

**THE BROOKINGS INSTITUTION**  
CENTER FOR NORTHEAST ASIAN POLICY STUDIES AND  
JOHN L. THORNTON CHINA CENTER

*in collaboration with*

THE NATIONAL BUREAU OF ASIAN RESEARCH  
*and*  
THE U.S. ARMY WAR COLLEGE

**Right-Sizing the People's Liberation Army:  
Exploring the Contours of China's Military**

*The Brookings Institution*  
*Washington, DC*  
*September 24, 2007*

[Transcript prepared from an audio recording]

ANDERSON COURT REPORTING  
706 Duke Street, Suite 100  
Alexandria, VA 22314  
Phone (703) 519-7180 Fax (703) 519-7190

## WELCOMING REMARKS

**Richard Bush**

Center for Northeast Asian Policy Studies, The Brookings Institution

**William Braun**

Strategic Studies Institute, U.S. Army War College

**Roy Kamphausen**

National Bureau of Asian Research

**Patrick Hughes**

L-3 Communications

## PRESENTATIONS

*A “Right-sizing” Overview*

**Andrew Scobell**

Bush School of Government and Public Service, Texas A&M University

*China’s National Military Strategy Revisited*

**David Finkelstein**

China Studies Center, CNA Corporation

*“Preserving the State”: Modernizing and Task-Organizing a “Hybrid” PLA Ground Force*

**Cortez Cooper**

Hicks and Associates

*Future Force Structure of the Chinese Air Force*

**Phillip Saunders**

Institute for National Strategic Studies, National Defense University

## COMMENTARY

**Jing Huang**

John L. Thornton China Center, The Brookings Institution

\* \* \* \* \*

## PROCEEDINGS

DR. BUSH: Ladies and gentlemen, why don't we go ahead and get started? My name is Richard Bush. I'm the Director of the Center for Northeast Asian Policy Studies, and it is my great pleasure on behalf of my center and the John L. Thornton China Center whose director is Jeffrey Bader, to welcome you here today for this program on Right-Sizing the People's Liberation Army. There are some mysteries embodied in that title which our speakers will get to later on.

My job is to simply welcome you here today. I got to about private first class in the U.S. Army, and my old friend General Hughes whom I knew from my days in the intelligence community and as Chairman of AIT made it to some level of general, and Roy Kamphausen made it to colonel, and Colonel Braun is a colonel, so I feel a little bit outranked here up on the stage. I'm going to say my piece and get out.

I should tell you that we have been doing a lot of renovating in our function spaces and this is actually the first event that is being held in Falk Auditorium since the renovation. The people who have been involved in the renovation, especially our good friend Stacey, have been working night and day to make sure that Falk Auditorium is ready for this event, and I think it looks spectacular, if I do say so myself. But we are very happy, CNAPS and the John L. Thornton China Center, to be able to be the hosts for this event on behalf of the National Bureau of Asian Research, and the U.S. Army War College. We are very happy that you have all come today. I would like to invite first Colonel Braun, then Roy Kamphausen on behalf of NBR. Colonel Braun is here on behalf of the U.S. Army War College, and then General Hughes on behalf of L-3 Communications, to offer a few welcoming remarks. Colonel Braun?

COLONEL BRAUN: My name is Colonel Braun. I am Deputy Director of the Strategic Studies Institute at the U.S. War College, and on behalf of the Army War College and SSI, I would like to welcome everyone here, and I will also keep my remarks very brief. I would like to thank the Brookings Institution for graciously agreeing to host today's event. As many of you know, we launched today's event as a result of the work we did last year at the conference up at Carlisle Barracks. That was the eighth annual conference on China's People's Liberation Army held at Carlisle, and it is about the eighteenth event that we have held at one venue or another on this topic. The War College is proud to partner with the National Bureau of Asian Research for last year's conference, and NBR is again hosting or partnering with us on this year's conference. Actually, the 2008 conference is going to be held at Carlisle in just a few days, the 28th through the 30th of September, and the topic this year is the people in the PLA.

SSI believes this is an extremely important event and it's one we want to continue sponsorship of into the future. To that end, we remain fully committed to hosting the PLA conference. Most of us are excited by the excellent work that has been done, the fine research that has resulted and the quality of scholars who have been brought in to

these conferences to contribute to the effort. With that, I thank you for your attention and I will turn the mike over.

MR. KAMPHAUSEN: As was mentioned, I am Roy Kamphausen with the National Bureau of Asian Research. I direct our D.C. office and also lead our Politics and Security Affairs Group. I would like to reiterate the thanks to Brookings, to the Thornton Center and to CNAPS for graciously agreeing to host this event. We hope that you will find great utility in the conference volume and also in the discussion that will lead it off here in just a few minutes.

One of the reasons why we at NBR are so thrilled to partner with the Army War College last year, this year, and hopefully going forward is really the study of the PLA has in many ways I think moved from a niche specialty into the mainstream. China's military plays a significant role in the region and globally at an increasing level and so this is an opportune time to be part of the premiere international effort looking at the PLA.

It has been a particular pleasure of mine to work with Andrew Scobell over the last two years as we have worked on the conference content and to work on the volume that you have picked up today. In order to put on a conference of this sort you need help, and we have been very blessed with the support of the Henry M. Jackson Foundation and the Bradley Foundation, and also the wisdom and foresight of L-3 Corporation. So I have the distinct pleasure of introducing Lieutenant General Retired Pat Hughes who is Vice President for Intelligence Security at L-3. Of course we enjoyed his participation last year and looked forward to him joining the conference this year, but it is really his roles when he was in government service as Director of DIA and also as an Assistant Secretary in the Department of Homeland Security that really gives him a unique perspective in which to offer some views on what PLA modernization means. In order to save a lot of time for the panelists to come, I would like to introduce General Hughes and then look forward to what he has to say. Thank you.

GENERAL HUGHES: It is a pleasure to be here today for lots of reasons. One is I am always pleased to be asked to come and speak at the Brookings Institution. It's always a pleasure to associate with scholarship and with insight about the present and to perhaps provide a pathway toward the future. And last but not least, it's a pleasure for L-3 and for me personally to be associated with NBR and to be associated with other think tanks and institutions around town and with academia in the pursuit of studies about China. I think you can make a real good case that there is no more important political, geopolitical, cultural topic for the future of the United States and perhaps for the future of the world than whither goes China and perhaps more broadly whither goes Asia with China certainly being the center of gravity there. So, on that account I am glad to have been asked to come here and offer some opening remarks.

The book that you are going to receive today "Right-Sizing the PLA: Exploring the Contours," as was mentioned, does embody a certain mystery, but I think probably most people in this audience understand this [the PLA] is a huge organizational structure

and has a meaning perhaps deeper than the mere outlines or contours of its organizational structure. I don't think Americans are very well equipped to understand that, frankly, so I am hoping that not only out of this book but perhaps other work to come we will know much more about the Chinese military than we do today.

I think it is a great example, this work, of cooperation and collaboration between the U.S. government, to some degree especially embodied by the Strategic Studies Institute and the U.S. Army War College, cooperation by academia, think tanks, research organizations, and individual scholars, about China, and that collaboration and cooperation must continue. I do represent industry here. You might say I am one of the guys who represents a little bit of money, and it is important that industry and business here in the United States support these kinds of endeavors. Without that support, the time and the energy to produce such a work and to think through honest truths about topics like the PLA cannot be done. So I hope that you will take my presence here in the spirit in which it is intended, and that is support for what we think at L-3 and what I think personally is vital work.

I have been looking at China for quite a few years, not as a China scholar. I fortunately have been associated with several other people in this audience including Dave Finkelstein and Roy and others over the years to help me understand issues about China that I could not otherwise know about because I do not have the facility of the language, nor have I had the time or the opportunity to study the culture or the place. But I have had contact with it. I have been there on several occasions and have had contact with their military, and I have had compelling reasons, one might say, to want to know more about China because China has been an inertial pole apart from the United States. We must recognize, when we see one, a strategic competitor, a rival, a friend, a partner, a force for stability in the world or instability in the world depending upon how things go. And it is in part up to us and in part up to the Chinese to make sure that we go down the right pathway in the future. And so this kind of understanding is not only valuable, it is critical, it is necessary, it is the force by which we are going to move into hopefully a bright and prosperous future for us all. I don't think you can overstate the importance of that.

Just a word on China's military. It is not growing larger, it's growing more capable. It's modernizing. It's transforming. It's evolving. But it's evolving rapidly, changing rapidly, or so it seems, and in part it is doing that because of the economic vitality of the state from which it rises. I think that's good news that is also potentially challenging news. To put it in harsh military terms, China is not transparent, hardly so.

We on the other hand are far more transparent. If you liken that to the competition and the hostility of times gone by, I don't know what the circumstances will be in the future, but if you look backward, it has never been a good thing for the underdog, it has never been a good thing for the group that perhaps has to challenge the status quo as it were. It has always been a condition where one or the other made a mistake based largely on misperception and a lack of knowledge that led to conflict...as opposed to being able to find another pathway. And speaking as one who has been there

– to an audience probably of many here who have there too – we certainly don't want that, we want a peaceful evolution that we can all understand. So if China itself cannot give us transparency, then the scholarly study by learned men and women who speak the language, who understand the culture, who have the heart to see inside China and deliver the truth back to the rest of us, is so important. And for those of you who do that work, thank you very much.

I would like to close by thanking Brookings, obviously, and I also think back, Richard, to what might be called the strategic assessment process of the United States. We know it has never been perfect, perhaps far from it, but it wasn't because good people didn't try to do good work. As Richard Bush came up to say hello to me earlier today, I am now remembering some of the things that we were involved in that were tough, let's call them for lack of a better term, Gordian knots, China perhaps is one. We have the opportunity to untie it.

I want to thank the Strategic Studies Institute and the National War College, of course, for their great support for this kind of effort...and NBR, and all of the other organizations that you all represent. As one old army general and a citizen and a member of industry, once again thank you so much for doing this work and I hope you got some inkling out of my presentation of how important I think...and the company I represent thinks...this is. Thank you.

DR. BUSH: Thank you very much, General Hughes. So those are the appetizers of this banquet and it is now time for the main courses. I would like to ask Andrew Scobell, Phil Saunders, Cortez Cooper, Dave Finkelstein—the *mapo doufu* of any panel—and Jing Huang, to come up to the stage.

DR. SCOBELL: Good afternoon. It's a great pleasure to be here at Brookings. I would like to again thank the Brookings Institution and Richard Bush in particular for organizing and hosting this event. Thank you.

Richard may not know this, but 20 years ago I was in a cubicle upstairs working in Foreign Policy Studies as a research assistant on things Chinese. More recently, until last month actually, I was a research professor at the Army War College's Strategic Studies Institute. So as you can see, I've got a checkered past. But today effective this month, I am a professor at the Bush School of Government and Public Service at Texas A&M University.

The edited volume we are releasing today is the result of many months of toil by a group of top-notch specialists, three of whom you see seated to my right. The intellectual inspiration for the overarching theme of this book can be traced back to an idea of Dennis Blasko, he is one of the contributors to the volume, but he couldn't be here today. He suggested that we hold a conference focused on what would be appropriate for China's defense needs, what such an army would look like. My co-conspirator, Roy Kamphausen, at the National Bureau of Asian Research, and I shaped and molded

Dennis's idea into a coherent research agenda, commissioned papers, and then convened a conference last fall in Carlisle. The results are contained in the volume that we co-edited.

The terminology for the title was inspired as some of you probably know by the words of Secretary of State Condi Rice who two years ago commented, "China's military buildup looks outsized for its regional concerns." Of course, these remarks beg the question what would a right-sized PLA look like. In other words, what might an armed forces consistent with Beijing's legitimate self-defense requirements look like.

Right-sized lies in the eyes of the beholder. What seems right-sized to the United States might not be considered right-sized by China. In fact, what might be considered right-sized by China's political leaders might not be considered right-sized by China's military leaders. Indeed, I was struck by the comments of a senior PLA leader earlier this year when he told me that the extended period of peace and prosperity that China has enjoyed in the past few decades has been a mixed blessing for China's military. He explained that on the one hand, economic growth has allowed significant funding to flow to military modernization. But on the other hand, the PLA officer observed a sustained period of peace without a looming or imminent threat of conflict provided no great sense of urgency to enhance the PLA's capabilities and readiness, at least not as quickly as he would have liked. So right-sized has to be taken in that context.

But "Right-Sizing the PLA," and I'm talking about the book, considers the force structure, the latest training, doctrinal and procurement efforts, across the arms and services of China's military forces. I will let the assembled scholars and authors speak for themselves, but I want to encourage you to peruse the contributions by authors who are not speaking today. There are, for example, excellent analyses of the PLA Navy and the Second Artillery, its strategic rocket forces.

I want to leave you with a couple of key themes that I think run through this volume, the first of which is that an enormous amount of information is available about the drivers, scope, and direction of China's military modernization drive. Some people are prone to say we don't know much about China's capabilities and intentions, and that is not true. We know a lot about China's capabilities and intentions. What is true as General Hughes mentioned in the previous panel is Chinese transparency is nowhere near where it should be, but there is significant and considerable primary source information out there and I think what the volume you have before you today shows is it's out there, it's available, and good scholars can find it and use it to tell us an awful lot about China's military.

The second key theme is that modernization as far as the PLA is concerned is by no means monolithic. What I mean by that is the pace, scope, and results of the changes of modernization have been varied and uneven. They have not been uniform across the board. And as scholars like Dave Finkelstein have pointed out, China has made certain areas top priority and we see that very clearly, so some portions of the PLA have moved forward a lot quicker than others.

A third key theme is the growing importance of the human dimension. As systems become more complex, the human element becomes increasingly critical. What I am talking about of course is personnel management, training, and education. Coincidentally, that is the theme of this year's PLA conference, so I hope to see many of you about a year from now when we will have another book launch for the next volume. But now I would like to turn to the real meat of this main dish of today's event, and that is presentations by the substantive contributors to this volume. What we'll do is I will ask Dave Finkelstein to lead off and we'll go to Cortez Cooper, then Phil Saunders, then by way of trying to wrap the panel up, Dr. Jing Huang will present his observations on the volume and comments of the panelists. So I don't think I need to give too much introduction to the speakers, but of course Dr. Finkelstein is Director of the China Center at CNA Corporation and has done extensive research on Chinese security and strategic topics. If you want to speak, feel free to speak from your seat or come up here.

DR. FINKELSTEIN: First I want to thank Richard Bush for that remarkable introduction. It sort of forces one to think how you would answer the question, Gene Martin maybe you can answer it later, if you could be introduced publicly as any Chinese dish, what would that dish be? So thank you, Richard, and thanks to Brookings for putting this on and for Andrew and Roy for asking me to do this paper. When they first asked me to do this paper about China's national military strategy, I knew I had a daunting challenge in front of me, but I really couldn't resist for about four or five reasons. First of all, without a paper on China's national military strategy, we're asking why are we trying to right-size at all? Right-size to do what? So talking about China's national military strategy has to provide at least some context for the rest of the conference and for the rest of the papers in the volume. So that was one reason I couldn't resist.

The second reason I couldn't resist is like Don Quixote de la Mancha, I have been jousting with this windmill since the early 1990s when General Hughes who was actually my boss at one time said, Colonel Finkelstein, what is China's national military strategy? So I have been at this for a while, and frankly, up until this particular paper, I don't think I've been half-wrong, but I've never felt as confident as I do now that I understand how the Chinese think about their military strategy. Of course, I also did one for Michael Swaine for the CAP-RAND conferences in 1998 and 1999.

But more than anything else, the timing to look at China's national military strategy was quite right and auspicious for various reasons. First, there is a lot more primary source material out there that scholars can work with. Because Chinese military modernization objectives, programs, and aspirations have to be communicated to the PLA and the soldiers of the PLA, there are a lot of materials out there to work with if you can breach the first line of China's defense which, of course, is Mandarin. So there is a lot to work with.

Next, since 1998, China has published five defense white papers, and while none of these defense white papers by themselves tell you the whole story of China's national military strategy, they actually tell you a lot more than you would think if you know what



you're looking for, and much more than many here in Washington would give the Chinese credit for talking about. So there is a lot to work with. And of course, the great boon to this paper, and we thank the PLA for this, was the canonization of Jiang Zemin thought. In the summer of 2003, Jiang Zemin's speeches, directives, and guidance to the PLA during his tenure as CMC Chairman were elevated to a thought-level construct, a *sixiang* level construct, hence, a waterfall of publishing on what Jiang Zemin had told to the PLA during his many years as the top leader. And since the current national military strategy that China is operating on was actually promulgated by Jiang Zemin in 1993, therefore there was a lot that was written about that topic.

And of course, the last reason I took this on was because the issue of China's national military strategy actually became a *cause celebre* during Donald Rumsfeld's tenure as Defense Secretary and still persists to be a contentious issue, because we all know at the Shangri-La Conference in Singapore in 2005, Secretary Rumsfeld referred to Chinese military modernization programs and asked these questions, "Why this growing investment? Why the continuing large and expanding arms purchases? Why these continuing robust deployments?" And of course in the various iterations of the DOD report on PLA capabilities, there is an important quote that says, "China's leaders have yet to adequately explain the purposes of desired end states of their military expansion." These questions that Secretary Rumsfeld asked and that are implicit in the defense white paper are asking these kinds of questions: "What is the PLA trying to achieve and why? What types of calculations, assumptions, and assessments do Chinese planners employ to decide that change is necessary, and when they do decide change is necessary, what kind of assessments do they use to form the blueprints for their out-year modernization programs? What are the programmatic vehicles that are used to transmit decisions, policies, and programs for such a program of modernization?" In essence, these are the questions that any national military strategy really asks, and this of course is what my chapter covers.

The grueling details of what China's current national military strategy is, are in the book. I'm not going to go through it. It's about 80 pages. I will leave it for the idle curious and the hearty of soul to go through. What I would do in the final couple of minutes left to me is just give you some of the key findings from the research I did, so here they are.

First, China does in fact have the equivalent of a national military strategy and it is the national military strategic guidelines (*junshi zhanlie fangzhen*) in which the key elements of discourse, decision, and directive, that actually comprise a national military strategy are to be found. It is the military strategic guidelines that provides the justification for programmatic change across the entire spectrum of defense modernization and reform in China, it is the military strategic guidelines that set modernization priorities and connect with resource allocation processes such as 5-year plans, it is within the military strategic guidelines that capabilities-based and contingency-based imperatives are articulated, and it is the military strategic guidelines that transmit the geostrategic, political, operational, and economic rationales for major change in military modernization efforts and war preparations. So that is the first big takeaway. If

you are looking for the national military strategy, it's called the military strategic guidelines.

Second, the issuance of new military strategic guidelines or announcing major revisions to the guidelines is a response to drastic changes in China's external security situation or major changes in China's domestic objectives. The military strategic guidelines have long shelf-lives. In the 58 years since the founding of the PRC in 1949, the military strategic guidelines have undergone major revision only four or five times and when new guidelines are issued it is in response to significant changes in one or all of the following areas of assessment. These are not my assessments, these are the assessments that the PLA actually goes through: changes in the international order, changes to the international or regional security environment and to China's security situation, changes to China's domestic situation or Beijing's domestic objectives, and very critical, changes in the nature of modern warfare itself. Those are the key assessments that would drive the senior leadership of the party to revise or change new military strategic guidelines.

My third takeaway. The issuing of new military strategic guidelines is as much a significant political event in China as it is a major development in military affairs, consequently, it ought to be a knowable event. New guidelines are issued under the name of the Chairman of the Central Military Commission. Historically, new guidelines have been announced via a major speech delivered by the CMC Chairman to the leadership of the PLA at expanded meetings of the Central Military Commission. These expanded meetings or *kuoda huiyi*, not only include the sitting members of the CMC, but also include key PLA leaders from the four general departments, the military regions, and all national-level organizations such as AMS, Academy of Military Sciences, and *Guofang Daxue*, the National Defense University. So this is a big political event. They don't change their national military strategy often, so when they do, it's as big a political event as it is a military event.

The fourth takeaway. The set of guidelines for the national military strategy under which the PLA is currently operating right now in 2007 was originally issued in 1993 and it is known as the Military Strategic Guidelines for the New Period. Former CMC Chairman Jiang Zemin introduced the new guidelines in a speech to an expanded meeting of the CMC on January 13, 1993, and that speech was called "The International Situation and the Military Strategic Guidelines."

The need for issuing a new national military strategy through the guidelines was driven by two key assessments: that the international order had changed drastically in the post-Soviet period, and in the post-Gulf War period, clearly the nature of modern warfare had changed so drastically that the PLA had to make major readjustments. What I am suggesting then is that while there have been many adjustments to the military strategic guidelines or the "Military Strategic Guidelines for the New Period" since 1993, while there have been many adjustments to it, what I am suggesting is that every program we have written about, every development we have seen whether it's doctrine, systemic

institutional reform, personnel issues, or the acquisition of new capabilities, trace their roots to the fundamental decisions that were made in January 1993.

And fifth, as regards format and actual content, there are at least six key strategic-level assessments that military strategic guidelines must address and transmit to the PLA. The first, and this is their terminology, not mine, they must present the strategic assessment, the *zhanlüe panduan*, my apologies to real Mandarin speakers, is the strategic assessment, this is the critical section of the guidelines where an overarching assessment of China's external security situation and its external security environment is analyzed. It talks about global trends, regional trends, and what they mean for China's national security.

The second is adjustments to the content of the active defense strategy or *jiji fangyu neirong*, changing the content or adjusting the content of the active defense. This factor discusses how the PLA will need to adjust its traditional military strategy known as the active defense to comport with the changing nature of modern warfare.

Third is articulating the strategic missions and objectives (*zhanlüe renwu yu mubiao*) of the PLA. What is the PLA supposed to accomplish?

Next, guidance for military combat preparations (*junshi douzheng zhunbei*). This is the capabilities-based assessment. This is where the PLA asks not who might they go to war with, that's not the question they're asking, what they're asking is what kind of war might they have to fight in the future, and that drives programs based on a capabilities-based assessment. And of course, there is a contingency-based assessment and it is called identifying the main strategic direction (*zhuyao zhanlüe fangxiang*). This aspect asks war where, against whom, to achieve which national objectives, and where should the PLA put its emphasis and which theater of operations for early combat preparations.

Finally is the determination of where the PLA should put its emphasis on army building (*jundui jianshe*), what programs, what weapons, what systemic changes do they have to go through. Those are the assessments that are used within the military strategic guidelines to transmit to the PLA and the rest of the Chinese government what kind of national military strategy China needs at any given point in time.

Let me just conclude by saying that the one big takeaway for me from this research effort was that the PLA's approach to crafting the equivalent of a national military strategy is pragmatic, deliberate, and based on the types of calculations and assessments that any professional military establishment would undertake. The terminology and the organization of the guidelines are a distinct reflection, yes, of the professional culture of the PLA as well as the intellectual constructs imposed by scientific Marxism. By at the end of the day, there is nothing particularly strange, exotic, or exceptional about the military strategic guidelines and the national military strategy that transmits to the Chinese defense establishment.

I would also add, picking up on something General Hughes mentioned earlier, that strategic transparency and the issue of intentions are in fact two of the larger-order perceptual problems that continue to bedevil U.S.-China security relations. There is no question about that. But with major aspects of the military strategic guidelines for the new period already in the public domain at least in China to a certain degree, I think the time has come for Beijing to be more forthright in explaining these strategic guidelines and to stop talking around them and making me guess at what they were. They could have saved me an entire year of work by just coming out and telling us.

On the other hand, although the Pentagon may be correct in lamenting that no Chinese leader has "yet to adequately explain" its national military strategy, at the same time, DOD assessments that the U.S. does not understand the rationale for the PLA's modernization programs seems to me to be less than forthcoming especially when adequate data to answer that question is clearly at hand. Therefore, if they have not done it already, it seems that the time is right in our military relationship with China for both the U.S. and the Chinese to talk to each other more frankly about the publicly available aspects of their respective national military strategies and we can have no need for any future conferences at that point. Thanks.

DR. SCOBELL: Now we focus on the ground forces. Cortez Cooper is the Vice President of East Asian Studies at Hicks and Associates to give us his synopsis of his chapter. Before he gets started, the people at the back who are standing, there are seats up front, and even though it says reserved, just rip that off and have a seat. So please come forward if you would rather sit.

MR. COOPER: Thanks very much, Andrew, thank you Roy. I thank both of you for the opportunity to present at the conference last year. It was a great opportunity. Thanks also to Dave for setting the strategic context for me here. I think that is extremely important. And also, if you want to read or analyze the military strategic guidelines, they are a lot shorter than Dave's presentation, so even if you have to learn Chinese first, you'll still have plenty of time left over.

Thanks very much, Dave, that was great, and again one of the things when I was cutting my teeth as an analyst under General Hughes a number of years ago, I won't say how many for both of us, one of the things that bothered me sometimes about the analysts in my workforce when making some of their analysis of military capabilities, perhaps the intentions that underlay those capabilities, was frequently that was done in a vacuum. Again there were sort of monolithic statements of capabilities about a force which did not take into consideration the variety of missions and objectives that really drive the way that force is put together, postured, equipped, and then how they are employed. And unless you really dig into the strategic guidelines in this case and into the Beijing strategic objectives that are the antecedents for and the determinants of the national development objectives of any given country, then you can't really make those calls.

I would also like to thank I think a couple of folks who are here, at least one of whom is, I know John Corbett and Frank Miller who sat on the panel that I was on and

added a lot to that panel, and I learned a lot from them just in the presentation of the paper. And also to Dennis Blasko, mentioned earlier who can't be here with us today but is certainly here in spirit in that a lot of the research and work that he has done went into the points that I tried to bring out in my paper. All of these folks fit into the category that was mentioned a few times today, scholars. I am happy to report that I am not in that category. I am occasionally allowed to air my crazy views actually in public, not very often, but when I am, I appreciate the opportunity. Generally I get to be a foot soldier in this community which I love doing and I think that is appropriate in looking at the ground forces today. I also want to thank specifically SSI and the War College. When I was on active duty in the army, the senior leadership of the army made absolutely sure that I didn't get anywhere close to the War College and my presentation there last year was actually my first time on the post at Carlisle, so I enjoyed that greatly, and thanks again to the War College for that.

In my paper I had two primary objectives. I won't really go over the findings. I'm going to make you read the paper to get at some of those nuggets of wisdom, but I did have two objectives that I thought were pretty important. The first one was pointing out the danger of trying to evaluate ground forces particularly in China, less so perhaps the air, naval, and missile forces, but particularly the ground forces and trying to evaluate them as a homogeneous force. Therefore, the title of the paper, "Task Organizing: A Hybrid PLA Ground Force."

The number of missions that the most recent of the white papers and those that came before them that they have mentioned that are laid on the plate of the PLA ground forces is tremendous and the ability of the force to meet those mission requirements and to posture does in fact I believe legitimately require a large force. The question that we are faced with when we address the issue of transparency and the issue of understanding intent in developing the ground forces and their capabilities lies in the percentage of that force that is being equipped and designed to conduct offensive operations and what those offensive operations in the near term, mid term, and long term might be or at least what the perceptions in the minds of the leadership are of what those threats might be. I think there are some legitimate concerns that have been expressed by senior leadership at the Pentagon and by many analysts in terms of the air, missile, and naval forces and the development of some of the power projection capabilities in those forces that perhaps are disproportionate to the threat.

The ground forces are a little bit harder to evaluate, but again I think it is important when we look at that force to focus on those areas where they are developing offensive capabilities and therefore potentially power projection capabilities and to try to get at what the reason behind that is, what the intentions are for the near, mid, and long term, but there are again legitimate reasons for many of the missions that are laid out for the Chinese force for it to be a large one. So when I dealt with the idea of right-sizing, I kind of did it from the perspective that, yes, it's a large force, it will remain a force of I think at least for the next decade pretty well over a million active forces, but then also to understand that as we look at right-sizing you can't simply just take the size of that force and make an assessment on it. By the same token, I think it's important in looking at that

that it is now a homogeneous force, that as you assess capabilities, you don't again make the mistake of assuming that a force that size poses a great danger in the region. At the same time, you don't want to go too far in the other direction and say there are a lot of missions, it's going to be a large force, and to sort of dismiss that because there are a number of capabilities and implications within that hybrid force that are pretty important to look at. So that was sort of the overlay of the first objective that I wanted to get at.

The second one was to try to provide a baseline understanding of where and how those offensive capabilities, and thus potentially limited regional projection capabilities, will occur in the ground forces and to point out the need for a little bit more sophistication in our analysis to determine the specific capability developments that might serve as harbingers for greater propensity among the PRC leadership or perhaps in the PLA leadership as they interface with their civilian leadership to use ground forces potentially to resolve regional disputes either through of course posturing or through actual use of those forces in combat in the region. So those are the two main points that I needed to get at.

I think four areas that I'll try to mention very briefly, again, I won't go over the security task and ground force missions. You can look in the paper for that, but I think you have to start there in terms of understanding how the Chinese themselves define what right-sizing is and the terms that they use for that actually in the most recent white paper. But I think beyond that, I wanted to look at four areas that show in those mission objectives that are pretty important.

The first one is of course the area of focus that drives modernization most and that is Taiwan and the requirement to build an amphibious and air transportable force capable of responding to a call to arms in the Taiwan Strait if the leadership thinks that that is necessary, and the PLA force planners have clearly begun to restructure, equip, and train units for specific offensive missions in the Taiwan Strait. Having said that, they have avoided the obvious alarming overt preparations for projecting and transporting a force with certain of the capabilities, but they have positioned their defense industrial base to provide those capabilities relatively rapidly. In other words, the force is being trained, equipped, and task organized for specific missions in terms of those amphibious and air transportable operations, and then the platforms for them, again the defense industrial base, is prepared to provide in a fairly rapid timeframe I believe.

Beyond Taiwan, there has been quite a bit written about—and I didn't stress this too much in the paper because I think there is a great deal of research that needs to be done and a great deal in the military-to-military arena between the U.S. and the PRC militaries to get at—but that is the issue of expeditionary warfare, and as some of the older divisions are again task organized into more lean and capable brigade type forces, some of these forces are potentially very capable when it comes to regional expeditionary warfare type missions. The question that has to be asked is, what are these units particularly focused on and why is that capability coming into play.

An area that is less important perhaps in terms of modernization but is a pervasive concern in maintaining the force posture and the size that we're looking at here are the internal security concerns. The PLA is the final arbiter of party control throughout the country. Its presence throughout the country obviously is something that the PRC leadership does not want to see lessened. There are a number of mission activities, traditional domestic control activities, disaster relief, local civil development projects, and then of course support for people's armed police forces and other public security forces in quelling public disturbances. So they still are seeing the need and it has been foot-stomped by Hu Jintao and others in the leadership as absolutely the top priority of the military to uphold the control of the party throughout the country. So it's again less so perhaps a modernization driver as it is an overarching concern for the posture in the sizing of the military.

Another one that I think I want to get in before I close is the importance to ground forces of being able to conduct some of the military diplomacy operations that are required of them. China obviously views military diplomacy as a key contributor to their overall diplomatic efforts and under that rubric they include U.N. peacekeeping missions, military exchanges, international disaster relief and support, joint exercises, and bilateral or multilateral security dialogue. Obviously, to some extent arms sales and security assistance also figure into this. According to the white paper, there are about 1,500 peacekeepers serving in nine mission areas and in the U.N. Department of Peacekeeping Operations at the end of 2006 and an awful lot of those are coming from the ground forces. So you will see China increasingly being challenged by actions that will demand protection of their personnel and of their assets and resources overseas and, again, also all the other elements of their military diplomacy program and that is an area that we sometimes are not looking at when we're looking at ground force capabilities overall. The combat inexperience of the force is frequently mentioned and yet a good number, a small number based on the overall force I understand, are getting quite a bit of experience in operating with other militaries abroad, and in facing perhaps for the first time a level of understanding of what it means to operate as a global power in places like Africa, and Latin America, and then judging the impact of this on their forces, particularly on the ground forces, I think is pretty important as we see them developing ideas about force posture and force capability.

In the paper I got into tomorrow's ground force a little bit in terms of what I thought that would look like, but I think I will not go into that and I will save that in case we have some questions later. But I would like to close again with thanks to you all for being here today and look forward to your questions. As I pointed out at the very end of the paper, I do think that although the ground forces sometimes are overlooked perhaps as less of a priority in the modernization effort as their sister services, that they can serve as a bellwether for many of the attentions of the PRC leadership as they decide how they are going to handle regional crises and as they move forward in their evolution as a global power. Thanks very much.

DR. SCOBELL: Thank you, Cortez. Of course, I am completely unbiased, but I think there is no substitute for boots on the ground. And the fact that I spent eight years

at the Army War College has to do with that assessment. We take off now and, so to speak, focus on the PLA Air Force, and I would like to ask Phil Saunders who is a Senior Research Fellow at the Institute for National and Strategic Studies at the National Defense University to give a synopsis of his chapter.

DR. SAUNDERS: I think I will sit here and make two remarks, first, that the remarks I'm about to make are drawn from the chapter and my co-author Eric Quam is in the audience so the intellectual content reflects a lot of his contributions, but I also have to say that these views don't represent the Department of Defense or National Defense University. So the Secretary disavows all knowledge or responsibility for these remarks.

But with that in mind, when I got this very interesting assignment to think about the right size for the air force, my first thought was I did not want to produce the air order of battle for the Chinese air force circa 2015 or 2020 because I knew whatever I wrote would be wrong and eventually that would become clear. So what I wanted to do instead is think about how do we think about what the right size of the air force is, what seems to be underway in modernization, and what are the choices that the Chinese themselves are going to have to confront in building their air force and that way hoping not to produce a point estimate, but to produce a way to interpret what we see happening in the future. We came up with five ways of thinking about the right size for the air force.

One is to do what Dave Finkelstein suggested, that you have a very rational strategic assessment process, you look at the external environment, you see what military missions you need to do that fall out of that, and then you ask what role does the air force play in carrying all this out, so a very rational, logical approach, and that is one that is used, but I don't think that's the whole story. You also have to look at this in a second way: PRC interests are changing and expanding, its foreign policy is becoming more active, and then with that perspective in mind you ask what military requirements and what air force capabilities are needed to carry out that expanding base of missions and where might they be located. That is a second way that captures a little bit of the dynamic change.

A third way is to ask what are the priorities of China's civilian leaders and what kind of return do they see on their investment in military capabilities in general, and air force capabilities in particular. I would suggest that differs a little bit from the kind of rational strategic assessment process that Dave talked about because they're taking into account such things as how do we balance the civil and military sides, how do we take care of the economic, how do we deal with our domestic problems and our international posture, and also civil-military relations. Is part of China's expanding military budget focused on keeping the military satisfied as part of the core Chinese communist system? You have to take that part into account as well and that is a somewhat different perspective.

The fourth one is to ask what are the air force capabilities versus investment in other capabilities. Should you be putting your money in aircraft or boats or missiles or army units? The recent white paper suggests a higher priority for the air force, navy, and



Second Artillery, but then you have to remember that the ground forces run the PLA, so interservice dynamics might affect the force structure.

Then finally, a different perspective is what does it take to build the best air force in the world? What does it take to build a modern air force that can fight and win against other air forces? That is a perspective that people in air forces think about a lot and it leads you in a different direction as to what kind of air force you need. It is somewhat divorced from these broader strategic concerns, but sometimes matters significantly. Those are five ways of thinking about what a right size might mean.

In the paper, Eric and I talk about what we see as a transition from the old PLA which was an air force equipped with thousands of obsolete fighters that couldn't fly at night, that couldn't shoot missiles, but did consume pilots and a lot of resources, but an air force with very limited capability, to what we see as the new PLA Air Force, one that is equipped with modern fourth-generation fighters, one whose aircraft carry advanced weapons systems, one that is integrating force multipliers such as airborne early warning, tankers and electronic warfare, one that operates a much more capable air defense system, and one that is investing a lot more in training its personnel and training to operate both as an air force and in joint operation. We see that as a transformation that is underway, we are about at the midpoint now. You can see a lot of the directions they are going. You can see a lot of the hardware that the air force of the future is going to have and we think there is a pretty good visibility on most of that, but exactly how big and what combination of the things we suggest is not maybe firmly settled. In part of the paper we talk about some of the tradeoffs that the air force leadership and the military leadership will face. I would like to talk about four of those.

The first is the division of labor. We mean the division between services, who is going to do what mission, between branches, what part of the air force is going to take on what task, and weapons systems, what kind of systems are you going to use to carry out each of these specific tasks. In the paper we talk a bit about air defense noting that for the coastal regions, that responsibility is divided between the naval aviation forces, air defense on ships, and the PLA Air Force itself which operates both interceptors and ground-based air defenses. Is the navy going to keep playing a big role in air defenses, and how are they going to divide those responsibilities? Right now they each are responsible for different sectors. Is that going to last? Is that an efficient way to operate? How does the air force think about what investment to make in ground-based air defenses versus investment in fighter planes? Air forces tend to be run by pilots and they like planes a lot more than they like SAMs. That is a factor. And how much attention to pay to cruise missile or ballistic missile defense? If you really want to do that in a serious way you've got to devote serious resources to it, but right now China doesn't have a long-range radar that can detect incoming missiles. Is that the kind of investment they are going to want to put a lot of resources in? Conventional strike is the same kind of question. You can do conventional strike missions with ballistic missiles, with cruise missiles launched from ground, air, or naval platforms. You can do it with tactical aviation. You can do it with strategic bombers. There are a lot of different platforms you can use. What is the right mix? Do you want to do a little bit of everything, or do you

want to concentrate on a couple of those? One of our conclusions is that there seems to be a fairly minimal effort going into the strategic bomber force, at least that is what we found. So this division of labor, who is going to do what and how are you going to do it, will be a driver of force structure.

Domestic versus foreign production. One of the things that has really driven PLA modernization is the decision to purchase advanced weapons systems primarily from Russia. That was the foundation of PLA Air Force modernization when they got their first SU-27 fighters that they bought from Russia. But now the question is do you want to build your whole air force around imported systems, do you want to use less-capable aircraft that you can build at home, or do you want to do a mixture of that, maybe even your less-capable aircraft that you build at home using imported engines or imported avionics or firing an imported missile. What is the right balance between what you can buy and what you can build yourself? A factor that is pretty important is Chinese concerns about being too dependent on foreign suppliers, and potentially being cut off from spare parts in a moment of crisis. That does seem to be something that they are pretty concerned about. That is a tradeoff, which way do you want to go?

Another tradeoff is one that all air forces face: do you invest in the most capable, most advanced, high-tech weapons systems which are going to be very expensive which means you can't buy as many of them as you want, or do you want a mix of lower, less-capable systems, but you can buy more of them? So how do you optimize that high-low mix of advanced aircraft versus less-capable ones? In the Chinese air force case, there is a concrete side to this. Their aviation industry has developed some less-capable fighters originally designed for export. Is the air force going to buy those in quantity? Are they going to operate a number of units that are flying basically upgraded MIG-21 designed aircraft with better radars? Is that something that the air force is going to do, or are they going to be forced to do it by the civilians?

The final tradeoff we talked about is the mix between support systems and combat aircraft. The overall direction of the PLA is toward informationalization, using information systems, but for air forces that means how much of your resources do you put in tankers, how much do you put in transports, how much do you put in airborne early warning, intelligence, or electronic warfare platforms? Those all enable your combat aircraft, but the more money you invest in those kinds of systems the fewer shooters you have in your force mix, and so that is a choice that has to be made.

What we conclude is right now the Chinese air force is doing a little bit of all of these things, continuing to buy advanced platforms from Russia, they're trying to develop, build, and procure their own aircraft which are getting better but still are not up to the state-of-the-art, and often they are using imported components in those aircraft. We think that is the most likely path, that they will continue doing a little bit of all of those things to balance these various goals.

In the paper we talk about three alternatives. One, what if they really wanted to maximize the capability as quick as they could? To us that means they would be

importing more. They would buy more. It would still take you some time to build the capability, a couple of years from the decision to do so, but that would be where you would put your effort, saying we want to buy as many weapons systems and spare parts from abroad as we can and build our capability that way.

An alternative path is a high-tech air force. You say we need to be an air force that can take on anybody in the world, we need the most advanced systems we can buy or build, we are not going to buy low-end stuff. It would be a much smaller force, but a much more capable one.

Finally, an alternative would be to be a domestic force, to wait for the Chinese aviation industry to improve the quality of its production, to go mainly with domestic systems, to try to replace your Russian engines with Chinese-built ones even if they're not quite as good, but to minimize that dependence on the outside world. That would be another alternative path.

Clearly, the choices they make will have a big impact on what the force structure looks like. But one thing is very clear, that the future Chinese air force is going to be a much smaller, but also a much more capable force.

DR. SCOBELL: Thank you, Phil, another very, very insightful analysis and overview of the respective component of the PLA that you cover in much more detail in the book.

I know that in a few minutes we'll get to the questions, and I'm sure you have plenty of questions, and after our next speaker I know that Phil would be happy to answer any questions, but if they are really tough, he can always throw them out to Eric, his co-author, or we also have Ken Allen and Kevin Lanzit who wrote another chapter in the volume on the air force as well. So if they're really tough, he can always reach out and get reinforcements in the second row out there, but that is coming up.

Last but not least on the panel, we have commentary by Jing Huang who is a Senior Fellow at the John L. Thornton China Center here at Brookings.

DR. HUANG: First let me thank all of you, especially Richard Bush and Jeffrey Bader for inviting me here, and frankly I think I don't deserve to be here because I haven't done anything for this excellent book, not a single word, but he asked me to make a comment on the excellent speakers' excellent speeches and make me feel a little bit intimidated, but I still have to say something.

I think it is very difficult to measure the size of the Chinese military not only because we don't have any transparency, but also because China has been changing so fast and so has the Chinese military. If you look at the Chinese military in the past 20 years from 1985 to now, especially from 1995 to now, 10 years or so, the Chinese military has been developing very quickly and it is very impressive. So that what I try to say is that in terms of both military modernization and military operation, what have to

consider the advantages and disadvantages that the Chinese military has to operate under in the given national structure, and I think that is very important for us to understand the size and the effectiveness of the Chinese military.

Let me make it short. I think in today's world that the Chinese military does have several advantages. These advantages enable the Chinese military to be very effective if necessary. Those advantages are, first, China has been taking a free ride in terms of international or regional security. In other words, the Chinese military has not had to be responsible for global or even regional security. Of course this global and regional security system was taken care of by the United States and its allies. This is a great advantage.

The second advantage is that China has been taking a ride on market globalization. This globalization has created a growing interdependence in the world especially in the Asia-Pacific. This growing interdependence, within which China is playing a big role, has given China and the Chinese military great leverage in handling the security issues. In other words, in many cases China does not have to use its military power to take care of its security affairs, but uses economic power or diplomatic power—and I am not using “soft power” because I do not agree with that term. I say it has been misused. In other words, because of the growing interdependence, nonpeaceful means of use of force has become more and more a deterrent instead of a way of achieving security and strategic goals for China.

The third advantage is what we call late-comer's advantage. The Chinese military comes behind us, therefore it has enough time and energy to study whoever is in front of it. As a result, sometimes it is easier for the Chinese military to play a catch-up game. In other words, whenever there is a war between China and other powers including the United States, China does not have to go muscle for muscle, but just your eyes, your ears, and your nose, whatever, to paralyze you to focus on communication in those areas. That is why the satellite event and other events are so alarming because obviously China's military is focused on that area.

This leads up to the fourth advantage of the Chinese military and that is it's a very focused military force. It does not have to take on other issues, but just focus. We all know that in terms of military strategy, a focused military can be a very effective fighting force. To be specific, in the short-term, the Chinese military will focus on holding off the Americans in the Taiwan waters if we look at the way it reorganized forces, with modernizing the navy and the air force for this purpose, and that is to fight Americans, not to defeat, but just to hold off the Americans in the Taiwan waters. But in the long-term, it is trying to achieve two strategic goals. Number one is to secure China's access to the blue waters, that is, to [inaudible] and on the other hand, prevent the access of a potential opponent into the waters near China, and that is a true long-term goal, and that is also an advantage, but a disadvantage also later.

There are two other advantages. China's military's actions or operations are much less influenced by domestic politics because of the political system. China's military does

not have to be held accountable to the Chinese people; although this advantage is getting smaller and smaller China is more and more opening up.

And last but not least, because of this, the Chinese military does not have to be transparent in its budget, its operation, and its strategy because as I said, China's military does not have to be held accountable to the Chinese people. I think these advantages give the Chinese military an extra edge if there is a fight started in China and wherever the enemy will be.

But equally striking is the disadvantage of the Chinese military and those disadvantages are also important for us to measure the size or measure the capability of China's military. First and foremost is [inaudible] two sides and I'm talking about the other side of the same coin. The great dilemma of the Chinese military is that it has to protect China's key interests if it is employed, but on the other hand, it cannot upset the international security system, a system which is led and dominated by the United States and its allies, and China needs this system to protect its best interests. I just came back from China yesterday and I had two conferences and both of them were on Taiwan: one on cross-strait relations, another is on the issue of Taiwan. In both conferences there are a couple of senior military officers sitting there very quietly. I can tell you a story: after we hear the blah, blah, blah talking about what kind of military action will serve China's best interests and so on and so forth, I stood up and went to a general who I know very well and asked him what do you think about the discussion? And he said, you guys only care about Taiwan, but we care about [inaudible]. You can see that and the dilemma is there, the Taiwan case is the typical case in point that is on the one hand it wants to overthrow Taiwan independence, on the other hand, the Chinese military understands it cannot challenge the United States not because the United States is stronger, but the United States is the pillar for the security system in the entire region. If that pillar is down, everything is off.

The second disadvantage is that the Chinese military—because of its focus because it does not have any global or regional responsibility—the Chinese military is prepared for short-range and short-term warfare. In other words, the Chinese military fights not to win, but to improve China's bargaining position. That is an enormous difficulty. If you are a military officer and you are sitting there, your reaction might be: you want me to fight and not to kill the enemy, but to force him back to the negotiation table? That is very difficult. If you look at China's military behavior ever since the Korean War—1979 against the Vietnamese, 1984 and 1985 in the South China Sea—the Chinese military is employed to not fight a war and to win it, but to force the enemy back to the negotiation table, thus it is to improve China's bargaining position. That is the disadvantage for the Chinese military.

The fourth disadvantage for the Chinese military is of course China does not have allies, not even good friends. So whenever an international war breaks out, China will suffer a great disadvantage.

And last but not least, the Chinese military has been and will be in the foreseeable an underdog in the military forces. The underdog has a good advantage, but also good disadvantage. The disadvantage is that it has always responds passively to the orthodox action. It can not take any initiative, and that is a good disadvantage.

Having said all of this, what is my conclusion? My conclusion is that China's military will remain focused and trying to be very effective, strike hard and quick, and that does not solve China's security dilemma. So in the foreseeable future, as long as China remains as a stakeholder in the international system, a system that is based on market economies and led by democracies, peaceful development or peaceful rise strategy will remain China's security strategy because it serves China's best interests. Thank you.

DR. SCOBELL: Thank you, Dr. Huang, for that fascinating presentation. Now if anyone survived that long barrage of presentations and is still awake, I would be happy to take questions from the audience. Apparently there is a roving microphone, so if you want to raise your question, if you have a question I will recognize you, and the microphone will come over. Please identify yourself and also direct your question and try and keep your question brief. Dr. Swaine is first. I'm not picking on him. And direct it to an individual speaker if you can or to the whole panel if you like.

QUESTION: My name is Michael Swaine. I am at the Carnegie Endowment next door. I have a question and I guess it is most likely directed at David. I have seen your earlier draft of this chapter and looking it over now and listening to what you've said, and also looking a little bit at what Bud Cole wrote on the naval chapter, I guess I would like to have your assessment as to what you think—let me put it another way, when I look at this analysis, particularly when I look at the issue of a main strategic direction which is a main component of this whole strategy, a lot of what is written about here and a lot of what Bud has written about as well has to do with the periphery littoral has to do with the defense of China's periphery however you define it. You can go out as far as Taiwan, the first island chain, whatever. There is not much in there that talks about longer-range strategic thinking. There is a reference in Bud's chapter to talking about protecting or defending [inaudible] going as far as the Malacca Strait, but he says in there should the Chinese decide that this is a critical strategic objective, they will have to essentially triple their capabilities in very critical areas of naval capability in particular, as well as long-range organic air.

I guess my question to you is, do you see in the strategic analysis that you have come across in your readings an assessment by the Chinese about how that long-range strategic environment looks to them and how their military needs to relate to that beyond the periphery, beyond Taiwan, beyond the littoral, is there anything in the analysis of the doctrine that addresses that question?

DR. FINKELSTEIN: Thank you, Michael, for the opportunity to answer that question. The first thing we have to realize is that the work that I'm doing is based strictly on public domain information and so while that puts a good amount of possibility on the table and it also puts an good amount of limitation on the table, so I just want to put up

front that I don't have ground truth on this. What I have though is a pretty good handle on the public domain literature.

So to answer your question, I don't see in the literature describing the military strategic guidelines itself the actual discourse of the elements of the national military strategy as I described it in the chapter, a lot that addresses some of the issues that you are bringing up. For example, in the actual chapter in the book, I said that the only element, the only element, of the national military strategic guidelines for the new period for which there was no public domain literature addressing was the main strategic direction, although I assumed that it was off the coast. Just parenthetically and as an update, on July 31 this past year, a very important and authoritative writer by the name of Senior Colonel Chen Zhou wrote a very, very important article in *People's Daily* and which was carried in various other mediums which actually came about as close to saying outright that Southeast toward Taiwan is the main strategic direction as any Chinese pronouncement has ever to my knowledge come out.

With the main strategic direction, what you have to understand is the planning forcing function which asks the PLA where is conflict most likely the soonest, no kidding, for real, it doesn't ask you about out year issues, it says where do we think the most likely next war is going to be and against whom and that is why the main strategic direction and the analysis that accompanies it is not very forward leaning, it is very near-to mid-term sided. So you don't see that, or at least I don't in the open source. At the same time, there is a body of literature that one is starting to be exposed to where the PLA is starting to realize that China's global economic interests now come for the first time in the history of China with global political interests and that now comes with global security interests. Recently I did a little paper and I was surprised to find out that between 2005 and 2006, you had 1,500 Chinese nationals who were kidnapped around the world working for state-owned enterprises; you had about 35 who were murdered everywhere from Pakistan to Nigeria; you had about 15,000 who had to be evacuated by the armed forces of other countries, the ANZACs, for example, Australians and New Zealanders; and you had 670,000 Chinese nationals traveling abroad in 2005. The PLA is being asked by the state-owned enterprises how come you cannot protect our assets in Nigeria, how come you the PLA cannot do a noncombatant evacuation operation?

So it's a long answer to an interesting question, in the actual military strategic guidelines you are not going to see that: where do we think we are going to have to get ready the soonest with the "mostest" in which direction, where is the main theater of operation likely to occur, yet at the same time you're starting to see this literature. As this analysis of China's global situation starts to change, it potentially and theoretically in the future, could be one of the analytic drivers of yet another iteration of the military strategic guidelines, but not quite yet.

DR. SCOBELL: For the next question we'll go to this side of the room.

QUESTION: Eric McVadon, the Institute for Foreign Policy Analysis. Andrew, I can't remember whether we answered my question at the conference or not, so I'll ask it anyway. To what degree did anybody discern whether Russia and Japan are factors in Chinese decisions as to right-sizing the PLA?

DR. SCOBELL: We're speechless.

DR. SAUNDERS: Yes, I mean, it is hard to point to specific military capabilities that China is developing that are aimed against Japan or Russia with I think the one exception of conventionally armed medium-range ballistic missiles which seem to me to have possible applications toward Japan and to fill a niche in the Chinese arsenal. It is harder to point to things specifically focused on Russia. Even as good as that relationship is today, there are still a lot of underlying tension on both sides and I think that probably is a factor in Chinese planning.

MR. COOPER: I guess I'll just go back I think to something I said a little bit earlier. About the only thing that I found, and again this is not so much a directed effort that is driven by anything that is going on in the relationship with Russia, but in terms of resource requirements and access to Central Asia, there has been some writing by a small number of Chinese scholars that talk about expeditionary warfare capabilities and the need to have those resident in the event that China's interests in the mid-term and perhaps in the longer-term in the resource arena are threatened. Again, that threat is left fairly ambiguous, but if you look at what those threats might be, at least in my research for this looking at the ground forces, they resided in the development of expeditionary warfare capabilities and there certainly within two group armies, one in the northeast and one in the northwest, is an effort to perhaps organize brigades for that sort of land warfare. So again, not a lot, but there is some, and it would relate to I guess peripherally, to go back to Michael's question, to Russia and also to the Central Asian states.

DR. FINKELSTEIN: Very briefly, yes, of course, absolutely. If you go into the text of my chapter you will see that I mentioned only the main strategic direction, but there is terminology for the other *qita fangxiang* and secondary (*ciyao fangxiang*) strategic directions. So clearly there is one main focus where there is the most likely problem, and then there are the other areas that they still have to be prepared to deal with.

If you look at the literature, a Taiwan scenario is about not just Taiwan, it's about the U.S. and Japan, so Japan is part of the Taiwan main strategic direction off the Southeast coast and so is the U.S., and the other secondary directions are usually on the Western and Northern borders. It's a land border situation. If you take a look, there is plenty of documentation in the chapter. So, yes, certainly all of these contingencies are taken into account as Chinese strategic planners go through the calculations and assessments that any rational planner would have to go through.

DR. HUANG: We don't know what the Chinese think about the Russians and Japan, but if you look at the force projection in that area you can see that Russia is not really concerned largely because if you look at Chinese leadership's vocabulary, the "core



interests" with Russia is no core interests involved between the two countries. With Japan I agree with the previous speaker that it is about the United States and it's about Taiwan.

DR. SCOBELL: Next question? The prerogative of the host, we'll go to the gentleman.

DR. BUSH: Phil, in talking about the building of the PLA Air Force you described the way they seemed to be approaching that and then you offered some alternative approaches about how they might go about it. Do you have an explanation for the kind of Goldilocks approach that they chose and why they didn't pick the ones that they did?

DR. SAUNDERS: It's a good question. I think it's because of competing goals, not all of which can be realized. Historically the Chinese defense production establishment has played a very big role in the kinds of weapons systems that China produces and procures. That means keeping the factories and the designers fully engaged and wanting to have autonomy and not be dependent because China's history includes being cut off from the Soviet Union with the Sino-Soviet split and then again after Tiananmen when the U.S. imposed an arms embargo and cut off sales of spare parts, so that lesson is there. The reforms in how they design and procure weapons are supposed to shift the authority to the services and be more focused on meeting military requirements, but to my mind it is still an open question the extent to which that really happens.

Then you go back to the PLA Air Force circa 1990-1991 when their relationship with the then Soviet Union improved, the possibility of buying Soviet arms opened up for them. I think initially this was seen as the way to start experimenting with what it was like to really be a modern air force and to operate weapons that were not designed in the 1950s and to try to experiment with that, and they did and they learned how to do that, but they followed all the paths in buying enough modern Russian systems to have a real capability if they have to use it while continuing to try to develop the ability of their domestic industry to produce. So in that sense you can explain it as a pretty pragmatic rational choice or you can say that's partly a function of these domestic factors, these bureaucratic factors, like the strength of the defense establishment.

DR. SCOBELL: The next question will be the distinguished looking gentleman, and then the distinguished looking gentleman right in front of him.

QUESTION: I am Bruce MacDonald. I am study director for the Council on Foreign Relations study on Chinese military space. I address this question to David or really the whole panel. When you look at the changes in the U.S. senior military leadership over the last 40 years, one thing that really stands out is the tremendously greater sophistication and sensitivity to international relations and that sort of thing that you saw 40 or 50 years ago. One doesn't see that quite so much in the PLA. One example recently was the rather ham-handed way the whole question of the testing of the

antisatellite weapon was handled vis-à-vis their foreign ministry. Do you think in the right-sizing of the PLA, some people for example have talked about maybe China needs its own equivalent of the National Security Council or something like that for better coordination? Do you see any possibility that we're going to see over the next 10 years some growing sophistication in the PLA and senior military leaders in their sensitivity to broader international issues?

DR. SCOBELL: It's close to air force, so I'm going to let Phil have a stab at that, but very quickly the answer I would say is, yes, but the question is how quickly are we going to see that sophistication because the PLA in every area is on a learning curve and the question is how steep that learning curve will be.

DR. SAUNDERS: I guess just a couple quick points. One is that there is a lot more military diplomacy going on. You have a PLA officer corps and while it is still fairly insular, at least they get outside the country once a year for the senior leadership and those who go through defense universities are traveling overseas or around, so there really is an explosion of military diplomacy that is giving somewhat more international exposure to this officer corps. And also it is starting to be more of a requirement to have higher-level degrees including from civilian universities, so there is some greater exposure at least to the outside world on the part of the military than in the past. How that plays into sensitivity, you can be aware that there are international concerns but still think that your military mission is a very important thing and those international concerns shouldn't get in the way of doing your military mission.

With respect to the ASAT test, I have written about this at NDU. I think the explanation that we have put forward that the people who were developing the program and testing it were not that internationally aware. These are scientists, these are technocrats, they're focused on how do you make the thing go up and hit the target and make it go boom, but they are not international specialists. So we found secrecy and compartmentalization to be a plausible explanation for why they could think it was fine to go ahead and do this and not have a sense of the international reaction.

DR. FINKELSTEIN: I think the only people who have a bigger transparency problem with the Chinese government than we do is the Chinese government. It is very clear that China's international interests and the number of Chinese players who are playing internationally on a global scale have clearly outgrown and outpaced the current government's capacity to manage all of its international activities as currently and traditionally configured. I think the Chinese have recognized the shortcomings in their coordination processes for over a decade now. I think it was at least a decade ago, I think you recall this, Richard, when there were first rumors that the central foreign affairs office of the central committee under Liu Huaqiu at the time was going to be morphed into some sort of national security council-like organization and it never happened. I know Michael Swaine if he is still here is very well acquainted with this, for reasons that had to do more with bureaucratic and internal politics than the rationale for dealing with it.

And I think we saw another great example of the inability of the Chinese system as currently configured to have the left hand know what the right hand was doing. We saw it on January 11 last year when we had that most disturbing ASAT test, so that is one part I would answer to your question, sir.

The other part is I think Phil is quite right, slowly but surely as the generations wear on and the actuarial tables and retirement regulations are enforced, we are going to start seeing a PLA officer corps that relative to the past, though not quite relative to us, but relative to itself in the past is going to see the emergence of relatively more cosmopolitan individuals and I think we saw that happen most recently with the very quick elevation who was Major General [Chen Xiaogong] to become an Assistant to the Chief of the General Staff with a portfolio for international relations and intelligence., One dot, one star in a large constellation but perhaps the beginnings of a generational turnover.

The last thing I would say is that last August 2006 there was a remarkable conference in Beijing called the Central Foreign Affairs Work Conference. It was actually presided over by Hu Jintao, all the members of the Politburo Standing Committee were there, all the provincial governors and provincial party secretaries, all the ministries that had a piece of international activity, and the presidents and CEOs of state-owned enterprises and the PLA, all got together and said we've got to figure out how to coordinate our disparate international activities. So I think they recognize the problem. And just like in PLA reforms, these people are good at recognizing the problems, they are tremendous at putting down on paper what needs to be done to fix it. Where I'm never sure what's going on is where is the carry through.

MR. COOPER: And one quick addition, I think it is important that really you are asking at least three questions there and we need to disaggregate those a little bit. I agree with Dave and with Phil in terms of the level of international comfort and know-how among senior PLA officers and I think China is a very good example. Let's hope that the fact that he served as attaché here when he did doesn't color some of his future approaches to the United States, but I think it is a very good example. I think there are going to be a bunch of other personnel changes, some are occurring now according to press reports and will be occurring between now and the next congress that are going to be extremely important. And I think if you look at the bios of these guys, that pretty well I think reinforces what you have heard up here.

That is separate though from the larger question of what are the implications of this compartmentalization within the government and between civil and military authorities, and it is also to some extent separate from are they moving toward a crisis management or foreign policy decision-making architecture that is going to remove some of the problem areas that we have run across in the past, and I think the 2006 conference is a good example of how that architecture might be shifting in some positive direction. I guess one result out of that was that some of the provincial even down perhaps to county level structures that were involved in foreign policy, if you will, at least in foreign

economic activity and other things, were not really part of the national foreign policy; and now I think you are going to begin to see that become more and more the case.

DR. HUANG: I have a slightly different view on this. I think I agree that it the policy coordination issue is maturing issue, but I think more importantly the long-term problem is a job description issue, and that is, the Chinese military is very focused on only two jobs, number one, political stability at home, and number two, safeguarding China's so-called national sovereignty and integrity. So as long as the Chinese military can stay outside international affairs decision making, such things could happen in the future because simply it does not have a portfolio for international affairs, not like the American military in the job descriptions for foreign area officers; in the Chinese military some people do not have that. So if the Chinese military does not have that in their job description, then things like this could happen in the future.

DR. FINKELSTEIN: Just to follow-up, but then the question is are the civilians who do have those portfolios able to keep the military on the same page and make sure that they are thinking about the bigger picture, economic and foreign policy concerns.

And just to complicate that some more, how do we account for the fact that the PLA allegedly has a seat on the national security affairs leading small group, the Taiwan affairs leading small group, and the foreign affairs leading small group?

DR. HUANG: In my understanding, the PLA in all those small leading groups, their job is not necessarily to make decisions, but provide the military point of view of the issues involved in the discussions, number one and number two according to [inaudible] I think that is the dilemma in the civilian-military relations. The military is becoming more and more capable of doing things they want to do, they have become more and more gung-ho. But on the other hand, they are not responsible for international affairs so therefore sometimes they think what they are doing is for China's interests so they are not coordinating it with civilian affairs.

Another issue is that since 1984, Deng Xiaoping deliberately cut off the links between the military and the civilian cadres because it does not want the military to grow out of control. After that, on one hand we see the military more and more professionalized, on the other hand, they are more and more naïve or whatever or care less about civilian affairs. So I think that is some issue.

QUESTION: (inaudible)

DR. SCOBELL: There is one person ahead of you. I promised the other distinguished gentleman right there.

QUESTION: Richard Shin with LECG. I am an economist so my question really relates to economics. As you look at the capabilities of development in China and also the PLA's size as you call it, is it pretty much in line with economic growth in China or is it going beyond that to eventually down the road it is going to challenge the U.S. hegemony

in Northeast Asia and possibly provide incentive for Japan to rearm itself? And the secondary question is, does the Chinese PLA have forces or capabilities to intervene in case there is trouble in Korea? That is just kind of a side question. I don't know who could answer that question, but I'll throw it out.

DR. FINKELSTEIN: To quote someone who has already been quoted, you go to war with the army you have, and I think that is bottom line. Civil-military relations factor into this, but I don't think anyone on the panel would disagree with me when I say if the PLA gets the order to move out, they will salute and move out and execute, and the question of course is how well and how quickly they can execute the order. Korea is a question I think that we don't think about enough. We tend to understandably be focused on a Taiwan scenario. But as PLA capabilities improve, the opportunities for them or possibilities, different scenarios that one can consider or concoct, increase dramatically especially as was mentioned as China becomes well and truly a global power, a power of global reach in terms of economics, in terms of moving its citizens around the world, then all of a sudden the PLA gets pushed or pulled into being expected to protect China's interests wherever they may be in the world, and that's a good question. But as the unnamed anonymous general I quoted earlier said, barring a greater sense of urgency wherever that may come from, you're going to see the sustained continued buildup that we have seen over the last decade plus, but I don't see a dramatic change in that barring some sense of urgency.

SPEAKER: Just one quick point which is that if you look at measuring Chinese military spending as a black art and very difficult because the official budget doesn't capture a lot of things that are there, but even if you go by the official budget as a percentage of GDP, it's staying about the same. It is not going up dramatically. But on the other hand, when GDP is going up by eight or nine percent in real terms every year, that buys you a lot of additional military capability every year.

SPEAKER: I think just to go to the resources real quick, two People's Congresses ago the measure that was used by the leadership was really as a percent of overall Chinese government spending as a percent of that compared to the percent of spending of other powers, that pointed out that it was extremely low, and of course, they were using the official figure which makes it problematic. But I think even in those terms, if they use probably our best estimates of what the actual figures are, it would still be relatively low as a percent of spending, again, based on threat perception. And if you look at their definition of how to go about building comprehensive national power, it is in synch with that, but then of course that's taking into consideration that a threat perception or a significant threat assessment doesn't change.

DR. SCOBELL: The third distinguished gentleman.

QUESTION: Bruce Smith. I'm a retired Brookings scholar and now a visiting professor at George Mason. I'd like to make a couple observations from an amateur's point of view. I've attended a lot of these conferences. The first one is that your title strikes me if I were Chinese as being very presumptuous, "Right-Sizing the Chinese

Army." Who appointed you to right-size the Chinese army? I think one diplomatically should phrase this The Evolution of Chinese Military, of course everyone knows you're trying to send some signal, but I think it bespeaks a larger problem, namely that somehow we just say to say to these people, smaller, smaller, smaller, whereas the logic with our Iraq adventure is that the Asian century is going to be enhanced and is going to be accelerated and it's going to come quicker and as they develop they are going to have bigger armies. Whether we like it or not, that's the logic of it. Japan's is already twice as large as the British Navy, I'm told.

But let me just add a little to that. You are both a little presumptuous it seems to me in that title, but also too passive. What is it that we are saying? Are we just sitting back and saying: don't develop, stay small. What are you guys doing? What kinds of signals are we sending to the Chinese military? Do we have some strategic conception that we want to communicate to these militaries recognizing that Japan is big, China is going to get bigger? Do we want to say don't you dare develop submarines because one interest we have is Taiwan? What are we communicating? Don't you have to do something more than just sit back and look at what are you fellows doing over there? And somehow don't we want to connect this up to our own interests?

DR. SCOBELL: I have listened carefully to the other presentations and I don't sense that presumptiveness that you mentioned, and I encourage you to read the volume and I am fairly convinced that you will rethink your observation because I think—yes, trying to get us all agitated.

(Laughter)

DR. SCOBELL: But I think what the contributors to this volume and the people on this panel included have tried to do is rather than presume anything, we want to look at what the Chinese are saying and until we know that, it's hard for us to move forward. So I think this is in some ways a groundbreaking or perhaps even path-breaking effort to try and address that very basic question and then we can get to some of the issues that you raised in your comments.

We have time for at least one more question and, again, the prerogative of the host.

AMB. BADER: How good are the Chinese at reallocating resources between services in response to changing priorities? Over time are you struck more by continuity based on relative service power or flexibility? And if a decision is made for reallocation, giving the navy or air force or whatever more resources, in your experience does that decision usually come from within the CMC or does it come from outside?

DR. FINKELSTEIN: Thanks, Jeff. I don't think that I or anybody else on this panel is probably in a position to talk about the hard numbers of reallocation of resources from one service to another, certainly I'm not. But what I would say is that if you were to have rephrased the question and said, Dave, in the materials you've been reading about where the Chinese are putting their emphasis at least in theory with new roles and

missions, with new operational concepts, with at least on paper a new emphasis, I would say over the past probably five to eight years we have seen a watershed change, a large ah-ha moment, for the Chinese based on new contingencies and their perceived threats, that the air force and the navy is the wave of their future. And I don't think there's any question about that, that they believe that the air force and the navy, and the Second Artillery to a certain degree, get much, much more attention and emphasis in development than it ever has in its history. I think in the last white paper we had a remarkably frank statement, the one on December 29, 2006, that said that the Chinese navy and air force are going to expand China's strategic depth. That was really a stark statement. The white paper before that in 2004, we saw in a white paper a statement that China was going to increase its emphasis, and they said they were going to allocate more resources, I don't know what that means, to the air force and the navy. Also in 2004 as my colleague Ken Allen pointed out to me the other day, in 2004 the air force for the first time in its history got its own strategic missions within the active defense strategy just as the navy had earlier in 1986 the offshore active defense, and on and on it goes.

So, no, I can't tell you whether they are good at or whether they even are reallocating resources from one service to the other, yet just from the things that I'm reading, and again I'm constrained by the world of what's publicly available, there is no question in my mind that the new emphasis is on the air force, the navy, the Second Artillery, off the littoral, and the ability to project force even if it's not global but even regionally, that the Chinese have never in the past really talked about.

DR. SCOBELL: Are there any final words from anyone?

DR. SAUNDERS: We should say one thing which is the editors did a great job in getting the book out before the next conference. That's a fantastic accomplishment.

DR. SCOBELL: Our record on that has actually been quite good over the years, but we keep trying, and we can always try harder. So thank you all for coming and thank you for some great questions. And if you haven't picked up a copy of the book, there are still more copies outside. Richard?

DR. BUSH: Thanks to NBR, thanks to the Army War College, and thank you for coming.

\* \* \* \* \*