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TAIWAN'S SECURITY:
HISTORY AND PROSPECTS

A CNAPS Roundtable Luncheon with

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PROCEEDINGS

RICHARD BUSH: Ladies and gentlemen, if I could have your attention again, thank you so much for coming. We are very pleased to have such an outstanding turnout.

I think that the subject of today's discussion, *Taiwan's Security: History, and Prospects*, is a very important one. It is one that gets a lot of discussion, but it is one that has been neglected in a scholarly way. You have to think a lot to try to come up with a full-length scholarly book on this subject, and actually I am not sure there is one. The name of Bud's book is the same of the presentation, *Taiwan's Security: History and Prospects*. The publisher is Rutledge.

Dr. Cole has really filled a yawning gap in our understanding of Taiwan's defense forces, its infrastructure, and for that, we are very indebted to him. I thought it would be appropriate for Brookings to provide him with a platform. He is someone who brings excellent assets to the job of understanding Taiwan's defense structure.

Dr. Cole was a U.S. Navy officer for 30 years. He has been at the National War College for some time. He has written on the U.S. Navy and the People's Liberation Army Navy. He wrote about China's energy security before it became a sexy topic. He has now, in a way, completed the circle on a very important set of topics.

Please join me in welcoming Dr. Bud Cole.

[Applause]

DR. COLE: Richard, thank you very much. I am honored to be invited to Brookings. I fully expected there to be 10 or 12 of us around a small round table, arguing about who got the crunchy peanut butter. Thank you all very much for coming.

Let me note first that I speak for myself and not for the National War College or any other agency of the U.S. Government.

Secondly, as Richard mentioned, when I look at any foreign military, be it the PLA or Taiwan's, obviously I have to take account of my own background, which is 30 years in the U.S. Navy. I am aware of that, and I try not to let that direct what I say. I will give one example.

I first went to Taiwan in 1966 as a naval officer. Then, in December 1978, I was an executive officer who was number two in command of an American destroyer that was doing an ASW [anti-submarine warfare] exercise out of Kaohsiung. One of the submarines involved was a Taiwanese submarine, and the second in command of the submarine was another young lieutenant commander named Lee Jye.

December 1978 was my last visit to Taiwan until September of 1999, and since then I have been privileged to go back at least once or twice a year and almost always to

visit Tsoying and go aboard various Taiwan Navy ships. The first time I visited one in September 1999, I was in a ward room with some of the junior officers and asked certain questions and got certain answers that I thought from my perspective as a naval officer were the wrong answers to these sort of operational questions. Then after two or three visits, I noticed that the answers I was getting were the answers I expected, and I was congratulating myself on becoming wiser and smarter before I realized walking down the pier after one of these visits that Taiwan naval officers, who are as smart as any other naval officers, were giving me the answers they knew I wanted. So, one has to be careful in trying to evaluate military capability.

I started this project, which resulted in the book, with the goal of understanding or gaining an understanding of Taiwan's military capabilities. All too often, I think we have focused on the Chinese military capabilities and frankly have tended to exaggerate those capabilities as they have grown over the last decade, certainly perhaps decade and a half.

In looking at the military, obviously you can't just look at the uniformed services. I then spent a good deal of time with the Ministry of National Defense in Taiwan, and I also spent some time with the Ministry of Foreign Affairs. I have to say that in the book I didn't name any of the interviewees, as I didn't when I wrote my book on the Chinese Navy, to protect the innocent and otherwise. I thought that the Taiwan military officers and civilian officials I interviewed were remarkably forthcoming, and I was particularly impressed with the appreciation and the knowledge and the professionalism of the senior Taiwan military officers with whom I discussed the situation.

I think the starting point in any discussion of the modern Taiwan Military has to be the defense reorganization laws passed in 2000 or which became effective shortly thereafter. These laws carry with them the goal of an all-volunteer military. It was the end of conscription in Taiwan and the civilianization of the defense structure, that is, the administration part of it; the de-politicization of the Taiwan Military and the civilian defense structure.

In two comments: Number one, I think Chiang Ching-kuo deserves a tremendous amount of credit for starting this process many years ago. Secondly, in trying to draw an analogy for what Taiwan has been attempting to do since the passage of these defense reorganization laws, the best I can come up with is a combination of the United States 1947 Defense Reorganization Act and the Goldwater-Nichols Act, trying to do that all at once.

Perhaps the most difficult part of that has really nothing to do with the uniformed military per se but rather the Defense Ministry in Taiwan. When these acts became law, a certain percentage of the officials were required to be civilians. Well, one cannot develop a professional civilian defense expertise corps overnight. We in this country have been doing it since 1947. Civilians have become defense specialists and eventually risen to assistant secretary level and above. So what we saw in Taiwan was a large number of military officers basically taking off the uniform on Friday -- to exaggerate just a little bit -- and going back to the same office on Monday, but as civilians performing their defense

duties.

I think that has already begun to change a bit, but I suspect it is going to take more than a generation for Taiwan to develop a corps of civilian defense experts from whom it can draw to fill the various administrative positions in defense administration, beginning of course most prominently with the defense minister himself who again, obviously, is a retired admiral right now. There have been rumors -- you have all heard them as well as I have -- over the last few years about how Admiral Lee is going to retire and various other civilian officials within the Ministry of National Defense have been named as potential successors. It has not happened. I am sure it will at some point in the not-too-distant future. But this is an extremely important step both in the de-politicization of the military and in the civilianization, as I mentioned, of the structure.

Of course, from a much more important level, we also have the changed relationship between the military command and the civilian democratically-elected government, which is also very significant.

Before talking about the uniformed services in Taiwan, let me just very briefly mention some of the environmental factors that, while I don't address directly in the book, have got to be addressed.

One is economics. I think it is probably safe to say -- I am not an economist -- that the economy in Taiwan remains healthy, to put it that way, but there is a very important shift that has been occurring, a shift of economic gravitas from the island onto the mainland, particularly in crucial areas such as information technology, both hardware and software. Based on my interviews, I think this is very disturbing to many senior government officials in Taiwan. I think that there would be a great deal of difficulty in anybody controlling this shift since businessmen everywhere want to maximize profit, and Taiwan businessmen seem to be able to do that or see themselves doing that by moving their businesses to the mainland to a greater or a lesser extent.

I think this is signified in the fact that the Taiwan government web site publicized in 2004, which is that in any given day over one million citizens of Taiwan are on the mainland, either doing business or as tourists visiting familial home sites or whatever. Out of a population of 22.6 million, 1 million is a lot of folks, and I think that is an indicator from the way this economic shift is occurring.

Politically, we all understand the problems that have existed in Taipei since 2000, problems specifically dealing with the defense budget, whether we are talking about the regular annual defense budget or the so-called special defense budget in its various iterations over the years. It has been a situation that I have to assume has given Beijing much comfort, given President Chen Shui-bian's inability to get very much significant legislation passed. Now, President Chen Shui-bian came into office in 2000 with the announced goal of focusing not on military modernization, but on the economic and social well-being of the Taiwan people, and I think he has tried to maintain those priorities. Obviously, there have been costs as well as benefits to those priorities.

In Beijing, as I said, I think the political environment towards Taiwan has generally been a relaxing one, if you will, over the last three years. Today, I would assume that Beijing is relatively comfortable -- not relaxed, certainly, but relatively comfortable with what they see going in Taiwan politically.

Here in Washington, I think it is very instructive to look at President Bush's 2001 opening up of arms purchases, his comment that the United States would do whatever it took to help Taiwan defend itself, followed by his 2003 statement when Wen Jiabao was here about both China and Taiwan not changing the status quo. I think that has been backed by other statements by U.S. government officials, both in testimony before Congress and in other venues, that reflect a frustration, frankly, with what we see going on in Taipei -- a great desire and willingness on the part of most to help this Western-style democracy or these democratic people and their government, and yet a frustration over what we see as inaction on Taipei's part.

I will mention Tokyo briefly. I have had more than one Taiwan official and military officer speak to me and begin a sentence with "Our Japanese and American allies..." I am not sure that either part of that sentence is accurate. I know that there is certainly some pro-Taiwan sentiment in Japan, both in the military ranks and in civilian officials, but I frankly don't think it is terribly significant when it would come to making a commitment.

The military environment: In September of 1999, a very senior Taiwan Air Force officer addressing a small group that I was with stated that within five years, Taiwan would no longer be able to command the air over the Taiwan Strait. I would argue with any military aficionados in the room, whether navy, army, or air force, that command of the air is the key military element in any potential conflict situation. I think that gentleman had it exactly right.

If you look at what has happened since 1999, Taiwan has concluded the purchase of the F-16s and the Mirage 2000s, but on the other hand it is basically in the process of mothballing the IDFs, the Indigenous Defense Fighters, because of various mechanical problems. The Taiwan Air Force has only recently come up with a plan for the next generation of aircraft, and that is not really the next generation, but it is going to be possibly the F-16 Charlie/Deltas.

Meanwhile, on the other side of the Strait, China has continued acquiring Su-27 and Su-30 aircraft from Russia. It recently unveiled the J-10 airplane, which may have set a record for length of development and still may not be terribly formidable, but nonetheless shows that they do have an indigenous tactical aircraft industry functioning. They have acquired at a very slow rate the ability to conduct air-to-air refueling, and again, at a very slow rate, some AWACS-type airborne command and control airplanes. In other words, the Chinese Air Force has continued moving forward. The Taiwan Air Force has not moved forward in any comparable terms.

As far as the U.S. military presence in East Asia is concerned, I think that Beijing must take great comfort in the fact that we are quite occupied elsewhere in the world with the war on terror. I am not in a position to count aircraft carrier days in the Western Pacific in, say, 1995 compared to now, but I have to suspect that they are considerably less.

I think that China has a pretty accurate estimation and evaluation of Taiwan's military capability; more about that in a moment.

Now, what about Taiwan's military? Taiwan's military, ironically like the mainland military, is still largely dominated by the army despite the fact that the Minister of Defense is a retired admiral. I say that based both on numbers and equipment. I believe it is correct to say -- and again my research goes back to late 2004 and the spring of 2005 -- that there is an ongoing debate within the Taiwan Army that is yet unresolved about whether to press on and succeed the M-60 tanks with M-1 main battle tanks despite the lack of support in the Taiwan road and bridge infrastructure for such a heavy armored vehicle as opposed to perhaps a younger generation of Taiwan Army officers who favor a light armored wheeled vehicle, something that would be able to react very quickly to an operation situation on Taiwan. In fact, in February 2005, President Chen Shui-bian christened the Cloud Leopard, which is exactly that sort of wheeled vehicle. Yet as far as I know, no production decision has been made on that light armored wheeled vehicle, so I think the army is somewhat at a standstill.

As far as the air force is concerned, I have already mentioned some of their problems.

The Navy has moved ahead with acquisition of the four U.S. Kidd class destroyers, very large ships by Taiwan standards, ships that were originally designed for the Shah of Iran and later modified by the U.S. Navy to operate against a Soviet Navy in the open ocean with a very high power, low frequency sonar. In other words, these were ships that were not designed for the waters around Taiwan, but I don't mean to say that they are not yet very capable because they are.

Even here, the Navy bought those ships but the Legislative Yuan or the Ministry of National Defense authorized enough money -- I am not sure where the responsibility lies -- for buying enough surface-to-air missiles to fill only half of the magazines of the four ships. So if your missile magazine is supposed to carry 40 missiles and standard doctrine is that you fire two missiles at every incoming bad guy and you have only got 20 missiles, you have only 10 targets you can engage out of each magazine. These ships have two of those magazines. So it is important whether you buy 160 missiles for a ship or 80 missiles for a ship. I understand the budgetary priorities, but there is a tradeoff for those priorities.

Ten years ago the Taiwan Marine Corps was about 14,000 men, two brigades, both dedicated to amphibious warfare, typically infantry kind of operations. The last time I checked, the Marine Corps was down around 10,000. Frankly, I think the only reason it

hasn't been disestablished is that for a brief period we had a former commandant of the Marine Corps as the Taiwan Chief of the Naval Operations, Admiral/General Chen, and he managed, I think, very effectively to change the mission of the Marine Corps and try to retain it in existence.

The Taiwan Coast Guard has moved. It is no longer a Ministry of National Defense organization and now works for the Executive Yuan.

Taiwan has, on paper, a very impressive system of military reserves, and my impression is that is the only place it exists -- on paper. When you look at the number of days of training for a reserve individual -- that is, an individual is conscripted, does whatever the current requirement is, say, 18 months training, then goes into the reserves for six years -- the individual may be able to serve a total of 40 days of training during that six-year period. So it is a very weak system.

The more important personnel problem, I think, and I got this from every military service senior officer I interviewed except for the Taiwan Marine Corps, is the will of the troops, the will of the conscripts to fight. The way a very senior Marine Corps officer described it to me: We are on the beaches, and the PLA troops are landing, and this only son is laying there with his rifle, wondering should he sit here and fight against overwhelming odds or should he go back to Taipei and take care of his parents.

Now the Marine Corps officer said, of course, as Marines always do, well, they will stay and fight because they are Marines, but I got no such positive response from other senior military officers I talked to. They all had a question in their mind about the reliability of the conscripts. Not just will, but when I was over there in 2004, I believe the required period of service was shortened from 24 months to 22 months. The goal, as I said, is an all volunteer military. Now, that may be commendable, but in the process of attaining that goal, I think by 2008, the original objective was to require conscripts to serve 12 months. Twelve months is not a satisfactory period of time for training young men -- and women are not subjected to the draft -- young men or women to become effective troops, whether that is aboard ship or in the air or in the army.

I will note here, since I mentioned women, that while women are not subject to conscription, in my limited experience, only the navy in Taiwan makes really effective use of women officers and personnel. I have never been aboard a Taiwan Navy ship, and I think I have been aboard most of the modern ones, where there weren't women in very responsible positions, anti-submarine warfare officer or gunnery officer or things like this. This is contrary to the Chinese military where except for some of the military think tanks like the Academy of Military Sciences, I think the only place I have ever seen women in uniform in the PLA is serving tea.

What about prospects? I have lectured, I think, three or four times now at Taiwan's National Defense University at the various colleges. Almost every time, the last slide I put up is a time-distance chart of how long it would take American aircraft carriers to get to Taiwan from San Diego, Norfolk and Pearl Harbor and how long it would take a

minesweeper from Sasebo, Japan to get to, say, Keelung. The answer for that is five days, by the way.

I do that because I have gained the perception every time I visited Taiwan in the last few years that based on the 1996 Taiwan Strait crisis when President Clinton dispatched two aircraft carrier battle groups towards Taiwan, that the assumption in Beijing and in Taipei is that in any sort of demonstration of military force by the mainland, the U.S. would intervene. I agree with that. What I don't agree with is the other perception I have gotten from talking to Taiwan officials and too many middle and junior grade Taiwan military officers, which is that the U.S. intervention would be there tomorrow morning at 9:00, not five days or a month or two months later.

It really goes to the question of how long any Taiwan government will resist military pressure, and I am not talking about a John Wayne-style amphibious assault across the beach. China doesn't want to do that, and China has marginal capability of doing that. But, obviously, there are all sorts of other forms of military pressure ranging from some degree of blockade to mine warfare to special operations forces, the so-called decapitation.

When I visited the Minister of National Defense in the fall of 2004, my car drove up to his office, and there were two kids there with chrome helmets and empty M-16 rifles, and that was the security for the Minister of National Defense. When I visited the Presidential Palace in September, 1999, there were six kids with chrome helmets and empty rifles. So there are all sorts of other ways that military pressure could be used as an instrument by Beijing to pressure the government in Taipei and to pressure the people in Taipei.

The newspaper is full of reports and has been now for quite a while of the defense budget in Taiwan, the special defense budget in Taiwan and variations thereof. I won't even pretend to be able to stand up here and describe to you exactly where the different budgets stand. We were just talking about it at the table here, and it is frankly not clear except that I think there has been a misfocus of Taiwan's defense efforts, certainly in this country, on the three big items that President Bush allowed for sale back in 2001 -- conventionally-powered submarines, P-3 aircraft, and the PAC-3 missiles. Now none of these have been purchased by Taiwan, and perhaps maybe none of them should be, although I myself am a strong proponent of P-3Cs because of their multi-mission capability.

But the fact is that the defense debate about Taiwan in this country, and I suspect to a good degree in Taiwan, is too easily focused on these special budget items, rather on increasing the regular defense budget, which has not happened, particularly with respect to things like systems integration, and command and control facilities. Some of that is occurring. As I implied earlier, many of the senior Taiwan military officers with whom I have discussed these matters over the years understand that very clearly and are perhaps somewhat frustrated by some of the budgetary problems that they are experiencing. When I talked to a naval officer or an air force officer, say a commander or a lieutenant

colonel and I ask them about new purchases and special budget items, they say: Oh, sure, that would be nice, but what I really want is more money to buy fuel for my ships or more money for more flying hours for my airplanes or more money for more rehearsal ammunition so I can go out and exercise my artillery. It is these rather mundane, non-headline grabbing budget problems, I think, that would be most important for the Taipei government to address.

At the National War College, we spend a lot of time studying Clausewitz and Sun Tzu. In fact, I have had both Taiwan and PLA officers tell me or challenge me that we spend more time studying Sun Tzu than they do. I don't believe that the two are diametrically opposed at all as you sometimes hear, but rather I think they both talk a great deal about what Clausewitz refers to as the dual nature of war. The dual nature of war means the linkages between war and politics and linkages between political policy, whether it be domestic or international, and military preparedness and the possible resort to the military instrument of statecraft.

I think it is here that we see the biggest problems between China and Taiwan. Right now, I would be very pessimistic about any military contest between the two. I don't know how you could be otherwise, looking at the relative states of the militaries. Quite frankly, given the developmental state of China's very large and growing submarine force, I would have serious reservations about how quickly the United States military, quite apart from the war on terror, could get significant forces into the theater to assist Taiwan in a military conflict.

Having said that, having expressed that sort of military pessimism, I do remain cautiously optimistic, given economic and political trends both in Taiwan and the mainland, that Taiwan's status will be resolved peacefully.

Thank you very much.

[Applause]

DR. BUSH: Thank you very much, Bud, for a stimulating presentation. Now let us move to questions. I will ask Bud to field the questions. When you ask your question, wait for the microphone, identify yourself and your affiliation, and we will go from there.

Chris Nelson has the first question.

CHRIS NELSON: Thanks very much. Thanks, Richard. Thank you so much. This is Chris Nelson of the Nelson Report.

Your very last point was the question I was going to ask. In recent years, you have heard, we have heard the notion that up to and through the Beijing Olympics, the Chinese are going to keep things low key and not do things to precipitate a crisis unless something happens on Taiwan that seems to force their hand. I am wondering if you still hear that kind of thing when you have your conversations and do your investigations, or is your last point, in a sense, your conclusion that the political and economic trends may be

arguing against what may be a very cynical view, that once they are passed the Olympics, then they can do their blockade or whatever they might want?

Would your view be backed up by what you see in terms of Chinese military modernization and what they are actually deploying on the straits?

Thank you.

DR. COLE: One acquaintance of mine here in town, whom I respect greatly, thought that and several years ago said that 2006 was the most dangerous year for Taiwan. His feeling was based on what happened after Tiananmen Square, that after about two years, the world sort of forgave China, feeling that if China did something against Taiwan in 2006 militarily, that the world would have “forgiven” China by 2008, and the Olympics would not have been boycotted. Well, we are past 2006.

I don't see the trend reversing. Now as a historian, I think trends are dangerous. I mean the assumption, for instance, that China is going to forever continue flourishing financially, it may be true, that may be accurate, but we only have to think about Japan in the 1980s when I spent most of that decade living in Hawaii and everybody running around about Japan buying Hawaii and so forth. But I don't see anything right now in the trend that would cause Beijing in 2008 to decide that military action was required, that the current trend, if you will, is going to be reversed. That is why I say I remain cautiously optimistic.

Yes, Ambassador Feldman.

HARVEY FELDMAN: Thank you. I am Harvey Feldman with the Heritage Foundation.

I just wanted to underline some of the things you said, Bud. I ran around the island in March of 2005 with four American flag officers, and we found things like they exercise live fire with Cobras once a year, and readiness for the air force is 63 percent. But the capstone I think was when in our debriefing at the Ministry of National Defense with Michael Tsai who as then the Deputy Minister, Vice Minister. I asked Michael: What is your estimate for how long it would take for the U.S. to get here in case of need?

He said: Well, we are hoping for 72 hours.

I said: That is possibly physically possible. What is your estimate for how long it would take for the command authority to make a decision to go to your help?

There was no answer to that.

MR. COLE: Yes, Herb.

HERBERT LEVIN: Herbert Levin.

I had a chance to spend a few hours with an ROC senior officer, not a person with mainland ancestors since the Ming Dynasty, and who is from the east coast of Taiwan. I asked him how he saw the future as a professional officer. He said that he and a number of his academy classmates were getting a little fed up about these briefings from visiting Americans about the growing threat from the mainland and then the answer was always to buy more high tech and expensive stuff from the United States, that they weren't going to get the money to maintain or operate this stuff. He was particularly annoyed about the Kidd destroyers. He said it is ridiculous that if we blunder into violence with the mainland, which he didn't think was possible -- we had no relatives making money in Shanghai -- he didn't think was likely that their having a few destroyers was going to make any difference.

He said that the future for a professional officer like himself was a military in Taiwan that was like the Sri Lanka military. They know they couldn't stop the Indians if there was going to be an invasion, but they guarded against kidnapping and narcotics and smuggling and had a Coast Guard to find their fishermen.

He felt that the Americans were just pushing them into something that didn't scare the mainland and only profited some manufacturers in the United States. I don't know how representative this man was, but he seemed thoughtful and intelligent to me.

DR. COLE: I have to say I met and I meet a surprising number of Taiwan military officers who not only are graduates of U.S. Military colleges, but I know one fellow who graduated from the Virginia Military Institute, went to armor school at Ft. Knox, and is a graduate of the National War College. These people are solid professionals. I have never gone there with an American military delegation. I certainly always try to not presume to understand Taiwan's defense needs better than Taiwan's senior military officers do. I think your acquaintance's point is well taken.

Yes, Eric.

ERIC MCVADON: Eric McVadon, the Institute of Foreign Policy Analysis.

Bud, I want to ask you a question about missile defense. I think the threat from medium-range, short-range ballistic missiles and the new cruise missiles is quite significant, the DH-10. So it looks to me as though that is really a daunting prospect to how you handle that, and I wonder what you think about the prospects of missile defense.

DR. COLE: I haven't visited the F-16 wing base at Hualien in quite a while. The last time I was there, all the airplane refueling lines were still above ground, even though they had the big cave ready nominally to host the wing.

Missile defense is extremely difficult, obviously, even though these missiles that we are discussing have relatively small warheads. I don't think it would be possible or reasonable to assume that China would have so many missiles, and I am not sure what

number I am talking about right now, as to completely disable Taiwan's military.

My point, rather, would be what facilities could serve as enough leverage on the government in Taipei to cause that government to come to the negotiating table. For instance, an initial strike that would take out X percentage of command and control, X percentage of the F-16s, X percentage of the Mirage 2000s, and then would be followed by an invitation from Beijing to let us discuss the return of Taiwan to provincial status. That is the sort of application of military force using missiles that I think might be most applicable.

ERIC MCVADON: You imply great accuracy.

DR. COLE: Yes, the last figures I saw were less than 50 meters CEP [circular error probable].

Yes, sir.

MASAHIRO MATSUMURA: My name is Hiro Matsumura, Japan Fellow at CNAPS.

I don't see the Japan factor in your characterization of the military situation. Have you ever thought of the the scenario in which the U.S. carrier battle group is protected on the sea by the Japanese sub fleet, not in the Taiwan Strait, but on the other side of the East China Sea? I would wonder if that would change your characterization.

DR. COLE: Well, I would have seen that scenario in 1985 against the Soviets. I frankly don't see it against China. I think that Japan would be willing, for instance, to let whatever the U.S. aircraft carrier in Yokosuka is, sail from home port, let it load ammunition at the naval magazine in Sasebo, and steam on. We then enter the realm of how much more would the Japanese government be willing to allow the U.S. to do if in fact we were talking about a shooting war against China? Fly missions out of Kadena Air Base in Okinawa?

QUESTIONER: (inaudible)

MR. COLE: I think that is in the same category, though. I think that is just one more military step that Japan would have to consider extremely carefully. Of course, if it did engage in something like that, then the Chinese would, as they have in the past, talk about holding American bases in Japan hostage. American bases in Japan are something of a misnomer since my understanding is almost all of the so-called American bases in fact are dual bases with the Japanese defense forces.

Yes, ma'am, in the back.

NADIA TSAO: Nadia Tsao with the Liberty Times, Taiwan.

You just mentioned in your presentation, you agree that if there is a military confrontation in the Taiwan Strait, that the U.S. will intervene. I wonder if you can elaborate on that since you mentioned both sides of the Taiwan Strait learned a lesson from the 1996 crisis, that the U.S. might have intervened. I don't know. From the U.S. point of view, what is the lesson the U.S. learned, that Washington learned from that crisis?

Thanks.

DR. COLE: Well, I think if China loaded four divisions of troops on ships, commercial ships and Navy ships, and launched an amphibious invasion on Taiwan and the timing was such that Taiwan was resisting violently, I think any American President would find it very difficult to stand up in front of the cameras of CNN and say: Good luck, Taiwan. We are not going to help you.

The problem, as I indicated, is that there is a whole range of other military options that would make it very difficult for a President to interview. Let me spin out an old scenario that I have told before.

Let us say that Beijing announced that reunification talks are going to begin in Singapore on October 1st, 2007, and they invite representatives from the Taipei Government to attend those talks to discuss the peaceful reunification. On October 1st, nobody from Taiwan shows up in Singapore. On October 2nd, 10 missiles are fired against the F-16 base of Hualien, blow a few holes in the runway, destroy a couple aircraft, maybe kill some Taiwan airmen, don't kill any foreigners which, we have to bear in mind is an important factor in any so-called possible missile barrage against Taiwan.

Then Beijing announces that the reunification talks are going to convene on November 1st in Hong Kong, and they invite their Taiwan colleagues to send representatives to discuss peaceful reunification. No Taiwan representatives show up in Hong Kong on November 1st, and 10 missiles impact the harbor at Tsoying, the main Taiwan naval base. Maybe they hit ships; maybe they don't. Maybe they just blow holes in the water.

Then Beijing announced reunification talks are going to occur in Xiamen on December 1st or somewhere else. In other words, at what point in this sort of process does the Taipei government decide hey, enough is enough? At what point do we cross a threshold satisfactorily for the American President to say okay, Seventh Fleet, get under way, carriers out of the Indian Ocean, out of the North Arabian Sea, come back and so forth?

In other words, it could be a very delicate decision-making process through the use of some military force. While I think that the initial American response would be to defend the democracy in Taiwan given specific circumstances those specific circumstances simply might not develop.

Michael.

MICHAEL SWAINE: Michael Swaine, Carnegie Endowment.

I would like you to speak a little bit about your sense of the national security planning process in Taiwan. We often talk about Taiwan's defense in terms of resources or in terms of political obstruction and all of what that means of the inability of Taiwan to do what is necessary. But there is a whole other dimension to this which, when I was doing work on this some years ago, seemed pretty significant to me, and that is the whole question of the ability or the inability of the Taiwan government to develop a comprehensive national security strategy that reflects the interest of the government of Taiwan and the people of Taiwan and not necessarily those of any one particular service.

Here there is a big question. It relates to the civilianization of the Ministry of National Defense and its control over the military as an institution. It relates to the question of service rivalry within Taiwan. When I was looking at this question years ago, these were very important factors that really undermined the ability of Taiwan to develop a comprehensive national security strategy. Do you think that is the case still today or would you agree with that statement?

DR. COLE: I think the situation is improving, but I think it still has a long way to go. I have met over the years many working level folks at the National Security Council or associated with it and associated with planning, both in uniform and civilian. I think it goes directly to the point I raised before about the time it takes to develop professional military civilians, if you will, or civilians who are specialists in defense efforts.

I think it still remains a problem in part because of the shift that has occurred following the defense reorganization laws. You just can't make those changes overnight. I mean, when we instituted the 1947 Defense Reorganization Act, I could argue as a former naval officer, that the Navy is still struggling to meet those requirements. It is not something that is easy to do, and Taiwan is trying to do so, but I think some of what you say still remains and would be a problem in planning.

However, when we look at the last few annual exercises, the yearly exercises that Taiwan has done in March and April, we see that usually it is a computer war game followed by an operational phase, although certainly some of the informal reports I have seen from past U.S. PACOM commanders indicate that we are making some significant progress or Taiwan is making some significant progress in integrating and coordinating inter-service planning. Of course, inter-service rivalry is always going to be a problem, perhaps more so in Taiwan than it is in this country today.

Yes, sir.

SCOT TANNER: Scot Tanner, Rand Corporation.

As is so often the case, Michael stole half my question.

DR. COLE: Don't let that stop you, Scot.

DR. TANNER: I won't.

Your talk in a lot of ways had a very modest title because a great deal of what you talked about wasn't, strictly speaking, national security problems; it was political failures of the Taiwan political system to provide appropriate resources, to recognize the strategy that they need. Since Michael wrote his work about seven to nine years ago, one of the major changes in this system has been the addition of divided government -- legislature, executive, and the democratization of the process. This has added a whole separate set of problems for trying to define an appropriate strategy for redeveloping the military.

Taiwan has just announced in the last couple of years a series of legislative and electoral changes to start taking part in 2008. I want to know if you see any likelihood of that or the possibility of a change of party improving their ability to come up with a more comprehensive response.

DR. COLE: Scott, I wouldn't say political failures. I would say political choices. As I indicated earlier, Chen Shui-bian was elected on a given platform and he has attempted to follow that platform. As any political policymaking does, there are costs and benefits to it. He and the Legislative Yuan apparently have judged that the defense situation vis-à-vis the mainland is such that they can continue the way they have for the last six years in not taking an Israeli or a Singaporean approach and really devoting the national energy to beefing up their defense.

I often mention to my Taiwan military friends that Singapore is a model for an island that has designed and implemented to a large extent as best it can, against a large neighbor with which it is not always friendly, sort of a coherent defense structure, and Chen Shui-bian was reelected in 2004 by a higher percentage than he was elected in 2000.

But I think it would be wrong to describe it as a political failure. I think it is political choices. I don't know that these reorganization steps are really going to have much effect on it. Perhaps a change in party in the next election might.

Yes, sir, all the way in the back.

QUESTIONER: You just mentioned that in Taiwan's defense budget, there are priorities. They shouldn't focus on the three items. They should focus on some other things, some basic things about national defense in Taiwan. You pointed out some of the problems for their structures. Can you elaborate a little bit about that?

DR. COLE: Strictly my own view is that the most important part of an island defense structure are things like simply making sure that all your available systems are as well coordinated and integrated as you can. I think Taiwan has been making efforts in

this respect, but because of the focus on the special budget items perhaps has not been able to devote as much attention as it might have to this other area.

FU-KUO LIU: Fu-Kuo Liu, CNAPS Visiting Fellow.

In listening to your great presentation and being from Taiwan, I really appreciate it. It seems to me that this whole picture is just like a health check for our defense system. We have found tremendous problems inside and lots of things to be improved. Maybe as a follow-up to the previous speakers' questions, I think that it is also linked to one of the ideas you mentioned, the civil-military relationship that at this moment is developing in Taiwan. I would like to ask you especially how you see from the U.S. point of view, how exactly we might be able to make this military procurement at this moment to be more reasonable. Even if some of the things we cannot be doing at this time, is there any possibility that the Taiwanese and the Americans can sit down to restart or to maybe research a better way for both sides?

I think we have been debating from this particular issue. It seems to be that in the past five years, it has been just lost from our side because of too many political debates and struggling in Taiwan. I think we perhaps need to find some solution at this point in time. If there is any possibility that we may develop a kind of civil-military cooperation from Taiwan and also the U.S. side, do you see any possibility that we can research and also restart a possibility to find a best way?

You pointed out that some of the military officers are thinking the budget should be used for their training, for gas and for their weapons. But I think that we really need to start from the very fundamental level. What is your comment and opinion?

Thank you.

DR. COLE: I don't have an accurate enough picture currently of the interactions that occur between Taiwan's military uniformed leadership and civilian policymakers. Certainly, if I heard you correctly, that baseline reassessment that you suggest is almost always useful at some period, whether it be every four years or more frequently than that. Perhaps at this point in time, given Taiwan's electoral cycle, we are going to have to wait until the 2008 elections for that sort of reassessment to occur.

SCOTT HAROLD: Scott Harold, Brookings.

Bud, can you give us a sense as to whether you would recommend that Taiwan adopt anything other than deterrence through defense? In other words, is there any prospect of Taiwan developing or purchasing any kind of offensive weapons that would help deter Beijing? I know Richard has written on this. I wonder what your thoughts are.

DR. COLE: Of course, it is always touchy trying to define offensive and defensive weapons. That is one of the most difficult things to do when studying any military situation. But I know what you are asking.

The last time Taiwan bombed the mainland that I remember reading about was when they bombed the Esso refining facility in Shanghai and almost whacked the American Consulate General in Shanghai. Counter-posed to that is, of course, China's own declared policy of active defense. If Taiwan wanted to adopt the mainland's policy of active defense, then I suppose Taiwan could justify acquiring weapons with which to attack the mainland, whether those be longer-range cruise missiles or longer-range manned aircraft or UAVs or something like that.

I am not sure I would see the point in that, frankly. The idea, I suppose, would be that Taiwan would have to be able to identify targets, the attack on which or the destruction of which would provide leverage that would cause the leadership in Beijing to change its mind. I don't know what those targets would be in a place as big and varied as China.

One more, yes, Betty.

BETTY LIN: Dr. Cole, would you tell us your estimation on the ASW capabilities of the Pacific Fleet? Do you think that PACOM still meets the TRA requirements to maintain the capabilities? If the answer is yes, how long do you think they can do that?

DR. COLE: If you compare the ASW forces in the Pacific Fleet -- P-3 airplanes, surface ships designed for ASW and attack submarines -- if you compare the numbers in 1985 and 2005, there are less than half in 2005 than there were in 1985. Now the ships today and the aircraft and the submarines are certainly more capable than they were 20 years ago, but the law of physics says one ship can only be in one place at one time.

In 1985, we also had a dedicated ASW command structure in the Pacific Fleet. That has now been recreated. Admiral Mullen's predecessor, Chief of Naval Operations, Admiral Clark recognized the problems we had in ASW and has moved to do that.

I don't fault the U.S. Navy for after the end of the Cold War, shifting its emphasis away from ASW. The Soviet Union was gone after all, and there were other things to which we had to dedicate a shrinking defense budget.

Having said that, I have gotten in trouble for saying this before at the Center for Naval Analyses, but I will say it anyway, and that is I think that our capability to find and track and, if necessary, attack a submarine today, given the advances in submarines and the advances in ASW, is about the same as it was in 1916. I don't think that Chinese submarines can defeat the U.S. Navy, but I think that they could slow down any intervention on the Navy's part that would significantly affect a tactical situation around Taiwan.

BETTY LIN: (Off mike)

DR. COLE: Pardon me?

BETTY LIN: My second question was about overall capabilities. How long do you think PACOM will keep the capabilities that are required by the TRA, the Taiwan Relations Act?

DR. COLE: I think the Navy is making a very honest effort to improve our ASW capabilities and to do so in accordance with the known threats just as we did after the end of the Cold War.

DR. BUSH: We are very happy to have had all of you today and extremely happy to have had Bud Cole to give us lots of things to think about. Thanks again, Bud.

[Applause]

END OF TRANSCRIPT