that the PLA could not prove a formidable opponent in a military confrontation over Taiwan. First, the PLA can tailor its force for a limited number of regional contingencies, at the forefront of which is Taiwan. In contrast, the United States requires a navy that can cope with global responsibilities and threats. How far the capabilities the U.S. Navy requires to defend Taiwan are transferable to other theaters, like the Persian Gulf, is a subject of debate. However, to achieve its goals in Taiwan the PRC does not have to defeat the United States—it needs merely to hold American forces at bay. In this respect, geography works for China; the U.S. Navy's ability to support Taiwan will depend in great part on the availability of forward bases in Japan and elsewhere. Technology may also favor the PLA, to the extent that (unlike the U.S. military) it can concentrate its research and development—particularly on command, control, communications and intelligence systems that support its doctrine of "local wars under high-technology conditions."[53]

How do the Taiwanese react to the growing PRC threat? They have no single view of their future, except that it is one of uncertainty and hence insecurity. One of the great ironies, and politically counterproductive outcomes, of the Strait incident for the PRC is that it narrowed the options for Taiwan and helped to unify normally divided island opinion. But this highlights the increasing improbability that the trajectories of the two Chinese factions can be reconciled—as Taipei's desire to design a future independent of the mainland grows, so does Beijing's ability and determination to prevent that independence. On one hand, Taiwan gains in economic strength and political confidence year by year, which makes it even less willing than in the past to contemplate a "one China" future on the PRC's terms. The PRC's policies of isolation and

intransigence toward Taiwan, combined with Beijing's unwillingness to democratize, supply Taipei with precisely the incentive to declare the independence so dreaded by the mainland leadership.[54] On the other hand, the PRC's growing economic strength, diplomatic influence, and military power reduces Taiwan's margin of independence. President Clinton's visit to the PRC in June 1998 increased the anxiety level of an island society that is only too well aware that without U.S. support, its days would be numbered.

Most Taiwanese recognize that smooth relations between Washington and Beijing help to moderate Chinese behavior toward Taiwan, but they fear being sold out by a United States eager to secure Beijing's favor.[55] Indeed, although President Clinton insisted that the "substance" of U.S. policy toward Taiwan remains unchanged, Taipei manifested deep distress about statements he made during his June visit that seemed to support Beijing's view of Taiwan's future.[56] In its relations with the PRC, Taipei insists on equality in bilateral relations and that Beijing remove its insistence on "one China, two systems." Taiwan wants Beijing to cease impeding its attempts to expand its international relations and to renounce force as an option in their dealings. For the moment, Taiwan continues to participate in regional and international organizations like ASEAN and the United Nations. It continues contacts with the U.S. State Department and presses for a high-level dialogue with Beijing. It has a powerful and influential lobby in Washington.[57]

The corollary, indeed the raison d'être, of President Li's vigorous diplomacy is to allow Taiwan to acquire the means to defend itself. While he realizes that Taiwan's ability to retain its independence will depend ultimately on U.S. support, Li appears intent on demonstrating that Taiwan's determination to fight a PRC incursion imposes a moral obligation on the United States to regard it as a worthwhile ally. U.S. arms sales to Taiwan, however, have become a major sticking point in the relations between the United States and the PRC.[58] Under Li, Taiwan's defense policy shifted in 1991 from "offensive-defensive" to a purely defensive military posture. The disadvantage, from a strategic perspective, is that diplomacy or political developments in Taiwan that suggest an inclination toward independence invite a military reaction from Beijing that would preempt the strategic initiative. It could not have been otherwise, however, because the small island cannot intimidate the mainland short of arming itself with nuclear weapons, which the United States, let alone Beijing, would never countenance.

Thus, Li's strategy is to make Taiwan so "hard to swallow" that Beijing's offensive options will be limited to peripheral attacks or to militarily ineffective and diplomatically counterproductive demonstrations like that of 1996. Beijing's counter has been to invest in a missile program that may invalidate Taiwan's measures to protect air and sea access to the island. Taiwan is pursuing the development of an anti-TBM surface-to-air missile and a phased-array radar

system, and it is adding to its current inventory of two full batteries of Patriot PAC-3s; the Chinese will probably counter with something like an antiradiation (radar-seeking) missile and saturation missile tactics. In a crisis, the Taiwanese may expect support from U.S. Aegis warships; still, it is important to note that Aegis is designed to defend fleets, not islands, let alone one as large as Taiwan.[59]

From a strategic perspective, because Beijing's strength for the moment resides in its army, Taiwan's purpose must be to keep that army from reaching its island. To that end it has organized a "defense in depth," one consisting of several defense lines. A "front line" of small offshore islands, including Matsu, Wuchiu, and Quemoy, festooned with heavy artillery and surface-to-surface missiles, is a ROC trip wire for the defense of the main island. A second line of defense comprises over sixty Mirage 2000V fighters, 150 F-16s, and four E-2T Hawkeye II early warning/command-and-control aircraft keeping watch over the Taiwan Strait.

The ROC places great importance on its air force's ability to meet and defeat PRC aircraft and to interdict an amphibious assault, and it is seeking advanced medium-range air-to-air missiles for air superiority. As for sea denial, PLA Navy submarines are a matter of special concern, to which the ROC Navy's frigates are a response, although Taiwanese admirals would prefer to have advanced submarines of their own. MWW 50–class minehunters are Taiwan's counter to any attempt to close down its maritime trade through mine warfare.

Should PLA forces reach the coastline of Taiwan, they would be met by heavy artillery and Hsiung Feng antiship missiles. Antiaircraft defenses include Patriot, third-generation Hawk, and Stinger surface-to-air missiles. The Taiwanese army's arsenal includes AH-1W Cobra and OH-58D Kiowa helicopters and M-48H and M60A3 main battle tanks. Taiwan is also planning to decentralize its command structure to allow a more flexible, interservice response to any PLA attack.[60]

Taiwan's formidable military machine has weaknesses, however, several of which it shares with the PLA. Despite Taiwan's massive currency reserves, PRC pressure on foreign governments and the reluctance of third-party nations to encourage an arms race in the Taiwan Strait has placed obstacles in the way of Taiwan's military procurement.[61] Nor have programs to modernize their forces always gone smoothly for the Taiwanese.[62] Ultimately, Taiwan's defense will depend on the willingness and the ability of the United States to support it.

Nonetheless, while Taiwan is extremely important to the United States, that island's security is a very delicate problem for Washington. Beijing considers Taiwan the central question on which the future of U.S.-PRC relations hinge: Beijing must prove to its own people that it controls its own fate, independent of U.S. interference.

The Strait incident pointed up in vivid terms the contradictions of Chinese security policy in the Pacific. The PRC welcomes the U.S. presence as a way to

"contain" Japan, but it is this very U.S. military presence that limits Beijing's freedom of action vis-à-vis Taiwan. Beijing paid a huge price for the Strait incident, in the form of the reaffirmation in April 1996 of the U.S.-Japan security alliance, followed by a Defense Guidelines Review by the two nations made public in 1997. These were setbacks to the PRC's long-term goal of gradually separating Tokyo from Washington. The U.S.-Japanese agreements give Japan's Self-Defense Force (SDF) greater latitude in cooperating with the United States to promote and preserve regional security in "situations in areas surrounding Japan."[63] Beijing has chosen to interpret this tightening of U.S.-Japanese security relations as an offensive alliance.[64] The Strait incident, and the PLA's modernization generally, has proven especially counterproductive in that Tokyo had been bending over backward *not* to become involved in anything that Beijing interpreted as a "domestic" concern—neither Taiwan, nor Tibet, nor Tiananmen. However, many in Japan are now concerned that the expansion of the PLA Navy, the modernization and increasing power of Chinese missiles, and the growth of Russian-Chinese security cooperation will threaten Japanese maritime and defense interests.

In addition, the Republic of Korea has realized that the Strait incident may have implications for Chinese behavior toward the Korean Peninsula.[65] Australia and the Philippines are also edging toward greater cooperation with the United States.

Finally the United States cannot simply accept Beijing's contention that Taiwan is merely an internal matter, of no concern to Washington. Washington dares not allow Taiwan to be swallowed; this would destabilize a region where the United States has enormous interests.[66] It would undermine America's credibility in the Far East, which could slide into confrontation and chaos. The American president blamed for "losing Taiwan" would find himself in considerable political peril. As Waldron notes, "the fundamental political fact" about U.S. attitudes since the "opening" to China of the 1970s is that "effectively no constituency supports hurting Taiwan." Any attempt to reverse that policy would be regarded as "a sort of Eastern Munich."[67] Under happier circumstances, Taiwan could be the poster child for "engagement," pro-American almost to a fault. In contrast, Jiang Zemin is portrayed as the Grand Inquisitor of democrats, Tibetans, and Chinese Christians, a man who sows chaos and lines his pockets by exporting weapons of mass destruction to rogue states. This image lends moral credibility to pleas for support put forward by Taiwan's sophisticated and active lobbyists in Washington. When Clinton departed for China in June 1998, it was with a chorus of Republicans, journalists, and emigré dissidents crying "appeaser" at his heels.[68] As they saw it, at the very moment when Clinton was restating the U.S. commitment to peaceful resolution of the issue, Beijing's ability to overwhelm Taiwan by force was increasing.

What Are the U.S. Military Options?

The PLA is developing, then, new weapon systems that the United States, especially its navy, would find difficult to counter. U.S. military capabilities in the Pacific, formidable as they are, may be insufficient to deter China in some future Strait crisis. Chinese strategy is expected to focus on "access denial"—keeping as many as four U.S. aircraft carriers at bay to isolate Taiwan from outside support.

The United States has at least four military options, none of which are especially promising. The first is to strengthen forward presence. Unfortunately, a PRC strategy of access denial would pose serious problems for the existing U.S. force structure.[69] A strengthened forward presence may invite the PLA to attempt to demonstrate that carriers and carrier air power are no longer effective in the Strait. A second problem is that a U.S. Navy deployed to deter China may have to weaken its presence elsewhere, such as the Persian Gulf or Europe. China has no such tradeoffs to consider. Beijing has to be strong only at a single point—the Taiwan Strait.

A second U.S. option in a future Strait crisis would be to escalate by attacking the Chinese mainland with Tomahawks or air strikes. The PLA has even war-gamed scenarios that take into account such attacks.[70] A strategy that has not coerced a geographically contained Iraq will probably work even less well against a continental power like the PRC. It would be difficult to select targets whose destruction will produce political results. What is the danger of escalation beyond that? Iraq could not retaliate; Beijing can. Beijing will surely wager that Taiwan is far more important to China than it is to the United States. Beijing may well ask, indeed it has asked: "Is the United States willing to exchange Taipei for Los Angeles?" The obvious retort is, "Is Beijing willing to trade Shanghai for Los Angeles?" The reality, however, is that the United States is unlikely to use nuclear weapons in defense of Taiwan.

A third option is to encourage allies in the region, specifically Japan and Korea, to develop their own deterrent forces. This may not be advantageous, because it is precisely the specter of a Japanese military buildup that now gives the United States its greatest leverage with Beijing. Ironically, U.S. naval power may survive as a deterrent because, by attempting to demonstrate its impotence in a future Strait crisis, Beijing would be hurting, rather than helping, its strategic position. Beijing needs an American military presence in the Pacific, both to contain Japanese rearmament and to dissuade North Korea from attacking south. Beijing's missile rattling over the Strait, combined with North Korea's development of missiles and possibly of a nuclear capability, simply pushes Japan farther toward rearmament.[71]

Some propose that the United States should assist Taiwan in the development of missile defenses, much as it has indicated a willingness to do with Japan.

The problem is that for the moment, few weapons exist in the U.S. or Taiwanese arsenals that could break the PRC strategy of access denial and cause Beijing to halt an attack on Taiwan. The United States can pressure Russia and Israel to stop selling missile systems to the Chinese or giving them the technology to build their own sophisticated missiles.[72] But this may be difficult to do, given the recent reevaluations by the Senate Select Committee on Intelligence that lax monitoring of the launching of American satellites in China allowed the PRC "to improve its present and future space launch vehicles and ICBMs." This came on the heels of allegations that poor security at Los Alamos National Laboratory had permitted a Taiwan-born scientist to download for China's benefit secret computer codes used in the development of nuclear weapons.[73] Finally, revelations that in 1997 Beijing's spies were able to steal U.S. space radar technology that will allow the detection of nuclear submarines at considerable depths rather undermine the argument that non-U.S. companies are allowing China to upgrade the sophistication of its forces.[74]

Washington can sell Taiwan technology and supplement its defense with American missiles.[75] But while U.S.-Taiwanese defense cooperation may make sense militarily, the spectacle of cooperation between the U.S. military and soldiers of a government that Beijing considers illegitimate could enflame the situation. Talk of extending the THAAD (theater high-altitude area defense) missile defense shield to Taiwan, and even to Japan in the wake of the North Korean tests, threatens to ignite a regional arms race and invite preemptive action by the PRC.[76] (This argument bolsters the U.S. Navy's contention that its Aegis/SM-3 system is potentially preferable to a ground-based missile system to defend Taiwan. Aegis ships with this ABM capability could be sent into the Strait in a time of crisis, protecting Taiwan but not arming it. Besides the fact that this system is not yet operational, there are significant issues about the politics that would be involved.)

A Taiwan Strait War

What might a Taiwan Strait war of reunification look like? Let us begin with the least likely scenarios.

Chinese Nuclear Blackmail. It can be argued China has fewer constraints on the use of its "small but improving" nuclear arsenal than would other countries, and that "escalation to a relatively high level of force" is part of PRC strategic culture.[77] It is unlikely Beijing would actually use nuclear weapons, but they could be a deterrent should a crisis over Taiwan escalate—if, for instance, the United States threatened to strike the Chinese mainland as a necessary aspect of defending Taiwan under attack.

An Invasion of Taiwan. Analysts are divided on this issue. Some argue that for the PLA an attempted invasion would be collective suicide.[78] Even were it

militarily feasible, this school considers, invasion would be political overkill. Beijing has no desire for unification now; it prefers to wait until the PRC has developed economically so that Taiwan can ease into reunification. Besides, these analysts ask, quite apart from the huge diplomatic risks of alienating the region, why destroy Taiwan to unify it with the mainland? For these reasons, they feel, Beijing has no desire to overwhelm and occupy Taiwan, only to control its political behavior.

A second group argues that an invasion scenario falls increasingly within the PLA's capabilities, all the more so as the Chinese military develops weapons designed to counter Taiwanese and U.S. superiority. Therefore, this group holds, Beijing's strategy could become increasingly "operationalized," as it was in Germany at the beginning of the two world wars. In this view, China's strategy is expected to focus on access denial in several ways. Chinese forces could fill the seas around Taiwan with submarines equipped with wake-homing torpedoes.[79] With U.S. ships held at bay—or even neutralized by a quick, preemptive strike—Taiwan could be pummeled by CSS-6 and CSS-7 missiles, which the Chinese possess in significant numbers. These missiles could either destroy Taiwanese fighters on the ground or force them into caves, effectively denying air control to the defenders.[80] Taiwanese command and control could be disabled by missiles, electronic jamming, and computer viruses. Paratroops could seize vital targets and sow confusion among the defenders, in conjunction perhaps with uprisings on the island prepared in advance. The PLA would then act to "isolate the theater" further, such as by threatening Japan.

A third group, represented by Admiral McVadon, holds that the attack need not be military at all but rather an assault on Taiwan's banking system through a computer virus or an electromagnetic pulse. The EMP can be produced by a nuclear burst, but nonnuclear explosions, or even kinetic devices placed around the island by stealth, could shut down all communications. Thrown into a panic, the business community would pressure the ROC government to alter its line and bend to demands of the mainland government.

Blockade. A blockade would offer Beijing several military options more compatible with its political goals than outright invasion, allowing the mainland to control the strategic pace of the crisis, as American rules of engagement would prohibit the United States from shooting first or escalating unless there was obvious hostile intent. PRC blockade options range from a total blockade of the island, using mines and missiles, to a partial blockade, which might involve stopping ships on the high seas or harassing Taiwan's fishing fleet. Alternatively, a blockade might be applied to one of the offshore islands—which, ironically, are supplied largely from the mainland. The U.S. military response to a blockade would have to be carefully calibrated with respect to the form of the blockade imposed and the political message to be conveyed. A battle group, as in 1996, would signal U.S. resolve to pursue its policy of peaceful resolution of the

Taiwan dispute. The PLA Navy might respond with a threat of submarines or antiship missiles. Merchant vessels carrying vital cargo to Taiwan might be "reflagged" and escorted by U.S. warships. American minesweepers might cooperate with ROC minesweepers to keep Taiwanese ports open. This might be done in conjunction with allies, in particular the Japanese Maritime Self-Defense Force, although that would constitute a serious escalation of the crisis.[81]

An Attack on an Offshore Island. There is probably little that Taiwan or the United States could do to thwart a resolute attack on Pratas, Wuchiu, Matsu, or Quemoy.[82] On the other hand, the mere threat may be more likely to achieve Beijing's political goal than an actual attack. If U.S. intelligence could detect troop movements early, Washington might move to defuse the crisis; at the very least, carriers could be dispatched, garrisons might be reinforced, and planes placed on alert in Japan. Once an attack began, however, it would likely conclude very rapidly.

Intimidation Scenarios. In a repeat of 1996 to a greater or lesser degree, missiles would be fired into the sea off Taiwan, or over Taiwanese airspace, or at Taiwan proper—variously into uninhabited areas, inhabited areas, or at specific strategically vital targets.[83] It is unlikely, however, that Beijing would achieve its political goal in this way. The purpose of missile firings would be to threaten and intimidate, to change Taiwan's behavior. The threat of missile firings and their gradual escalation would be more likely to achieve political results than would firing the missiles quickly. Missile attacks might be combined, as in 1996, with maneuvers, air demonstrations, information warfare, or electronic sabotage to neutralize Taiwan's command and control.

Winning by Losing

The Strait incident of 1996 demonstrates forcefully that the ingredients of a future crisis in the Strait remain firmly in place. Taiwan, in the process of democratizing under a new and dynamic generation of leaders, appears increasingly to thirst for autonomy and independence from the mainland. Meanwhile, the PRC is in the midst of a delicate transition, as its rigidly conservative and increasingly decrepit political system attempts to manage the breathtaking social and economic changes unleashed in China. For its part, the United States remains committed to maintaining a stable environment while the two Chinese factions resolve their differences. The June 1998 U.S.-PRC summit gave the impression that Jiang Zemin is firmly in control in Beijing. Whether Jiang's relative political security has reduced the volatility of PRC policy on Taiwan remains to be seen. Is this a new era or simply a détente in U.S.-PRC relations, the prologue to a further period of tension and confrontation, as the violent demonstrations at the American embassy in the wake of the Kosovo bombings seem to suggest?[84] It is difficult to interpret signals from a closed and secretive

government that, on one hand, offers an unprecedented opportunity for dialogue but on the other appears to be assiduously acquiring the military capabilities to challenge the United States over Taiwan. It is easy enough in retrospect to analyze statements for indications of hostile intentions. However, *at the time* many observers interpreted the overall tone of press and official statements during the 1995–96 run-up to the Strait crisis as fairly moderate, even conciliatory. The more threatening statements by Jiang and others were dismissed as minor footnotes, the ritualistic exercises that one would expect in PRC-Taiwan relations. "The violent, stage-managed reaction to the Belgrade bombing . . . suggests that improved relations between Washington and Beijing have rested on a dangerously unstable foundation," in the view of the *New York Times*.[85]

Arthur Waldron has argued that the solution to the Taiwan issue must be a political one, because Beijing lacks the power to achieve its political objectives concerning Taiwan by force. The most obvious political solution lies in some sort of "federalist" approach, with Taiwan integrated as part of a "greater China" political framework. In short, Beijing should simply declare "reunification" and move on. But, for reasons discussed above, Jiang has ruled this out.[86] Therefore, Beijing's inability so far to settle on a realistic political compromise makes more military crises likely. Indeed, the PRC's violent opposition to Nato action in Yugoslavia can be explained in great part by Beijing's fear that Kosovo sets a precedent for support for autonomists in China, notably in Taiwan.

Unfortunately, while most would agree with Waldron's contention that Beijing's threat of military force is diplomatically counterproductive, others would take exception to his insistence that Beijing's threat to use force lacks military credibility. The U.S. military presence in East Asia may deter Chinese military adventurism, but only to a point.

The danger is that the PLA may convince itself that the relative inability of U.S. forces to counter a PLA submarine and missile assault may leave room for "adventurism." Of course, the PLA does not speak with a single voice. One hopes that Chinese generals and admirals appreciate that a military solution to Taiwan, even if it could be achieved, would come at a grievous military and diplomatic price. But, as Admiral McVadon notes, once its arduous process of reaching a decision is complete, the PRC quashes or dismisses attempts to modify that decision, whether by internal doubters or outside forces. PLA leaders may come to believe, and wish to demonstrate, that carriers and carrier aviation are no longer effective deterrents in the Strait; they may underestimate U.S. resolve to defend Taiwan; they may convince themselves that a "quick strike" strategy can achieve their goals before the United States can intervene.

In fact, Beijing could opt for a military solution even if the military outlook appeared unfavorable. Like Saddam Hussein in the Gulf War, Beijing could "win by losing." The Chinese analysis of the Korean War provides a useful, and sobering, analogy to a mindset that might facilitate a Strait confrontation. From

1950 to 1953, the PLA displayed its tactical inflexibility, logistical incompetence, and technological inferiority in Korea, while absorbing more than a million casualties. Nevertheless, Beijing claimed "victory." It did not assess that its military had performed particularly well, or that the long-term diplomatic and economic consequences were necessarily favorable for China—on the contrary.[87] Rather, "victory" lay in China's righteous stance against an enemy that threatened its interests and its identity, a stance that contrasted so markedly with the "century of humiliation" when China had been bullied and occupied by outside powers. The leadership in Beijing might interpret the Strait crisis of 1996 in this light.[88] Worse, it might resort to a similar calculation in a future crisis over Taiwan.

The People's Republic of China may also opt for military measures if the Communist regime in Beijing believes that its grip on power is slipping. For instance, a crisis with Taiwan could be provoked to sidetrack demands for democratic reform in China. Internal quarrels within the Chinese Communist Party could lead to a flexing of military muscle to restore party unity. Or, Beijing may feel the need to make a firm military demonstration against regional autonomy, especially if Taiwan makes a concerted bid for UN membership, for instance, or if Li's "vacation diplomacy" appears to be gaining momentum. Beijing might also do so to discourage major powers from selling particular arms to Taiwan. For instance, the prospect of the extension of an effective missile shield over Japan and Taiwan would likely cause Beijing, in the literal sense, to "go ballistic." Even a decision to sell submarines to Taiwan or to update Taiwan's antisubmarine capabilities would worry Beijing immensely, because it would counter the strategy of fending off U.S. carriers with its own submarines.

Finally, as in the 1996 crisis, the PRC might react violently to influence Taiwanese elections in which independence was a central issue. The pro-independence Democratic Progressive Party suffered setbacks in the elections of 1998, in part because it was less well organized and financed than its rival, the Kuomintang. Some observers believed in 1996 that Li Denghui intended to proclaim Taiwan "The Republic of China on Taiwan" as a way to deter voters from supporting the DPP. This would not have constituted a formal declaration of independence, but it might have been interpreted as a "specific step" toward that goal, one that Beijing would have felt obliged to punish by force.[89] The potential for future crises over the Taiwan Strait remains high. The Strait incident of 1996 and its aftermath suggest that current trends do not favor a rapid resolution of the Taiwan issue. Time does not appear to be working for the success of America's policy of peaceful unification of Taiwan and the mainland. With less and less incentive to unify with Beijing, a new generation of Taiwanese leaders appears cautiously to be moving their island toward independence. The key to the resolution of the crisis lies with Beijing, but so far the PRC refuses to democratize in a way that would make unification more attractive to Taiwan, or

to implement a more imaginative and flexible "federalist" solution. On the contrary, Beijing pursues a program of modernization of its missile and antiship capabilities that suggests it seeks the capacity to resolve the "reunification" issue by military means.

A PRC attack on Taiwan would catapult East Asia, a region where the United States has its greatest economic and strategic interests, into disorder. Washington cannot easily abandon Taiwan, for it would lose credibility with its allies and enemies in the region. Taiwan's supporters in the United States would exact a high political price from any American president who "lost" Taiwan. President Clinton appears to have concentrated on controlling Taipei's behavior while encouraging Beijing to behave "responsibly" as a great power. U.S. leverage over Beijing, however, may diminish as the PRC becomes economically powerful and develops military capabilities that give it more options in dealing with Taiwan. In the end, Beijing may be willing to escalate the issue of the reunification of Taiwan to a contest of arms.

Finally, forward presence based on existing U.S. capabilities may be less of a deterrent as the PLA force structure evolves than it is today. The Strait incident of 1996 and its aftermath suggest a trend toward the operationalization of PRC strategy. The danger is that PLA leaders, having persuaded themselves that a military resolution to the Taiwan issue is in their hands, may convince their political chiefs that a combination of missiles and submarines can keep the United States at arm's length while the PLA deals with Taiwan.

These are not encouraging developments for U.S. forces, especially the Navy, which might well see its ability to calm a future crisis gradually whittled away. Consequently, U.S. commanders and very senior policy makers will have to balance the importance of proximity and visibility of naval units as manifestations of the diplomatic goal of deterring PRC aggression, on the one hand, against the tactical desirability of remaining undetected should fighting begin. A carrier battle group sailing through the Strait may be intended as a strong diplomatic signal; it would be far less vulnerable to surprise attack, however, if it were to remain east of Taiwan.

The challenge for the United States, and particularly for the U.S. Navy, is to devise a deterrent that can deal very promptly with a political crisis across the Taiwan Strait, that can if necessary transmute itself into a fighting force to defeat any form of aggression against Taiwan, and that will also have the capacity to assure relative stability in other areas of vital concern elsewhere in the world. Given the problems and attitudes of the Chinese Communist Party leadership, the economic and political trajectories of both the PRC and the ROC, and the effects of technological advances on the military balance of power in East Asia, that challenge is great and growing.

Notes

1. June Teufel Dreyer, "A History of Cross-Strait Interchange," in James R. Lilley and Chuck Downs, eds., *Crisis in the Taiwan Strait* (Washington, D.C.: National Defense Univ. Press, 1997), pp. 25–7, 30–4.

2. Tai Ming Cheung, "Chinese Military Preparations against Taiwan over the Next Ten Years," in Lilley and Downs, eds., pp. 46–9. The Chinese do not accept the U.S. view of "limited war" that is aggressive and expansionist in intent. The Chinese version aims to defend "national sovereignty, rights and interests, and [to provide] a secure and stable environment for our national modernization. All its battlefields are in border regions that are dependent on China or specific surrounding locales." Chen Zhou [Senior Col.], "Chinese Modern Local War and U.S. Limited War," in Michael Pillsbury, ed., *Chinese Views of Future Warfare* (Washington, D.C.: National Defense Univ., Institute for National Strategic Studies, 1998), p. 238.

3. Dreyer, "A History of Cross-Strait Interchange," pp. 30–2.

4. Ibid., p. 33. Richard D. Fisher, Jr., suggests that Beijing's reaction did not constitute a sudden militarization of PRC policy. The PLA had begun to transfer missile units from the interior to the Fujian Province in February 1995, before Li's visit to the United States. The PRC also moved aggressively to seize territory claimed by the Philippines. In May, the PRC had carried out underground nuclear tests believed intended to refine a warhead for smaller, more mobile missiles. In May, the PLA tested the DF-31 mobile intercontinental ballistic missile. The PLA had also planned large military exercises for June 1995. See Fisher, "China's Missiles over the Taiwan Strait: A Political and Military Assessment," in Lilley and Downs, eds., esp. pp. 169–70.

5. This is the view of Arthur Waldron, professor of international relations at the University of Pennsylvania: "Back to Basics: The U.S. Perspective on Taiwan-PRC Relations," in Lilley and Downs, eds., p. 338. Professor Dennis Roy of the Naval Postgraduate School argues that this is at best unverifiable, that Beijing had no choice but to act, irrespective of the U.S. reaction.

6. According to stories in the Hong Kong press.

7. Ron Brown et al., "Forward Engagement Requirements for U.S. Naval Forces: New Analytical Approaches," prepared for Deputy Chief of Naval Operations (N8), 23 July 1997, p. 13.

8. Scott C. Truver, "The U.S. Navy in Review," U.S. Naval Institute *Proceedings*, May 1997, p. 83.

9. Ashton B. Carter and William J. Perry, *Preventive Defense* (Washington, D.C.: Brookings, 1998), p. 93.

10. Ibid., p. 97.

11. As quoted in "PRC Reaction to CV Movement during Taiwan Crisis," internal memo from N3/5 to the CNO Executive Panel.

12. Brown et al., "Forward Engagement Requirements," p. 12.

13. Office of Naval Intelligence [hereafter ONI], *Chinese Exercise. Strait 961: 8–25 March 1996*, Executive Summary, May 1996, p. 7.

14. For an account of these events, see Fisher, pp. 168–74, and ONI.

15. Cheung, pp. 49–50. However, according to Cheung, "the PLA's view of cross-strait relations remain[s] gloomy."

16. Waldron, "Back to Basics," pp. 334, 336.

17. Eric McVadon, "PRC Exercises, Doctrine and Tactics toward Taiwan: The Naval Dimension," in Lilley and Downs, eds., pp. 270–1.

18. Nicholas D. Kristof, "Taiwan Chief Sees Separate Identity," *New York Times*, 2 September 1998.

19. Fisher, "China's Missiles," p. 178.

20. Waldron, "Back to Basics," p. 334.

21. Associated Press, "China Issues Renewed Threat against Taiwan in Defense Report," 27 July 1998.

22. Charles W. Freeman, Jr., "Preventing War in the Taiwan Strait: Restraining Taiwan—and Beijing," *Foreign Affairs*, July/August 1998, p. 7.

23. William B. Bader and Jeffrey T. Bergner, eds., *The Taiwan Relations Act: A Decade of Implementation* (Indianapolis: Hudson Institute and SRI International, 1989), p. 182.

24. Ibid., p. 159.

25. Waldron, "Back to Basics," p. 334.

26. These events are summarized in Waldron, "Back to Basics," pp. 330–4.

27. Brown et al., "Forward Engagement Requirements," p. 12.

28. Associated Press, 27 July 1998.

29. "For Beijing, the Primary Need Is Recognition as a Major Player," *New York Times*, 25 June 1998, p. A8.

30. Eric McVadon [RAdm., USN (Ret.)], presentation, U.S. Naval Postgraduate School, Monterey, Calif., May 1998.

31. *Jane's Defence Weekly*, 10 December 1997, p. 26.

32. "China's Defense Policy Expounded," *Beijing Review*, 2–8 March 1998, pp. 11–2.

33. *Jane's Defence Weekly*, 10 December 1997, p. 26.

34. "China Moving to Untie Its Military-Industrial Knot," *New York Times*, 28 July 1998, p. A1.

35. "China's Dynamism, Japan's Inertia," *New York Times*, 26 June 1998, p. A27.

36. Kenneth Lieberthal, "A New China Strategy," *Foreign Affairs*, November/December 1995. On China's economic liberalization, see also Neil C. Hughes, "Smashing the Iron Rice Bowl," *Foreign Affairs*, July/August 1998, pp. 67–77.

37. Dreyer, "A History of Cross-Strait Interchange." p. 35

38. Steven Erlanger, "Jiang: Reformer, or the Last of the Apparatchiks?" *New York Times*, 6 July 1998, p. A6. See also, Ted Galen Carpenter, "Roiling Asia: U.S. Coziness with China Upsets Neighbors," *Foreign Affairs*, November/December 1998, pp. 2–6.

39. David G. Muller. *China as a Maritime Power* (Boulder, Colo.: Westview, 1983), pp. 20–43.

40. "For Beijing, the Primary Need Is Recognition," p. A8.

41. Harlan W. Jencks, "Wild Speculations on the Military Balance in the Taiwan Strait," Lilley and Downs, eds., p. 158.

42. McVadon, presentation.

43. Chen Jian, *China's Road to the Korean War* (New York: Columbia Univ. Press, 1994), p. 214. See also William Stueck, *The Korean War: An International History* (Princeton, N.J.: Princeton Univ. Press, 1995), p. 358.

44. Shen Kuiguan, "Dialectics of Defeating the Superior with the Inferior," in *Chinese Views of Future Warfare*, ed. Pillsbury, pp. 216–9.

45. Arthur Waldron, "The Art of Shi," *New Republic*, 23 June 1997, p. 39.

46. John D. Gresham, "Navy Area Ballistic Missile Defense: Coming on Fast," U.S. Naval Institute *Proceedings*, January 1999, pp. 58–63.

47. I thank Gross Scruggs, the Admiral Bobby R. Inman Intelligence Chair at the Naval Postgraduate School, for much of this information.

48. See Pillsbury, ed.; also June Teufel Dreyer, "There's No Hiding China Appeasement," *New York Times*, 27 June 1998, p. A28.

49. Peter W. Rodman, "Getting Serious about Security," *New York Times*, 2 July 1998, p. A25.

50. I am grateful to Lieutenant Eric Law, USN, a U.S. Naval Postgraduate School student, for this observation.

51. "Alarmists Overstate China Army Buildup," *New York Times*, 26 June 1998, p. A26.

52. Seth Faison, "Still a Puny Military Force by the World's Standards," *New York Times*, 28 July 1998, p. A6. The counterargument is that China's gross national product is growing at roughly 8 percent per year, which will allow China to surpass the U.S. economy in roughly twenty years, whereas the last growth year of the Russian/Soviet economy was in the 1960s.

53. More money will be directed toward research and development, and defense research contracts will be made more competitive among the 270 research institutes and universities that currently participate. The Fifteenth Party Congress meeting in September 1997 ordered defense enterprises to consolidate, in an attempt to rationalize the weapons selection and development system. The results appear to have been mixed. The Chinese defense industry suffers from overcapacity, inefficiency, inadequate capital, and low technological standards. Also, defense manufacturers have also diversified into supplying civilian goods, such as motorbikes and automobiles; they are expected to devote only about 10 percent of their capacity to arms production in the future. For instance, only 10 percent of the earnings of the China North Industries Corp. (NORINCO) comes from its defense division. *Jane's Defence Weekly*, 21 January 1998, p. 25. Admiral McVadon, in a presentation to the Naval Postgraduate School in May 1998, remarked that many officers have been swept up in the rush to make money and have utilized the military infrastructure to make a profit rather than to increase efficiency.

54. Waldron, "Back to Basics," p. 341.

55. "Taipei Is on Alert for Sign of Betrayal," *New York Times*, 29 June 1998, p. A9.

56. William Safire, "The Eight Yeses," *New York Times*, 9 July 1998, p. A31.

57. Dreyer, "A History of Cross-Strait Interchange," p. 35.

58. The Taiwan Relations Act of 1979 committed the United States to give Taiwan whatever it needed to defend itself, as compensation for shifting diplomatic recognition to Beijing. This appeared to be contradicted by what became known as the "third communiqué" in 1982, by which President Ronald Reagan agreed gradually to limit arms sales to Taiwan to no more than 830 million dollars' worth a year. The gradual disarmament of Taiwan, according to the communiqué, would lead "over a period of time to a final resolution." Both sides ignored this hiccup in American policy until 1992, when George Bush sold 150 F-16 fighters to Taiwan for five billion dollars. Washington insisted that it was not a violation of the third communiqué, because unless Taiwan could defend itself there could be no meaningful cross-Strait dialogue. Since then, U.S. arms sales to Taiwan have fallen below $500 million a year—a sum that buys some rather impressive hardware.

In 1996 the United States sold Taiwan 1,764 Stinger ground-to-air missiles, in 1997 twenty-one AH-1W Super Cobra attack helicopters, and in 1998 three *Knox*-class frigates, as well as antisubmarine missiles. Beijing is particularly worried that the United States will extend a "theater missile defense system" to Taiwan, although the impact that might have on Beijing's ability to intimidate Taipei with its missiles is disputed. Taiwan's American-purchased arms have been supplemented by other nations, in particular by the French, who have sold Mirage 2000 fighters and six *La Fayette*–class frigates to the Nationalists. "As China Sees It, Taiwan Remains Most Important Issue," *New York Times*, 26 June 1998, p. A9.

59. This is changing toward the creation of a two-hundred-nautical-mile littoral defensive "bubble." See Charles C. Swicker [Cdr., USN], *Theater Ballistic Defense from the Sea: Issues for the Maritime Component Commander*, Newport Paper No. 14 (Newport, R.I.: Naval War College Press, 1998), esp. chap. 3; and an adapted extract published as "Ballistic Missile Defense from the Sea: The Commander's Perspective," *Naval War College Review*, Spring 1997, pp. 7–25.

60. Alexander Chieh-cheng Huang, "Taiwan's View of Military Balance and the Challenge It Presents," in Lilley and Downs, eds., pp. 286–9.

61. A program launched in the 1970s to create an indigenous arms industry to free Taiwan from dependence on foreign suppliers has achieved some impressive successes in tactical missiles and the Indigenous Defensive Fighter (IDF). The Chung Kung missile frigate and the Chiang Wang automated air defense C3I system are made from U.S. components, as are elements of the Tien Kung surface-to-air missile, produced under license. Parts for the Mirage 2000s and F-16s also are made under license in Taiwan. But it is extremely difficult to maintain a defense industry with an important R&D base in such a small country. For instance, Taiwan wants to produce submarines, but it lacks the capacity to do so. It also is easier, despite PRC attempts to stop it, for Taiwan to purchase arms abroad, especially as the end of the Cold War has left arms dealers in Europe and the United States looking for customers. Huang, p. 290.

62. There are accusations that arms have been bought on the basis of personal and political connections, or bribery, rather than as part of an objective assessment of defense needs. This has led to the leveling of charges of corruption at ROC politicians, especially those of the Kuomintang. Like the PLA, Taiwan seldom buys the means to support its sophisticated systems. The problem is hardly new to China; it helped to compromise Chinese military modernization in the nineteenth and twentieth centuries. When commanders tend to regard planes, tanks, and guns as trophies, marks of status, rather than as building blocks of a system designed to win wars, the effectiveness of sophisticated systems is compromised by poor training, low standards of maintenance, and an absence of logistical support. There is also a tendency to treat new weapons as top secret and hide them. For the Taiwanese, this is aggravated by the inability to retain their best personnel in the military. The Taiwanese navy is considered weak in ASW, while the army is criticized for a "meet them on the beach with tanks" mentality. Presentation by Admiral E. McVadon at the Naval Postgraduate School, May 1998.

63. Duties that will fall to the SDF in the future include aiding the United States in refugee relief and transfer operations; enforcing naval blockades; inspecting foreign ships to enforce sanctions; conducting search and rescue operations on the high seas; providing nonlethal materials and fuel to U.S. vessels and aircraft; making Japanese airfields available to U.S. aircraft involved in a conflict; cooperating in the gathering and sharing of intelligence; and providing rear-area support in the form of maintenance, medical services, security, and communications. The testing by North Korea of a two-stage Taep'o-dong 1 intermediate-range ballistic missile on 31 August 1998 has driven the two nations to cooperate more closely on missile defense. "They fired a shot across Japan's bow and therefore across ours, too," insisted Senator Gordon H. Smith. Greg Siegle, "USA Accuses North Koreans of 'Blackmail by Ballistic Missile,'" *Jane's Defence Weekly*, 10 September 1998, p. 3. See also in the same issue, Joseph S. Bermudez, "North Koreans Test Two-Stage IRBM over Japan," p. 26.

64. Beijing asked Tokyo to define the geographic areas to which the agreements applied; it was informed that they included zones north of the Philippines, the Korean Peninsula, and Taiwan. Seiroku Kajiyama, the Japanese cabinet secretary, spoke of Japan's "strong anxieties over a possible military liberation of Taiwan by Mainland China." In September 1997, Japanese prime minister Ryutaro Hashimoto refused to speculate about what support Japan would give the United States in the event of a crisis in Taiwan. *Asia-Pacific Issues and Developments* (Cambridge, Mass., and Washington, D.C.: National Security Planning Associates, November 1997), pp. 51–2.

65. Taeho Kim, "Korean Views on Taiwan-PRC Relations and the Japan Factor," in Lilley and Downs, eds., pp. 303–25.

66. American trade with China alone amounts to about seventy-five billion dollars annually, while U.S. companies have invested an estimated twenty billion there. When trade with other Asian nations is factored in, the implications of a disruption of trade caused by military tension would be huge. "No Executives on Trip, a Hint That Commercial Ties Are Maturing," *New York Times*, 27 June 1998, p. A7.

67. Waldron, "Back to Basics," pp. 329, 335.

68. One hundred fifty-one members of Congress asked Clinton to cancel his trip. See also, for instance, Robert Kagan and William Kristol, "Stop Playing by China's Rules," *New York Times*, 22 June 1998, p. A23; "U.S. Needs Something to Show for Its Policy, While China Wants Some Respect," *New York Times*, 25 June 1998, p. A8; and A. M. Rosenthal, "Clinton Gets Results," *New York Times*, 26 June 1998, p. A27. Their argument is that the U.S. policy of engaging Beijing in trade and dialogue, and treating it like a great power to encourage responsible behavior, has produced the opposite effect. In their view, deference makes the Communist regime in Beijing stronger, more repressive, more contemptuous of an outside world that kowtows before it, provides it economic means to survive and even to extend its power. See also Robert Kaplan, "The Price of 'Engaging' China," *New York Times*, 15 January 1999, p. A23.

69. Paul Bracken, "America's Maginot Line," *Atlantic Monthly*, December 1998, pp. 85–93.

70. Yossef Bodansky, "The PRC Formulates a New Military Strategy for Taiwan," *Defense and Foreign Affairs Strategic Policy*, China Supplement, 26 September 1997.

71. See "Ohuchi Rallies His Troops," *Economist*, 9 January 1999, p. 35.

72. Fisher, "China's Missiles," p. 202.

73. Eric Schmitt, "Panel Finds Harm in China Launchings," *New York Times*, 7 May 1999, p. A19.

74. William J. Broad, "U.S. Loses Hold on Submarine-Exposing Radar Technique," *New York Times*, 11 May 1999, p. A6.

75. Taiwan has purchased two batteries of Patriot PAC-3s, the TBM-defense version of the Patriot. For the moment, one U.S. cruiser has Block IV capabilities, but it can fight only thirty-six engagements before it runs out of missiles. ROC forces could harden their aircraft shelters to Nato standards. The 1996 crisis revealed the absence of cooperation between U.S. and Taiwanese forces on communication and combined operations. This might be strengthened. Some observers suggest that the United States must help Taiwan with intelligence, stealth, and high-technology weapons systems, ASW, and antimine warfare. Waldron, "Back to Basics," p. 340; Fisher, "China's Missiles," p. 202.

76. In June 1999, after six failures, a THAAD missile successfully intercepted a test target.

77. Chong-Pin Lin, "The Military Balance in the Taiwan Straits," *China Quarterly*, June 1996, p. 590; and Alastair Iain Johnston, "China's Militarized Interstate Dispute Behavior 1949–1992: A First Cut at the Data," *China Quarterly*, June 1998, p. 29.

78. The PLA lacks the sealift to move more than two divisions across the Strait. In any case, even if one accepts the "fishing fleet" scenario—that is, putting troops on China's numerous fishing boats to produce a sort of Dunkirk in reverse—PLA vessels would be stopped cold by Taiwanese aircraft. There are few suitable places to land an invasion force on the western shore of the island, which is basically composed of mud flats.

79. China's Kilo submarines may already be equipped with these torpedoes. Some American experts believe that the operational standards of Chinese submarines are so low (as they are on long-range aircraft and ships firing antiship missiles designed to attack Aegis-type destroyers and cruisers) as to reduce the effectiveness of Chinese weapons. Others point out that no completely effective defense now exists against wake-homing torpedoes and antiship missiles.

80. It is expected that China will have up to 250 CSS-6s by the year 2000. At present, the PLA lacks the reconnaissance and surveillance capability to hit targets with precision. If, for instance, it sought to knock out a Taiwanese airfield, it would probably have to launch saturation attacks, which would severely tax PLA missile stocks.

81. While Japanese intervention would allow Tokyo to send a clear message to Beijing, there are also risks. Japan has so far proved extremely unwilling to become involved in what Beijing defines as purely Chinese domestic matters. A strong current of antimilitarism exists in Japan. The Japanese public may not tolerate the SDF's aiding U.S. forces, especially if the PRC threatens retaliation. The PRC has a deep and quite understandable paranoia about the growth of Japanese militarism. This may cause Beijing to extend the blockade to Japan, even to threaten Tokyo with missiles.

82. The PLA high command is reportedly convinced that the maneuvers carried out during 1996 Strait crisis prove that new rapid-response divisions, skills in engineering, communications, and chemical warfare already give the PLA the capacity to succeed, so long as any attack is rapidly concluded. Such an assessment would assume that the United States would not want to lose sailors or airmen, nor Taiwan the bulk of its air force, defending virtually indefensible islands, even though they form the front line of Taiwan's defense in depth. Bodansky, "The PRC Formulates," p. B16. Bodansky quotes many boastful statements by PLA commanders, including assertions of an ability to "knock out the entire Taiwan Air Force within a short period," which he seems to take at face value.

83. The CSS-6 and CSS-7 give the PRC the option of hitting oil storage, electric power grids, or even nuclear power plants, or of threatening to do so. Missile attacks might be complemented with air attacks. These attacks might escalate, following the targets listed above, by stages. Some analysts suggest that these

measures could be carried out rapidly and with surprise in the space of twenty-four hours before the United States could respond. Bodansky, "The PRC Formulates," p. B15.

84. See Robert Kaplan, "China's No. 1 Enemy," *New York Times*, 11 May 1999, p. A27.

85. "The Tempest in China," *New York Times*, 12 May 1999, p. A26.

86. Waldron, "Back to Basics," p. 337.

87. See Bin Yu, "What China Learned from Its 'Forgotten War' in Korea," *Strategic Review*, Summer 1998.

88. I thank my colleague Professor Dennis Roy of the Naval Postgraduate School for this observation.

89. Cheung, pp. 54–5. The Taiwanese view is that the Republic of China is not so much asserting its "independence" as trying to rule a part of China that the Communist government never conquered. *Foreign Affairs*, September/October 1998, p. 172.

Ψ

Sea Power at the Millennium
Call for Papers

An international conference, "Sea Power at the Millennium," will be held 12–14 January 2000 in Portsmouth, England; its patron will be the First Sea Lord of the Royal Navy, Admiral Sir Michael Boyce, KCB, OBE, ADC. The conference will examine in parallel sessions all aspects—strategic, commercial, industrial, and social—of sea power at the turn of the millennium. Particular attention will be given to the influence of sea power through the ages, especially in the latter half of the twentieth century. The conference will look forward to the likely impact and importance of sea power in the new millennium. For further details, or to propose papers or conference sessions, etc., please contact the conference secretary: Cdr. Alistair Wilson, The Royal Naval Museum (PP66), HM Naval Base, Portsmouth P01 3NH, U.K.; tel./fax +44(0)-1243-775-285; e-mail seamil@rnmuseum.compulink.co.uk.