As the United States has considered options for a missile defense system, it was natural enough to focus first on gaining the acquiescence of Russia, its ABM Treaty partner. But the result is that China has been insufficiently taken into account. Unless greater attention is now directed to the PRC’s possible reaction to missile defense—and to the potentially significant implications of that reaction for U.S. national security—the substantial achievements gained in bilateral relations over the years could be eroded.

This study does not seek to assess the pros and cons of missile defense systems, per se. Rather, assuming such defenses will ultimately be deployed in some configuration, it addresses how their architecture might be approached so as to enhance American national security and minimize reactions inimical to U.S. interests.

The reality is that, despite recent improvements, setting U.S.-PRC relations on a firm foundation remains a challenge in light of the deep suspicions each country holds regarding the other’s intentions. In this context, missile defense is not simply one of the many issues on which the two countries disagree, but it is one which, if handled maladroitly, could become a fundamental driver of a downward trend in future Sino-American relations.
Executive Summary

There is a growing consensus in the United States and among its chief European allies that some level of missile defense protection is warranted if it proves technically and financially feasible, but the prospect of missile defense constitutes a wild card in Asia. Depending on a number of factors, missile defenses can fortify or weaken international cooperation, diminish or rekindle big power rivalry, provide more certainty or less in a world challenged by regional unrest and global terrorism. The manner in which the United States interacts with China over the course of the development and deployment of National Missile Defense (NMD) will be important to the Asian security landscape, writ large, and a major factor in the overall U.S.-China strategic relationship over the long term. It is in U.S. national interests both to shape China's responses to missile defenses and to consider those responses in devising America’s own plans, so that the net result is to enhance, or at least not degrade, U.S. national security.

The main task Washington and Beijing face today is to find new footing in a bilateral relationship so determinative to Asian peace and stability. It is in the interest of both sides, and a responsibility of both, to find ways to guide their relations back toward a more constructive and less confrontational path than has been the case for much of the past several years. China's condemnation of terrorism against the United States in the wake of September 11th and willingness to support efforts against international terrorism have helped. So, too, has the expressed willingness of the Bush Administration to engage China in strategic talks in the wake of the President's decision to withdraw from the ABM treaty (though it must be noted that only following the October 25, 2002 Crawford Summit meeting between President George W. Bush and President Jiang Zemin is there a prospect that such talks may actually take place). Despite

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1 As noted in the Preface, the Bush Administration has substituted the concept of "layered defense" for previous divisions of missile defense into "theater missile defense" (TMD) and "national missile defense" (NMD). For the purposes of this project, however, we found that maintaining clarity of the conceptual distinctions was useful. While issues relating to regional missile defense deployments matter, in the case of China, the questions they raise are in important respects distinguishable from systems designed to protect the United States, which is the focus of our concern. Hence, we have continued to employ the terms "NMD" and "TMD." See Stimson Center Report No. 34, "Theater Missile Defenses in the Asia-Pacific Region," June 2000, http://stimson.org/nubs.cfm?id=30. See also Michael Krepon and Chris Gagne, editors, "The Impact of U.S. Ballistic Missile Defense on Southern Asia," Stimson Center Report No. 46, July 2002, http://stimson.org/nubs.cfm?id=59.
these constructive developments and an evident commitment by leaders in Washington and Beijing to pursue constructive relations, however, both countries have a long way to go in overcoming accumulated suspicions of the other's intentions. In that context, missile defense remains, along with the Taiwan question, one of the most fraught issues for the U.S.-PRC relationship and for peace and stability in East Asia.

The Stimson-CNA Project Group concluded the following:

- **U.S. Assurances Have Not Been Effective.** U.S. assurances that missile defenses are not aimed at capturing China's deterrent are not credible in Beijing's view. Although China’s currently planned strategic force modernization is estimated to outpace any likely NMD deployments for at least the next ten years, China remains deeply concerned about the future impact of such deployments on its nuclear deterrent. Whether or not “layered missile defense” is specifically intended to defend against Chinese ICBMs, effective defenses would eventually almost certainly have significant capability to do so should the need arise. The Chinese realize this.

- **Taiwan’s Security Could Be Impacted.** Taiwan's security is an issue of strategic importance to the United States. Project Members were divided on the impact of an operational national missile defense system on a Taiwan contingency. Some thought that NMD would provide greater flexibility in U.S. military options should conflict arise over Taiwan. Others were concerned that efforts to develop NMD might encourage China to act preemptively to resolve the Taiwan issue before U.S. missile defense systems are operationally ready, lest Beijing be subjected to “nuclear blackmail” as it claims it was threatened with in the 1950s-era Taiwan crises. In the event of actual combat, some pointed to the dilemma China might face in terms of a perennial “use ‘em or lose ‘em” choice that could seriously complicate escalation control. Still others were unconvinced that there would be any significant effect on either American or Chinese decisions.

- **NMD Changes China’s Strategic Planning.** From a U.S. policy perspective, three elements are important drivers—or dampeners—of Chinese reactions to NMD: NMD architectures employed, U.S. military/space policy and the U.S. approach to cooperative threat reduction in the region. Both the Clinton Administration’s “limited NMD” system and the Bush
Administration's more comprehensive “layered” approach have had an impact on strategic perceptions and planning in China. Whether this impact is generating pressure for a more robust modernization of China's nuclear forces (i.e., larger, more diversified and developed faster with greater asymmetric capabilities than would otherwise be the case—and perhaps even reconsideration of the PRC’s policy against the first use of nuclear weapons), or whether it is merely confirming to planners in Beijing the wisdom of China’s already existing strategic modernization plans and force size is a matter of contention. Most of the group agreed, however, that Beijing would seek to ensure it had at least a minimum credible deterrent against the U.S. in response to NMD—i.e., the ability to hold one or two major American cities at risk if the U.S. attacked China with nuclear weapons. Exactly what it did, of course, would have an impact on U.S. decisions, in turn, possibly stimulating development of a more robust NMD capability, including more active consideration of space options.

- **There Will Be a Cascade Effect in Asia.** While Project Members differed over the degree to which China would react to NMD, most agreed some cascade effect was likely in South and East Asia in reaction to China's NMD response, posing a further potential challenge to U.S. security interests in the region.

- **Business as Usual Is Not in U.S. Interests.** Although China is already on the path of strategic modernization, decisions on NMD will have an important influence upon the ultimate shape of the PRC’s future strategic forces. Unfortunately, despite offers by both the Clinton and Bush Administrations to engage China in a dialogue about nuclear strategic issues, Beijing’s reaction has not been very forthcoming (perhaps in part because of obvious force asymmetries), nor has what has actually been offered thus far gone beyond standard briefings on NMD and assurances that China was not targeted. In any event, it behooves Washington to continue to try to engage the Chinese on this issue. This does not mean compromising U.S. national interests, but it does mean working to avert Chinese reactions detrimental to those interests. It is to be hoped that the foreign and defense ministry talks agreed to at the October 2002 Bush-Jiang Crawford summit will advance this effort.

The following are key policy recommendations put forth by the Project Group:
EXECUTIVE SUMMARY

- **It Is Necessary To More Clearly Define the Goals of the Relationship.** Fundamentally, U.S. policymakers must determine what course they seek in overall relations with China—particularly in nuclear strategic relations. In one sense, the issue is whether the U.S. can live with China’s limited but evolving strategic deterrent (as it does Russia’s), or whether it seeks the ability through NMD to trump China's strategic forces. In considering the question of how the PRC might respond to NMD, there was general agreement that, whatever the official U.S. goal, whatever assessments might exist regarding a PRC offensive “lead” over development of U.S. defenses, and whatever vulnerabilities the PRC had tolerated in the past, trying to capture China's developing deterrent capabilities could well trigger an eventual defense versus offense race with Beijing. This also might entail channeling China toward more robust strategic deterrent options that over the long run would be counterproductive to U.S. interests. Such Chinese options would include not only more numerous and more capable ICBMs but also other systems such as nuclear attack submarines with nuclear-tipped land-attack cruise missiles. In the extreme, some group members thought, it could trigger proliferation of counter-measure capabilities and other anti-NMD components to other countries (though this would also create new risks for China in terms of the U.S. response). Establishing a relationship with China that averted such outcomes was considered a high priority.

- **Substantive Strategic Talks Are Needed.** President Bush's initiative to hold high-level talks on strategic stability with China is an important beginning, but until recently, neither side has pressed for meaningful talks and both have low expectations for success. These low expectations, however, should not limit the U.S. approach to China. Key long-term trajectories in strategic deployments by China and the U.S. will be set over the coming years. Strategic stability talks can affect these trend lines if the U.S. and China are serious in this endeavor and thus should be pursued with this in mind. What the United States does with regard to NMD, how that is perceived, and how China responds will shape each side’s assessment of the other’s long-term strategic intentions. In-depth talks could have a useful impact on those evaluations.

- **Mutual Restraint Is Important.** The U.S. will need to take those steps it sees as necessary to protect its strategic national interests, just as China will do regarding its interests. That said, considering the reaction it triggers from the other side, more is not always better. It is in the interest of both the
PRC and the U.S. to seek mutual restraint to the extent possible. Although the form of such restraint will be complicated in light of the disparity in capabilities and the changes in U.S. doctrine apparent in the Quadrennial Defense Review, the Nuclear Posture Review, and the September 2002 National Security Strategy, to promote strategic stability both Washington and Beijing must muster the political will needed to modulate mutual suspicions and consequent build-ups. This will be especially relevant as the United States advances a new strategic relationship with Russia, but it will also be especially difficult as long as cross-Taiwan Strait relations remain in flux.

- **Transparency Is Important As Well.** Even though the U.S. is not yet in a position to say what systems will be fielded—because it does not know—Chinese concerns on NMD may be lessened if the United States makes clear as it proceeds what architectures and technologies will not be deployed because they are judged technologically unfeasible, too costly, or too destabilizing. Some missile defense architectures are of greater concern to China than others. As the U.S. proceeds to decide upon and field its systems, China will assess the impact on its own capabilities and react accordingly. Greater Chinese transparency regarding the PRC’s nuclear forces is also a desired objective. As difficult as this would be to achieve, it is worth a constant effort because Beijing must come to understand that its actions also have consequences and continued secrecy regarding its long-term strategic plans and objectives is likely to disadvantage China over the long run.

- **Improve Internal USG Coordination.** Missile defense policy must be coordinated within the overall scope of U.S. China policy (including with respect to Taiwan) and at the highest levels of the U.S. government. Also, any assurances or agreements with Russia related to missile defense should be coordinated internally to account for potential repercussions on U.S. relations with China.
Project Findings

CHINA'S CURRENT PERCEPTIONS

From Beijing's perspective, NMD poses a fundamental challenge to the viability of China's strategic nuclear deterrent and hence to the international security structure. In the PRC view, it facilitates the ability of the United States to promote its own interests with little or no regard for the legitimate national security interests of others. Moreover, NMD reinforces a Chinese concern about American intentions: that China will be identified and targeted as a future enemy of the United States. NMD is especially worrisome to Beijing in the context of Taiwan, which is the only likely issue that could precipitate Sino-American war and where China fears missile defense would reduce inhibitions the U.S. might have with regard to attacking the mainland.

NMD Reinforces Suspicions About U.S. Intentions

China's perception that NMD poses a significant challenge to its security is evidenced in the reactions of a wide spectrum of Chinese officials and academics. Missile defense, in Beijing's view, is at best problematic for China's efforts to maintain a viable strategic deterrent and at worst puts the survival of the Chinese state at risk. It is difficult, however, to isolate the NMD issue in assessing overall Chinese security perceptions since it is but one factor in a general and broadly based sentiment of distrust of U.S. intentions.

China's suspicions that the U.S. seeks not only to dominate the region but to "Westernize" and "split" Chinese territory and weaken PRC influence have grown stronger over recent years although the fervor of such sentiments wavers with the state of overall Sino-American relations. Despite the burgeoning economic, cultural and people-to-people relationship over the past three decades, security issues have once again risen to the top of the U.S.-PRC agenda since PRC missile "tests" off the coast of Taiwan in 1996. Although relations today have improved in the wake of three Bush-Jiang meetings, Chinese concern remains that the U.S. views China as "the" new post-Cold War foe. The bombing of China's embassy in Belgrade in 1999, the EP-3 incident and the Bush Administration's call for strengthened U.S. security relations with Japan while casting China as a "strategic competitor" have not been forgotten by China's leaders or its public.

1 Shanghai in October 2001, Beijing in February 2002 and October 2002 in Crawford, Texas.
China's leaders have little doubt as to which country is referred to in the Pentagon's September 30, 2001, Quadrennial Defense Review's warning that a "military competitor with a formidable resource base will emerge in the [Asia] region." Despite the events of September 11th and the ensuing American preoccupation with combating global terrorism, Chinese suspicions remain strong that the United States seeks to ensure long-term and overwhelming strategic advantage over China.2

Just as September 11th and its aftermath shifted the American focus to the war against terrorism, so it has shifted China's public attention from NMD, though not necessarily from the U.S. strategic challenge. Indeed, Beijing appears increasingly uncertain about its ability to affect the international security environment given the way in which U.S. diplomatic initiatives in the wake of September 11th seemed to weaken much of the strategic benefit China thought it had created in the Shanghai Cooperation Organization and a Sino-Russian strategic partnership. Terrorism and the ensuing events in Afghanistan, together with changing U.S. relations with Central and South Asian countries have stirred debate in Beijing over U.S. intentions and how the shifting regional power balance affects China's security. While the Administration has toned down rhetoric viewed by Beijing as "anti-China," clearer lines have yet to be drawn concerning U.S. views on the “legitimacy” of China's deterrent capability.

China Sees NMD Weakening International and Domestic Security

Beijing views NMD as significantly altering the balance among nuclear powers and therefore as destabilizing to the international order. Regionally,

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2 See, for example, Lin Limin, “New Trend of International Pattern in This Year,” Beijing Liaowang, November 11, 2002, No. 45, 62-64, translated by FBIS (CPP20021121000047). According to Lin, of the China Institute of Contemporary International Relations: “The United States has accelerated its eastward strategy under the name of fighting against terrorism. A basic strategic reason is to meet its long-term strategic requirement of strengthening its guard against China. Although the cooperation between China and the United States is expanding in such areas as anti-terrorism, ensuring stability in Northeast Asia, promoting trade and the recovery of world economy, opposing nuclear proliferation and guaranteeing security in the Asia-Pacific region, the United States still will not let down its guard against China. This is the logical reaction of a hegemonic power toward a rising power... While the United States has increased its contacts with China since the first half of this year, it has also increased the intensity of its defense against China.”

3 Administration references to China as a "strategic competitor," a term used early during the Republican primary campaign and again briefly after the EP-3 incident, have since not been repeated. Rhetoric of "cooperation" and "constructive relations" has been the order of the day during all of the Bush-Jiang meetings. That said, and although the Administration's anti-terrorism campaign focused on Islamist extremists may dampen U.S. expressions of human rights concerns over China's treatment of separatist movements in Xinjiang and Tibet autonomous regions, it is unlikely that the Administration will allow its concerns with terrorism to be seen as weakening its commitment to human rights or as justification for stifling peaceful political dissent.
Beijing says, it encourages and exacerbates arms competition in Asia. In particular, China perceives that NMD weakens international stability already challenged by nuclear competition in South Asia and North Korea's missile program. Beijing points to NMD as evidence of a U.S. predilection to act unilaterally. Domestically, Chinese officials and academics often cite NMD as a potential threat to China's economic development, insisting that it could force Beijing to shift a greater share of national resources toward military modernization.

A corollary Chinese concern is U.S. collaboration with Japan on missile defense. China worries that Tokyo's successful development of missile defenses will encourage Japan's remilitarization while diminishing Beijing's capabilities against U.S. bases in Japan, as well as its ability to deter Japanese participation together with the U.S. in a Taiwan contingency by threatening Japanese targets. However, some of these concerns are tempered by the Japanese Government's caution in undertaking such collaboration with the U.S. Japan's sensitivity over missile defense was evidenced when the Bush Administration removed distinctions between national and theater missile defense programs. The U.S. move sparked a debate in Tokyo as to whether a Japanese theater missile defense system now would become an integral component of the newly envisioned layered U.S. missile defense system and, hence, a violation of the constitutional ban on exercising the right of collective self-defense. Japanese leaders also were sensitive to the potential repercussions the U.S. action might have on Sino-Japanese relations.

**U.S. Assurances Are Not Credible**

Even though the U.S. is not yet in a position to say what systems will be fielded, the absence of a defined architecture undercuts U.S. assurances to Beijing that missile defense is not aimed at capturing China's deterrent. China sees its small nuclear ICBM force as directly threatened by even a limited U.S. missile defense program. In this perspective, NMD threatens to make China vulnerable to U.S. "nuclear blackmail," as was the case in the 1950s before China developed nuclear capabilities. China also sees the U.S., through NMD, as moving to weaponize space, a development that, even with Chinese development of anti-satellite capabilities, would likely put Beijing at a significant disadvantage.

4 Although the U.S. depicts this collaboration as "research and development," to date the Japanese Government has described its commitment as "research" only. As of fall 2002, however, this level of restraint was under debate in Japan, and could change in the near future.

5 Indeed, the desire to counteract superpower coercion—essentially perceived as nuclear blackmail—was the very impetus for the development of the PRC's nuclear capability at the time.
Despite budgetary constraints and its focus on economic development priorities, and although some observers believe the U.S. will stay ahead of PRC countermeasure efforts, the group noted that China's ability to develop and deploy countermeasures should not be underestimated. China's strong focus on economic development neither removes the possibility of employing countermeasures and asymmetric capabilities nor its plausibility. Also, though Project Members deemed these very low in probability unless Sino-U.S. relations turned implacably hostile, other possible reactions include China's cooperation and alliance building with other nations (such as "Axis of Evil" states) opposed to the U.S., including the transfer of PRC-developed missile defense countermeasures. China could also renew its missile—and in an extreme situation even, some fear, nuclear—assistance to Pakistan.

**ABM Withdrawal Repercussions and Response**

While the PRC perceives U.S. ABM withdrawal as contrary to Chinese security interests, Moscow's restraint has forced Beijing to temper its reactions. Another important factor moderating the Chinese response was President Bush's offer to hold "high level strategic dialogue" with China. Substantive security talks have thus far been limited to other issues, notably anti-terrorism concerns. The offer for dialogue on strategic stability holds promise for mitigating distrust, although both sides must be willing to engage substantively, both at expert and, perhaps more importantly, the highest levels.

**NMD AND TAIWAN'S SECURITY**

NMD is a potentially destabilizing factor in the Taiwan Strait where chances for conflict have grown stronger over the past decade. In a triangular dynamic where the U.S. and the PRC are the two major military vectors, Taiwan is increasingly becoming a wild card. Notably, Taiwan's consideration of a shift from a doctrine of "pure defense" to "offensive defense" (gongshi fangyu), together with the rise of a vibrant—not to say contentious—democracy and the electoral successes of the historically pro-independence Democratic Progressive Party (DPP), are having important military and political repercussions. China's military buildup along the Strait has aimed at intimidating Taiwan, deterring Taipei from pursuing a separatist course and facilitating potential mainland

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6 Mark A. Stokes observes: "as new countermeasures come on line over the next 10 years, the United States should be able to keep pace."

military action against the island. Meanwhile, the United States' adoption of new doctrine utilizing both defensive and offensive deterrence with NMD potentially provides U.S. forces greater freedom of action, underscoring U.S. resolve in backing its security commitments while at the same time enhancing the ability to preemptively neutralize China's nuclear deterrent. In particular, NMD provides China a greater incentive not only to strengthen its ballistic missile arsenal but also to hasten the development and deployment of long-range land attack cruise missiles and other capabilities that ballistic missile defenses cannot defeat. This triangular dynamic, characterized by differing capabilities and fervor, makes for a dangerously unstable setting in the Taiwan Strait.

**NMD, Greater Freedom of Action and the Taiwan Strait**

Both the Clinton and Bush administrations have used the argument that NMD will make the U.S. a better, more effective ally. The Clinton Administration argued that missile defenses would enhance the credibility of U.S. security commitments overseas to friends and allies, thus deterring war in the first place. Some in the Bush Administration would add that, by affording the U.S. homeland as well as overseas American forces and allies greater protection, it gives the U.S. greater freedom of action in the event deterrence fails and war breaks out.

But it remains questionable whether NMD will have any of these intended effects when it comes to safeguarding Taiwan's security or strengthening U.S. military superiority over China. Missile defense could have destabilizing consequences in the triangular U.S.-China-Taiwan dynamic, provoking or emboldening all sides to upgrade preparations and planning for conflict. From the PRC perspective, NMD not only weakens China's deterrent against nuclear attack but also weakens corollary restraints that its nuclear forces provide on conventional military attack by the U.S. Washington will continue to have an overwhelming military advantage with its large nuclear arsenal, advanced precision-guided munitions (PGMs) and stealth technologies. If Beijing remains concerned that the chances for U.S. intimidation will grow with NMD development, then China is likely to do whatever is necessary to preserve a

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7 Some argue that China's small silo-based ICBM force already is vulnerable to being neutralized preemptively by a U.S. conventional attack aided by precision-guided capabilities. As we argue elsewhere, this reality is problematic for the PRC's no-first-use approach. That said, China's intermediate range nuclear capabilities that are not silo-fixed and that can target U.S. forces based in the region are much less vulnerable to preemption.
Regarding the future deployment of Chinese road-mobile ICBMs, China will very likely seek to deploy as many of these missiles and countermeasures as needed to overcome any U.S. NMD system. Thus there is a serious question whether a missile defense system with such potential serves to foster a climate of détente and stability or the opposite.

**Escalatory Dangers in the Taiwan Strait**

Even when putting aside the question of the U.S. military's need for greater freedom of action in a Taiwan Strait scenario, the perception that NMD gives substantial and overwhelming military advantage to the U.S. can bring about faster conflict escalation or preemption by China. A Chinese perception that NMD enhances the likelihood of a preemptive attack on its nuclear sites, for example—since the U.S. could then theoretically more easily fend off any retaliatory strike from a reduced Chinese force—could encourage Beijing to optimize its attack options, including for possible preemptive military action against Taiwan before NMD architectures are fully operational.

Such escalatory tendencies brought about by NMD would not be one-sided. Some Chinese speculate that the U.S., following new doctrine calling for both defensive and offensive deterrence, could consider a strike on China's nuclear forces in a Taiwan Strait conflict. Such thinking might be fed by an assumption that even an imperfect missile defense system would catch "straggler" ICBMs launched against the U.S., at least until China develops and deploys adequate numbers of road-mobile, solid-fuel missiles to offset its disadvantage. Other Chinese and American experts, however, seriously doubt that U.S. military planners would have the requisite confidence in missile defenses to depend on them in this way.

Finally, there is the possibility that missile defenses will embolden Taiwan politically and militarily. Despite growing cross-Strait economic ties (and, in the minds of some, a concomitant growing dependence on the PRC's "tolerance"), Taiwan's democratic progress and the resultant demand for international respect and credibility have encouraged an assertion of its individuality. Although the ruling DPP has backed away from support for a

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8 As an attack on Chinese nuclear forces no longer automatically involves the use of American nuclear weapons, PLA strategists see the possibility of the U.S. using conventional military capability to degrade Chinese nuclear forces without suffering the international opprobrium of using nuclear weapons. Indeed, in recent public documents, the Pentagon has acknowledged its growing conventional capability in these types of contingencies, principally through the use of air power and stealth technology.

9 It should be noted that some PRC defense specialists dismiss the likelihood that the U.S. will ever deploy NMD (for reasons of costs, technological feasibility and diplomatic impact). But this does not appear to represent the prevailing view in China.
formal “declaration of independence” from China, it continues to push the bounds for official recognition in the international community of separate status for Taiwan as a sovereign, independent state. NMD, coupled with less ambiguous assurances from Washington that the U.S. will come to Taiwan's assistance should it be attacked by the PRC, could serve to encourage Taiwan leaders. Indeed, Taiwan has sought U.S. provision of a theater missile defense system not only to defend against mainland missiles (and many believe that TMD would be of questionable utility against China’s growing short- and medium-range missile force) but also to deepen U.S.-Taiwan military ties. That said, as of this writing, the economic downturn in Taiwan combined with the growing reluctance of Taiwan’s Legislative Yuan to appropriate defense funds suggests that the costs associated with missile defense, beyond a Patriot-based point defense, is dampling Taipei’s enthusiasm for missile defense.

The DPP also has called on Taiwan's military to adopt a more offensive orientation in preparing for a conflict with the mainland. Taiwan's president has enunciated a strategy of jingwai juezhan, that is, to conduct "decisive battles outside Taiwan's borders." Efforts by Taiwan military planners to emulate U.S. conventional military doctrine by emphasizing offensive strategies (ijji jin gong) are troubling. By emulating U.S. offensive strategies, Taiwan's military could also contribute to a faster—and, from a U.S. perspective, less controlled—escalation of tensions during a Taiwan Strait crisis.

**U.S.-Taiwan Collaboration on Missile Defense a Major Issue**

Beijing believes arms sales to Taiwan, particularly from the U.S., serve to encourage Taiwan independence forces and trends on the island, thereby weakening prospects for a political arrangement between Taipei and Beijing on reunification. Moreover, already concerned that provision of TMD would tie Taiwan into the U.S. defense system, Beijing suspects the Bush Administration's motivation in removing distinctions between theater and national missile defense systems. To Beijing, any U.S.-supported deployment of new theater missile defenses on Taiwan will be a component of the U.S. strategic (i.e., NMD) system. Such moves toward integration of Taiwan and U.S. military systems, including the satellite downlink of early warning information, would be

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10 U.S. cancellation of the Navy Area missile defense project may have dampened the interest of some in Taiwan in purchasing Arleigh Burke-class destroyers equipped with Aegis air-defense radar eventually to be outfitted with interceptors targeting short-range missiles. Initiated ten years ago and costing $2.3 billion, the goal of the Navy Area system was to shoot down short-range ballistic missiles from ships. Cost overruns and problems integrating the missile intercept system with Aegis missile systems were reasons for the cancellation. Nonetheless, current U.S. missile defense efforts continue toward eventually deploying an upper-tier mid-course-intercept Navy Theater Wide system on Aegis-equipped ships, a system that would have potential applications for Taiwan. And Taiwan’s defense ministry continues to voice strong interest in eventual acquisition of Aegis technology.
seen in Beijing as a reconstitution of the U.S.-ROC alliance abrogated in 1979 as part of U.S.-PRC normalization and would likely lead to significant tensions in Washington-Beijing relations.

**Reversing the Trend of Instability**

U.S. missile defense policy will have an impact on Taiwan's security as well as on U.S. and Chinese security interests in a Taiwan contingency. As conflict strategists point out, escalation control in a triangular dynamic is exceedingly difficult. One should not assume that dialogue is the cure-all for serious security differences. Nonetheless, dialogue between the U.S. and China on nuclear weapons and missile defense as well as other issues related to strategic stability can help both to clarify concerns and possibly to manage crises below the conflict—or at least nuclear—threshold. In this same vein, the U.S. could also hold discussions with China on the mechanisms of crisis management, including protocols and alerting procedures. Though closer U.S. coordination with Taiwan regarding military crisis management is prudent, careful consideration needs to be given to the issue of what would constitute—or be seen as—the establishment of direct operational military ties with Taiwan and what the consequences of that would be.

Some of the group’s members emphasized the particular irony that, just as the U.S. is trying to move away from a relationship of mutually assured destruction (MAD) with Moscow, it may be creating a relationship with China that raises the prospect of a nuclear nightmare. It goes without saying that avoiding such an outcome is very much in the U.S. interest.

**Potential Chinese Responses to NMD**

Three key elements that would be important drivers of the Chinese response are NMD architectures employed, U.S. military/space policy and the U.S. approach to cooperative threat reduction. A stretched-out U.S. deployment plan could convince Chinese strategists that they need not rush to react, and that they could take time to evaluate the scope and effect of American missile defenses before seeking to counter the U.S. steps. However, especially in light of the pattern of long lead-times required for fielding new Chinese systems, the prolonged absence of definitive U.S. limits on such architectures and policies could well lead China to undertake preparations for "worst case" scenarios. The danger would be an assumption on the Chinese side that, once the U.S. makes a decision and has in place basic building blocks (e.g., various kinds of sophisticated radars), Washington can move quickly to deploy and expand missile defenses.
Cost is an important factor in China's potential response—and U.S. reactions. Although the Chinese economy has had and continues to face major obstacles since Deng Xiaoping launched reforms in 1978, China's substantial economic growth is ongoing. Both China's prosperity and advances in science and technology can provide a foundation for strategic nuclear modernization and the development of new offensive weapons to counter an actual or anticipated NMD system. As the marginal economic advantage is always to the offense, another consideration for U.S. decision-makers is the impact on the rest of the defense budget caused by a new defense/offense arms race with China.

While China’s response to missile defense will certainly be influenced by economic considerations, cost will not be the only constraint, evidenced by the considerable resources already sunk into developing new weapons. Rather, the size and composition of China’s strategic forces will be importantly influenced by the doctrine and strategy Beijing selects to respond to NMD. China’s current doctrine of minimum deterrence is based on a strategy of projecting uncertainty regarding the size and composition of its nuclear forces; one question that arises, then, is whether NMD, with its potential ability in some configurations to neutralize China’s second strike capability, will lead to a revision of this doctrine.

Among China’s strategic options is to build a “small but modern” force that combines the use of technological hedges with tactically mobile systems to limit the effectiveness of NMD to support a U.S. first strike against China's nuclear forces. A second, more robust option is for China to employ an assured minimum deterrence (AMD) approach by increasing the number of mobile ICBMs and SLBMs as well as the number of warheads, many of which would be devoted to decoys. An effective AMD approach would require greater transparency regarding China’s force structure to let potential adversaries know that an attempt at a disarming first strike on China would not succeed. Finally, in a step that would require doctrinal change, limited nuclear deterrence (LND) gives China the option to respond to any level of attack and the capability to deter escalation from conventional to nuclear war. However, the political liabilities borne from such a doctrinal shift would be significant: China, in changing to a more assertive stance, would also be seen as signaling an intent to

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11 One argument is that anticipated near-term deployment of solid-fuel, road-mobile DF-31 missiles, which can threaten U.S. and allied forces in the region, would be sufficiently invulnerable to enhance Beijing’s sense of security. A counter-argument is that increasingly sophisticated conventional precision-guided munitions call this invulnerability into question. Our group had no way to resolve this issue, but it reinforces the complexity of the calculations involved.

12 For further discussion of both AMD and LND, see Paul Godwin’s "Potential Chinese Responses to U.S. Ballistic Missile Defense," which is appended to this report.
dominate the region, as any claim that its nuclear forces support a purely defensive posture would be unconvincing.

Adoption of an offensive security policy would be unsettling not just to the U.S. but also to regional states, potentially leading to reactions from other key regional powers such as Japan and India. It also is possible, however, that China would seek a small but modern force as an interim move. This “wait and see” alternative would afford Beijing the opportunity to focus on R&D programs central to any future revision while pacing deployments to respond to actual NMD development. Whether or not China would move on to more robust doctrinal changes probably would hinge upon NMD developments, particularly the mix between boost phase and midcourse or terminal phase architectures.

To emphasize the points we are making, China's strategic force modernization efforts has been under way for some time, even in the absence of U.S. NMD efforts. However, NMD is likely to have and, indeed, its prospect may already be having significant impact upon Chinese strategic force planning. And it is not just the scale and pace of modernization, but also the technical and operational characteristics of China’s future force that likely will be affected by NMD. There are issues beyond the scope of this project that nonetheless should be addressed by U.S. policymakers and analysts as they proceed in developing and deploying ballistic missile defenses. Will NMD cause China's future strategic forces to be MIRVed and, if so, lightly or heavily? Will China aggressively pursue other types of penetration aids and asymmetric capabilities? And, in the face of a potentially eroded deterrent, especially over time, will the PRC pursue alternative delivery techniques? U.S. missile defense efforts also could compel China to change from a current doctrine of minimal deterrence to a more robust and less passive approach. In other words, beyond the question of how much capability China acquires and how quickly, it is also a matter of what it gets, what it can do, and under what circumstances it would use it.

**Transparency Discouraged**

For political as well as military reasons, China does not want its nuclear deterrent to be seen as weak. Maintaining uncertainty in the minds of the U.S.

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14 As noted, boost-phase intercept would be less of a concern to China given the basing of ICBMs sufficiently inland where they would be protected. However, this advantage would be negated should the U.S. develop boost-phase intercept ability from space—a reason for China's concern over space-based technologies.

15 That is to say, equipped with Multiple Independently Targetable Reentry Vehicle (MIRV) technology, permitting the independent targeting of separate warheads on a given missile.
and other potential adversaries about China’s small strategic deterrent force has underlain Beijing’s persistent policy of non-transparency. But, as noted, China does have some incentive to be more transparent to enhance the deterrent effect of new generation mobile launch platforms. Transparency also could serve future international arms control efforts. East Asia remains a region where the potential for nuclear proliferation and competition is real. China is a key factor. The United States can help to reduce risks to regional stability by attempting to engage China on command-and-control problems as well as nuclear weapons security and safety, and by seeking agreements on verifiable deployments and exercise restraints. In this respect, Washington's decision to merge TMD and NMD into a single, layered missile defense system, however sensible from a program development perspective, serves to raise Chinese suspicions of U.S. intent, particularly regarding Taiwan, and reinforces Beijing's propensity for non-transparency.

Regional Restraints on a Robust Chinese Response

China would likely be mindful of calibrating a response to NMD in a manner that minimizes damage to the image it cultivates as a peaceful nation supporting international stability and cooperation. Should Beijing overreact, regional states would be disconcerted and already extant (though rarely publicly declared) suspicions of China’s ambition to become an Asian hegemon would be fed. China also is wary of not being drawn into a self-defeating arms race with the U.S., drawing lessons from the debilitating (for Moscow) Soviet-American military competition. China is also conscious of the impact that its countermeasures might have on India and Pakistan as well as Russia. In the end, however, China would be willing to risk adverse regional reaction if it believed that its second-strike capability vis-à-vis the U.S. were in danger of being trumped. Beijing is likely to consider this a vital national security issue and to act accordingly.

Impact of U.S. CTBT Policy

Although China was seen as creating a number of roadblocks to the Comprehensive Test Ban Treaty (CTBT) while it was under negotiation, since its adoption, China has assumed the position of a staunch public CTBT supporter. Moreover, although Beijing itself has not ratified the treaty, it has
strongly criticized the U.S. for preserving the option to renew nuclear testing. It is difficult to determine whether or not Beijing will ratify the CTBT. But since the U.S. position on CTBT gives China a convenient basis for criticism, Beijing will likely continue its support for CTBT and to observe the testing moratorium pending the treaty’s coming into force.

That said, although most analysts agree that China is not likely to be the first country to resume testing, Beijing is already under considerable pressure to do so. This stems from efforts to modernize its nuclear weapons in response to Russia's continued development of new nuclear capability, but also from its perspective that an NMD system poses a threat to China's deterrent capabilities. Thus, China is highly likely to resume testing if the U.S. does. Moreover, in circumstances of extreme hostility in Sino-U.S. relations or some other fundamental change in the international environment that seriously threatened China's security, Beijing could decide to risk the almost certain international opprobrium to resume testing.

REGIONAL REPERCUSSIONS

The most recent National Intelligence Estimate (NIE) on China's strategic force projects a PRC deployment of between 75-100 warheads through 2015 that could reach the United States. China, according to the unclassified NIE summary, also has the capability to add multiple warheads or reentry vehicles (i.e., MRVs) to ICBMs, although adding independently targetable multiple warheads (i.e., MIRVs) is a much more daunting challenge, especially with regard to road-mobile missiles. While it is unclear whether this NIE projection factors in China's reactions so far to NMD, this official U.S. estimate of China's future deployments could prove too modest if one assumes actual U.S. deployment of NMD. Although China initially would be likely to undertake countermeasures while maintaining minimal deterrence, continued "worst case" tensions...

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16 For the U.S. position, see Press Briefing by White House Press Secretary Ari Fleischer, January 9, 2002. The impact of the recently released National Academy of Sciences study that argued stockpile stewardship could be adequately maintained without testing may add a new dimension to the debate, but it does not address the question of developing new, smaller types of nuclear weapons. See National Academy of Sciences, Technical Issues Related to the Comprehensive Nuclear Test Ban Treaty (Washington, D.C.: National Academy Press, 2002), available online at http://books.nap.edu/html/ctbt/.

17 This new NIE figure was different from the previous estimate of a more modest increase of "several tens" of warheads, but was still considered by the group as relatively limited; see Central Intelligence Agency, Foreign Missile Developments and the Ballistic Missile Threat Through 2015: Unclassified Summary of a National Intelligence Estimate, www.odci.gov/nic/pubs/other_products/Unclassifiedballisticmissilefinal.htm. According to the recent Defense Department report to Congress, China currently has around 20 ICBMs capable of targeting the United States, a number that will grow to around 30 by 2005 and may reach 60 by 2010; see Annual Report on the Military Power of the People’s Republic of China, 27, available online at http://www.defenselink.mil/news/Jul2002/d20020712china.pdf.
perceptions of NMD could well spur a shift in doctrine (as discussed previously). In the absence of any credible assurances that NMD will not be damaging to China's national security, China is likely to have added requirements for strategic nuclear forces and to increase missile capabilities for theater contingencies (especially a Taiwan crisis). The final NMD architecture, therefore, will be an important factor driving China's decision on numbers of future warheads and delivery systems.

**In South Asia**

Assuming that India and Pakistan have not already gone to war, South Asia is a region most likely to be affected by repercussions stemming from Chinese responses to U.S. missile defenses. That is to say, there is good potential for a "cascade effect" with Chinese countermeasures to NMD sparking Indian reactions that, in turn, would likely stir Pakistani counter-reactions. The operative question is not *whether*, but *how much* of a cascade effect would be added by U.S. NMD deployments. India and Pakistan have malleable nuclear weapons and launcher requirements. The overlay of a hierarchical, triangular relationship atop two competitive dyads makes for great difficulties in establishing stabilization measures. Adding to this are recurring tensions between Pakistan and India, especially high in spring 2002, and India's perception of being the victim of nuclear collusion between China and Pakistan. The perceived need for opacity in nuclear capabilities also adds to requirements. Moreover, there are concerns that the overall state of U.S.-PRC relations affects China's willingness to participate in, or at least tolerate, assistance to Pakistan's programs from Chinese sources. NMD therefore can be expected to exacerbate the effects of the stability-instability paradox in Indo-Pakistani relations, with potentially damaging effects on U.S. national security interests.

Not unexpectedly, China's relatively muted criticism of NMD since late 2001—viewed by many as further evidence that Beijing prefers consultations rather than confrontation with the U.S., including on missile defense—is generally welcomed throughout the Asia-Pacific region, including in South Asia. It is important to note, however, that this has played differently in New Delhi, where some would see a worsening of relations between the U.S. and

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18 The paradox is that nuclear weapons are supposed to prevent major wars and stabilize relations, but they also might prompt provocations, instability, and even conflict at lower levels. The stability-instability paradox is marked by wars and near wars, such as the Cuban missile crisis, the Berlin crisis, the Korean War, clashes between Soviet and Chinese forces along the Ussuri River and the Kargil conflict. See Krepon and Gagne, "The Impact of U.S. Ballistic Missile Defenses on Southern Asia."
China, including over missile defense, as not necessarily against India's long-term interests.

In East Asia

In East Asia, the Administration's new NMD policies have had mixed reception. As noted earlier, the merging of TMD and NMD by Washington was unsettling to Tokyo, as it raised both political and constitutional issues and renewed public debate about how closely any Japanese missile defense derived from a collaborative effort with the U.S. would be integrated with the U.S. system. Washington's post-September 11th characterization of North Korea as a member of the "Axis of Evil," and the initial unwillingness of the Bush Administration to continue talks with Pyongyang begun by the Clinton Administration to discontinue the DPRK missile program, had until July 2002 stalled diplomatic efforts with North Korea. While Pyongyang subsequently signaled willingness to resume general talks with the U.S., and DPRK meetings with South Korea and Japan have already resumed, controversy over Pyongyang's nuclear weapons program has once again thrown the entire North Korean diplomacy into a cocked hat. Moreover, while the President's February 2002 Asia trip served to mend relations with Tokyo and Seoul, sentiment in the region is that, while U.S. NMD policy is understandable at one level following September 11th, the uncertainty regarding architecture and China's reaction is a matter of some concern.

PRC Proliferation: Lessons Learned?

NMD, at least for now, is unlikely to lead China to engage in horizontal proliferation in the region or to "rogues" elsewhere. Valuing its relations with the U.S. and not wanting to exacerbate relations with the United States over exports of sensitive technologies, and striving to maintain its standing in the international community, China would be hard pressed to play the North Korea "card." Even if it feels provoked by NMD, China's regional security interests are clearly not served by North Korea's development of weapons of mass destruction (WMD) and missile delivery systems, and Beijing has outspokenly supported efforts to visibly end the North's nuclear weapons program. Yet despite Beijing's claims that it has already played a "pivotal role" in easing tensions on the Korean Peninsula, the PRC could play an even more activist role in international efforts aimed at curtailing North Korea's WMD programs; indeed, it is clearly in China's interests to do so. If the threat from the only

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“rogue” in Asia were eliminated, that could have an important impact on the nature of the missile defense architecture that the U.S. eventually fields, and hence could lessen the impact of NMD on China’s strategic deterrent. On the other hand, failure to lessen concerns over North Korea could stimulate further acceleration of some NMD elements that would be of concern to the PRC.

Similarly, NMD is not likely to cause China to react directly by boosting its support for Pakistan's nuclear and missile programs; new PRC export control regulations promulgated in late 2002 reinforce this impression. Nonetheless, one needs to bear in mind that NMD's "cascade effect" upon India's strategic nuclear programs could in some circumstances stimulate greater Chinese assistance to Pakistan in response.

CONCLUSIONS AND POLICY RECOMMENDATIONS

U.S. policies have contributed in a major way to stability in East Asia over past decades; NMD should be structured so as to enhance rather than erode this achievement. It would not serve U.S. security interests if China put its nuclear arsenal on hair-trigger alert, deployed substantially greater numbers of nuclear weapons targeted at the United States and its allies, or diverted significantly greater resources into military modernization than it would otherwise have done. In short, if seeking—or even seeming to seek—total U.S. invulnerability to China's ICBM force brought the U.S. closer to devastating conflict with China, at a minimum creating a larger and more effective PRC capability to employ military power as a political tool, the venture would be both highly costly and inimical to U.S. security interests.

A key question, therefore, that U.S. policymakers need to address in considering missile defense options is whether any given step, or combination of steps, enhances or degrades U.S. national security. A one-dimensional answer, (e.g., “if we can stop ballistic missiles, that’s all to the good”) is insufficient. One must also consider the totality of reactions of others and their impact on U.S. national security.

In the case of Russia, a great deal of attention has been paid to that question. In the case of China, it has not. While China is modernizing its strategic deterrent in the form of survivable nuclear-armed missiles, the pace and scope of that modernization, and what other steps China might take, will all be

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20 Although they contain some problematic loopholes that seem designed to allow existing contracts to be fulfilled, Beijing’s recent issuance of four sets of extensive export control regulations on material, equipment and technology related to missiles, biological and chemical weapons-usable items, as well as other military export items, was welcomed by Washington and others long concerned about the PRC’s lack of such regulations.

importantly influenced by whether or not the United States appears to be seeking to neutralize China’s second-strike capability.

Making such judgments, both in Beijing and in Washington, is a complicated business. It includes factoring in such imponderables as the “state of the relationship” and its likely future course. But, in large measure, how the U.S. deals with China on these questions will have a bearing on how leaders in both capitals view the relationship and its potential.

Achieving a “strategic understanding” with China will be difficult so long as NMD's future shape and focus remain indeterminate. This is not to suggest that the U.S. is currently leaving that future uncertain for reasons beyond the fact that it does not know what it can do—and so cannot make sensible judgments about what it will do—in the realm of strategic defense. The Clinton Administration's relatively defined, limited missile defense program was difficult enough to explain credibly to Beijing as non-threatening. The Bush Administration's "layered defense" approach that leaves open the parameters of NMD's future architecture makes the task that much more challenging. As the U.S. undertakes to develop missile defense laser technologies, for example, limiting the number of interceptors may no longer be an adequate assurance for Beijing—or, one would think, Moscow. Efforts to utilize space as a theater of missile defense activity complicate the picture enormously.

On the other side of the issue, secrecy veiling China's strategic modernization also makes any assessment of the strategic balance in the region—as well as of potential PRC reactions to NMD—problematic. While China appears to be modernizing its strategic forces at a slow and deliberate pace, the eventual scope of this effort is not known. Moreover, it could accelerate the pace. With its nuclear forces currently vulnerable to Russian and U.S. preemptive attack, China is unlikely to allow greater transparency at least until the fielding of mobile launch missiles gives Beijing greater confidence in its deterrent.

Uncertainties on both sides about intentions as well as capabilities feed mutual misperceptions and suspicions. Beijing suspects that the U.S. seeks to capture China's deterrent in order to be able to coerce it. Despite Washington’s assurances that NMD is not aimed at China, some forms of NMD would be useful against China in any future conflict. Where Iran, Iraq and North Korea are states currently defined as comprising an "Axis of Evil," other states could join the “team.” Pakistan, for example, could transition from a state now considered helpful to the U.S. to a hostile regime if domestic instability brought radical political change there. While China is not likely to fall into this category, should tensions over Taiwan ratchet upward, the Bush
Administration’s recent positive approach to the PRC would clearly suffer, and any inhibitions raised by concern about PRC reactions to NMD would wither.

That is to say, from the U.S. standpoint, though China currently does not make the cut as an enemy state, the possibility for a downward spiral in Sino-U.S. relations remains real. With China, at least by some measures, a possible future adversary, the potential of any NMD system to engage Chinese ICBMs is real despite sincere assurances to the contrary. Hence, we return to the point that the overall state of U.S.-China relations is a fundamental factor in achieving strategic understanding and trust— with Taiwan as the key. Put another way, the dilemma posed to Washington as it embarks on "strategic dialogue" with China is whether, without endorsing China’s strategic deterrent, the U.S. can “live with” it or whether the U.S. should seek to overwhelm and defeat it.

U.S. perceptions (and misperceptions) of China's rising international position and potential threat further complicate achieving domestic American political consensus on a new approach with China. While China's nuclear forces and modernization efforts are far more modest than those of the U.S. and Russia, even these efforts are cited by those who see China as the new post-Cold War nemesis. Similarly, ambiguity over the future scope and architecture of NMD feeds anti-U.S. sentiment in China and strengthens Chinese hardliners’ push for a more aggressive response to NMD. Each side, of course, cites the other’s approach to Taiwan as support for its own viewpoint.

**Overall Bilateral Relationship with China a Fundamental Factor**

The overall state of Sino-American relations will be fundamental in shaping any understanding on NMD with China. Bilateral or unilateral assurances will not be meaningful if U.S.-China relations erode. Military-to-military contacts are especially important in bilateral efforts to strengthen confidence and dispel distrust in the relationship, and their scheduled resumption after a twenty-month hiatus is welcome. U.S. relations with China will be better served if Washington views China as a rising power whose future is uncertain rather than a presumptive strategic competitor. Whether it can do so depends in important measure on how Beijing conducts itself. As noted at various points earlier, Taiwan is the most serious and potentially destabilizing issue in the bilateral relationship. Mutual restraint in the Taiwan Strait remains critical to a strong U.S.-PRC bilateral relationship.

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Bilateral Approaches: Flexibility, Form Important

While low expectations pervade the thinking on all sides regarding the prospects for any strategic understanding, Washington should not allow this to limit its approach to China. Key trajectories in strategic deployments by China and the U.S. will be set over the coming years. Substantive and serious strategic talks initiated with Beijing now can shape these trend lines serving the interests of both sides.

To be reassured that its nuclear deterrent is not threatened, China may seek some form of undertaking with the U.S., particularly to maintain diplomatic parity with Russia. The shape of such an undertaking may vary; it could come in the form of parallel statements or expressed reassurances. While China is not likely to seek any formal agreements, an expression of mutual restraint may be an achievable objective. One issue, of course, is how binding—or reliable—such expressions would be in reality or perception.

Assurances on Discrete Architectures

Despite continuing uncertainty over NMD's future shape and focus, the U.S. could make known what NMD architectures and technologies would not be developed (i.e., those already deemed infeasible or too costly by the U.S. government) as they become clear. If, and as some of the more challenging options were ruled out even for a limited period of time, this would potentially contribute to a degree of stabilizing reassurance for both sides, in particular because some missile defense architectures are of more concern to China than others. For example, assurances on certain kill technologies and deployments (e.g., ruling out space-based lasers) might help address core Chinese anxieties.

Assessing the Timeline

The timing of NMD deployments likely matters to China and could shape its responses to NMD. For example, if China is able to deploy its road-mobile systems before NMD is in place (which may well be the most likely sequence), this might help to assuage Beijing's concerns. The U.S. should assess the impact of relevant NMD and Chinese nuclear force modernization benchmarks. Recognizing the importance of a variety of other factors in U.S. missile defense decisions, nonetheless, having this issue in mind as sequencing of NMD deployments is considered might contribute to a safer strategic approach with China on NMD deployments, encouraging greater Chinese transparency to achieve a more predictable security environment.
**Seek Greater Chinese Transparency**

Understanding the difficulty of the undertaking, still, the U.S. should encourage China to be more forthcoming with respect to its future strategic deployments by disclosing planned deployments in the absence of NMD. By doing so, China would signal a willingness not to increase beyond specified missile/warhead increments unless it deemed its nuclear forces were threatened by NMD. Such an understanding would constitute a major arms control precedent. As difficult as this would be to achieve, intermediate steps with China could lead to constructive results. For example, the U.S. could open a discussion with China on common missile dangers and steps that can be taken together to address them.

**U.S.-Russian Talks: Keeping in Mind China**

While holding strategic talks with Russia, the U.S. should carefully consider the implications that assurances or agreements with Russia on NMD will have on China. Especially because any likely NMD system will have greater implications for China’s security than for Russia’s, Beijing will be sensitive to being "left out" of understandings or agreements reached between Moscow and Washington. Open communication is not a panacea. Nonetheless, in an effort to reverse a perception that China is "the forgotten nuclear power" and to foster greater strategic understanding with Beijing, Washington must take special care to keep China in the loop, fully informed of such talks with Russia, and to do so on a timely basis. Similarly, China should not be left out of NMD-related talks with other P-5 members. Indeed, some consideration might also be given to utilizing the P-5 to promote better understanding on NMD, especially as it may ease China’s discomfort with bilateral discussions of the issue. Such a structure could also prove valuable in promoting greater transparency.

**U.S.-China Face-Off: Keeping Russia in Mind**

It is also important to keep in mind the likelihood that if the United States opts for a strategic missile defense “big enough” to neutralize China’s missiles, setting off a Sino-American race for a new strategic balance, this could also lead to rethinking on the part of Russia regarding the credibility of its own deterrent. This is not the focus of our study, but it is an issue of such magnitude that it warrants at least a mention in terms of the possible consequences for the newfound friendship between Washington and Moscow and all that it entails.

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23 The five permanent members of the United Nations Security Council (i.e., the U.S., Russia, China, France and the United Kingdom), all of which are the “recognized” nuclear powers under the Nuclear Non-Proliferation Treaty.
Introduction

China today is in the process of profound economic, political and social transition, and it is increasingly a key—if not dominant—factor in Asian security. China's development over the last fifty years has been of particular importance to American security interests. President Nixon's historic visit to the PRC in 1972 ended a quarter-century of mutual estrangement, a period marked by bloody conflict and high cost to both sides. A shared sense of pragmatism brought a rapprochement and an explosion of economic, cultural and other relationships that not only benefited both sides directly but also constituted an important foundation for the economic prosperity, development and technological advancement that continues to serve the people of the region as well as global stability today.

Over the past decade, however, these dividends have been at risk. Since Tiananmen, Sino-American relations have teetered back and forth between contention and cooperation. Ominously, the trend has canted more toward contention and even occasional confrontation in recent years, with each side undertaking actions that have raised fundamental questions about its ultimate intentions as perceived by the other.

With the collapse of the Soviet Union, each has come to be seen increasingly by the other as a potential threat to its long-term national security interests in East Asia and beyond. Especially in light of the possibility of conflict over Taiwan, Chinese and U.S. militaries have progressively come to identify one another as potential foes.

On the Chinese side, as these perceptions have grown, China's military establishment has become increasingly concerned about a growing imbalance in capabilities, despite PLA (People’s Liberation Army) modernization efforts under way since the mid-1980s. It has also become concerned about U.S. willingness to employ force in pursuit of its interests, including in an effort to preclude what Washington sees as threats to regional stability. America's successes in the Gulf War, Kosovo and, most recently, Afghanistan have sharpened these concerns, as has the march toward war in Iraq.

At the same time, as seen from the United States, the PLA's modernization efforts and Beijing's continued saber-rattling vis-à-vis Taiwan have heightened Washington's concern over the possibility of conflict with China. Chinese missile tests in the Taiwan area in 1996 led to the deployment of two aircraft carrier battle groups by the Clinton Administration. President Bush’s April 2001 declaration that the U.S. would do “whatever it took” to help Taiwan
defend itself against a PRC attack removed any residual doubts in China about likely U.S. involvement; likewise, the Department of Defense was bolstered in its conviction of the need to prepare for such a contingency. According to the 2001 Quadrennial Defense Review, the U.S. is now considering a realignment of forces in Asia to address this requirement, but it is reportedly also adjusting U.S. nuclear plans to include more potential targets in China. While the war on terrorism has had an obvious impact on American strategic priorities, there is no reason to believe that the proposed realignment will not proceed. Indeed, it appears to be on course.

Developments in cross-Strait relations and the heightened attention to a potential Taiwan conflict scenario have caused security issues to be a much more prominent feature of the overall relationship. The possibility of conflict in the Taiwan Strait hangs like a sword of Damocles over the other more “normal” aspects of the relations between China and the United States. This is a marked departure from the 1980s, when cross-Strait tensions remained low in the wake of U.S.-PRC normalization of relations, and cross-Strait economic and people-to-people relations burgeoned. Despite the continued growth in the economic and cultural sphere, tensions in the Strait rose starting in the 1990s as Taiwan appeared to shift away from its previous “one China” doctrine while the PRC obtained and deployed new, more capable military assets aimed at the island. Also, new U.S. arms sales to Taiwan became deeply contentious, while Beijing

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1 Walter Pincus, "U.S. Considers Shift in Nuclear Targets," The Washington Post, April 29, 2001, A-23. See also the Quadrennial Defense Review (September 30, 2001) and the Nuclear Posture Review (submitted to Congress on December 31, 2001), available at www.defenselink.mil. These signs should not be taken as an indication that the United States anticipates a nuclear exchange over Taiwan, but rather that the potential for conflict between two nuclear powers, however remote, generates a requirement for prudent planning. See also Doug Nairne, “New Submarine Deployment Sends Message,” South China Morning Post, October 14, 2002, regarding the recent decision to deploy three nuclear-powered attack submarines to Guam.

2 See remarks of Deputy Assistant Secretary of Defense Peter Brookes delivered at the U.S.-Taiwan Business Council’s "U.S.-Taiwan Defense Summit," held March 10-12, 2002.

3 After U.S. assurances that advanced weapons would not be sold to Taiwan, approval of the sale of 150 F-16 fighters to Taiwan by President George H. W. Bush in the context of the 1992 presidential election angered Beijing. The relevant provision of the third Sino-U.S. joint communiqué of August 17, 1982 on this point reads: “The United States Government states that it does not seek to carry out a long-term policy of arms sales to Taiwan; that its arms sales to Taiwan will not exceed, either in qualitative or quantitative terms, the level of those supplied in recent years; and that it intends gradually to reduce its sale of arms to Taiwan.” However, the Taiwan Relations Act of 1979 requires that the United States “will make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain sufficient self-defense capability.” Importantly, this decision was also influenced by the fact that the PRC was already in the process of purchasing advanced Soviet aircraft (i.e., SU-27s).
introduced a sense of impatience to the issue of reunification. As a result, the U.S. and the PRC have become increasingly wary of one another’s intentions regarding Taiwan. U.S. concerns for Taiwan's security have risen while Beijing seems to have convinced itself that the U.S. does not want reunification to occur.

These developments have raised anxieties on both sides about the possibility of an eventual confrontation. PLA military modernization and exercises aimed at Taiwan increasingly include preparations to counter a U.S. defense of the island. They also have grown in frequency and scope. Meanwhile, U.S. surveillance and hydrographic operations outside of Chinese territorial seas and airspace but within its EEZ (exclusive economic zone) continue to elicit Chinese responses. Along with U.S. naval transits through the Strait, they are intended to challenge Chinese efforts to claim sovereignty beyond the allowed limits of the Law of the Sea Convention and to assert freedom of navigation, while also probing China's defensive readiness.

Accompanying the increasing potential for military conflict has been a hardening of domestic sentiment in each country against the other. Although the high tide of animosity has eased in both countries, still, since the brutal suppression of the 1989 Tiananmen democracy movement, especially in contrast with the positive political trends in Taiwan, the PRC once again stands out for many Americans as an oppressive, authoritarian regime, the last major bastion of one-party Communist rule. Meanwhile, in China, perceptions of American hegemonism and unilateralism have fed resurgent nationalism and anti-Americanism. Chinese still recall television images of their dead being returned from Belgrade in May 1999 after a U.S. bomber accidentally destroyed the PRC embassy there, just as CNN footage of Tiananmen is stamped in the minds of the American public.

Mainland Chinese “expectations” regarding Taiwan's return grew even stronger following the reversion of Hong Kong and Macau at the end of the 1990s, fueled in part by Jiang Zemin’s desire to complete the reunification of

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4 An example is found in the PRC’s February 2000 “White Paper,” which raised the possibility that merely delaying negotiated reunification too long, rather than only some overt act of “independence,” could trigger the use of force.


6 Official Chinese accounts have never accepted U.S. explanations that this was not a purposeful targeting of the Chinese Embassy but rather a case of ineptitude on the part of the Americans seeking to identify a Yugoslav military site.
China on “his watch.” Finally, mutual hostilities were deepened when a U.S. Navy EP-3 surveillance plane in April 2001 had to make an emergency landing on Hainan Island following a midair collision with a Chinese Navy fighter plane. The incident resulted in the death of the Chinese pilot, the prolonged detention of the American crew and the even longer holding of the American aircraft.

The challenge today for Washington and Beijing—and the opportunity—is to find new footing to guide this crucially important relationship back toward a more constructive, less confrontational path. Realistically, one can assume that military modernization efforts now under way in both nations will proceed and probably accelerate, as both already are substantially invested in sustaining these efforts. China’s objectives to strengthen its international status and defend its extensive maritime periphery and, as Beijing sees it, deter Taiwan separatism will require a more powerful and flexible military capability. The United States also can be expected to continue efforts to protect and further strengthen its strategic standing, including in East Asia, where providing deterrent and war-fighting capabilities with respect to both Korea and Taiwan is seen as a necessity. Nonetheless, the imperative for avoiding strategic animosity with the potential for miscalculation and unanticipated but devastating escalation is obvious. Despite the asymmetry in military capabilities (China’s conventional and strategic capabilities are decades behind those of the U.S.), a deeper bilateral rift would risk serious consequences for Asia and the world at large.

The real—if remote—possibility of outright military confrontation notwithstanding, China’s cooperation on a wide front of security issues has been important to U.S. global and regional security interests. Similarly, a rich relationship with the United States remains central to achieving China’s economic and security goals. While important issues remain to be resolved, China has responded positively (if sometimes belatedly) to various U.S. initiatives to encourage stronger PRC controls over the export of sensitive technologies. China shares U.S. interests in promoting stability on the Korean Peninsula and in South Asia. And the PRC has increasingly opened its market to American goods and services while addressing U.S. concerns in areas such as intellectual property rights. In the sensitive area of human rights, while clashes of values are inevitable, China has become more amenable to discussing human rights issues to reflect—and promote—amicable relations with the United States.

It is in this context that U.S. plans for NMD become relevant. China has been, at best, a second-tier issue in America’s ongoing national missile defense debate and planning. While regrettable, this is not surprising since it was Moscow that was party to the 1972 ABM Treaty that effectively barred national
missile defenses. Washington devoted considerable time and effort to achieving a strategic understanding with Russia encompassing both offensive and defensive strategic weapons systems, while only later on extending the offer for strategic talks to Beijing. In all fairness, it is by no means certain that China would have responded substantively had the offer been made earlier. Still, it is worth noting that, while visiting Washington in March 2001, Vice Premier Qian Qichen asserted that during his visit he had “on various occasions” expressed China’s willingness to discuss strategic issues, including NMD, with the United States.7 Even today, however, the real attitude of both sides toward meaningful dialogue is yet to be tested in the upcoming defense and foreign policy talks.

Whatever China’s own reservations about the value of such talks, Beijing’s perception of American ambivalence has likely added to Chinese suspicions about U.S. strategic intentions toward the PRC. China sees U.S. missile defense efforts as a threat to its strategic deterrent and as facilitating an even more robust American role—“interference,” in Chinese terms—in the Taiwan issue. Even as senior U.S. officials have denied any intention to “target” Chinese strategic systems with NMD, other influential voices have argued that an ability to neutralize PRC missiles with missile defense is essential.

The consequences of how this issue is handled could be serious, not only for bilateral relations and for the strategic balance in East Asia and neighboring areas, but even beyond that. It will have an impact, potentially, on China’s decisions regarding further military modernization, on its continuing commitment (or not) to minimal deterrence and to no-first-use (NFU), and to its sense of timing in seeking to resolve the Taiwan issue. Moreover, what China does will have an impact on decisions that its neighbors in East and South Asia will make, and, depending on American and Chinese decisions, even on the sense of security that recent U.S.-Russian strategic arms agreements ultimately carry for Moscow’s policy makers.

A NEW THRESHOLD IN STRATEGIC RELATIONS

No matter where one stands on the spectrum of views about NMD (and it is a wide and especially polarized spectrum), most agree that new efforts to develop and deploy a national missile defense marks the crossing of a significant threshold in strategic affairs. While the current U.S. Administration has sought

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7 “ZXS: Qian Qichen Interviewed by U.S. Chinese Paper on TMD, Taiwan, Sino-Russian Ties,” Zhongguo Xinwen She, March 25, 2001, as translated by FBIS (CPP20010325000045).

8 See, for example, Yoshihisa Komori, “U.S.-Japan Missile Defense: Interview with Larry M. Wortzel,” Sankei Shimbun, July 21, 2002. Wortzel, a former military attaché in Beijing, argues that the U.S. must neutralize China’s missile threat.
to assuage Russian and Chinese fears on NMD by assuring them of the system's modest and limited capabilities well into the future, neither Moscow nor Beijing is persuaded. The reaction from Beijing has been especially strong, not surprisingly since the U.S.-PRC dialogue has not been nearly as rich, since the principal issue that could lead to war remains unresolved, and since China would be most affected by most architectures of even a limited NMD deployment. Beijing's response thus far has been to undertake an active diplomatic effort to oppose NMD. While the events of 9/11 and their aftermath now occupy the international community, including to some extent China, PRC opposition to NMD remains strong.

China's fears are not hard to fathom. Choosing not to follow the United States or Russia in the nuclear arms race (and probably incapable of doing so), Beijing instead has derived a nuclear doctrine of "minimum deterrence" and non-first-use. China's strategic nuclear force currently comprises about 200 warheads—about twenty of which could be launched at the U.S. homeland on aging liquid fuel boosters located at fixed (and vulnerable) sites that require several hours to tank up and to mate warheads to airframes.

By comparison, Russia maintains a robust strategic nuclear force of 5,100 nuclear warheads deliverable on 1,100 launchers, while the U.S. has 7,200 warheads deliverable on 1,070 launchers, although both arsenals are to be reduced in accordance with the recently signed Treaty of Moscow. An NMD system designed to capture "tens" of incoming missiles therefore could effectively deny China even its minimum deterrent, particularly after a preemptive U.S. first strike. Whether this will push China's effort to modernize and expand its nuclear missile force beyond what it might otherwise seek to do is not clear, especially since China's existing nuclear modernization goals are not transparent.

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9 As explained in Paul Godwin's paper (see appendix), a "boost-phase" system deployed on virtually any platform except in space would be seen as less threatening, since by its physical constraints it could not reach PRC ICBMs based in the interior of China. To the extent that a "boost-phase" system were supplemented by a mid-course or terminal phase system, however, especially by deployment in space, this would reduce the level of reassurance to China about the credibility of its own strategic nuclear deterrent.

10 President Bush and Russian President Vladimir Putin signed the Treaty of Moscow at their May summit. It calls for the United States and Russia to reduce their deployable strategic nuclear arsenals to 1,700-2,200 warheads by December 31, 2012, nearly two-thirds below current levels but still well above any levels anticipated for China.

11 This was the size of the NMD system anticipated under President Clinton. While the Bush Administration has been less specific, its spokesmen have emphasized the very limited size of any missile defense force for the foreseeable future.

12 There have already been reports of Chinese tests of "penetration aids" in the form of multiple dummy warheads on medium-range missiles that are designed to defeat missile defenses. See, for example, Bill Gertz, "China Tests Arms Designed to Fool Defense Systems," The Washington Times, July 23, 2002, 1.
On the other side of the equation, few Americans would question the need for the United States to have the wherewithal to deter, and if necessary defeat, an attack from the mainland on Taiwan or to deal with other regional contingencies. This is not a statement of presumed hostility toward China, or a prediction of Sino-American war over Taiwan. But it is a reflection of prudence, especially in the Taiwan case, over the continuing PRC military build-up and its stated determination to prevent separation and ultimately to bring about unification with Taiwan, by force if necessary.

That said, different decisions on missile defense would likely have different impacts on PRC reactions and responses. Thus, while hardly the only consideration, still, an important concern to U.S. national interests is whether particular configurations of NMD would trigger a Chinese military response aimed at circumventing U.S. defenses.

In addition, although much of the political steam has gone out of the international opposition to NMD since September 11th, the potential and, indeed, expectation remains that China and Russia will collaborate to some degree in opposing and developing countermeasures to U.S. strategic missile defenses (i.e., NMD). Russia already has shared advanced missile technology with China. Moreover, Russia's agreement to reciprocate China's bilateral no-first-use policy was an important deliverable during Jiang Zemin's July 2001 Moscow visit, symbolizing not only warming Sino-Russian relations but solidarity against growing U.S. unilateralism. Although both Beijing and Moscow have modulated the tone of their opposition to American assertiveness in recent months, they have maintained their insistence on certain points of "principle," even after 9/11, such as bringing the Iraq issue to the United Nations Security Council.

**FIVE QUESTIONS**

In light of the foregoing, this report addresses the following questions, which arguably constitute the core issues confronting U.S. policymakers vis-à-vis NMD and China:

- *What are China's threat perceptions today, both broadly throughout the region and specifically with respect to NMD?*

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13 On October 16, 1964, China became the first nuclear weapons state to declare a no-first-use policy. Today, China and India are the only nuclear weapons states with an unconditional NFU policy. Russian "negative security assurances" (i.e., a pledge not to use nuclear weapons against non-nuclear weapons states not allied or acting in concert with nuclear weapons states) is the same as U.S. policy. The Soviet Union did adopt an NFU policy, but some time ago, Moscow reversed it and has reintroduced it only with respect to China.
A major aspect of this question involves addressing how U.S. NMD development is affecting China's perceptions of its security environment and of U.S. intentions toward China. In particular, does China view NMD as a serious security threat and, if so, are there substantive grounds for this fear?

- How does national missile defense relate to Taiwan's security?

China's historical concern for territorial integrity and sovereignty remains strong. On the other hand, the U.S. can be expected to honor commitments to aid in Taiwan's self-defense. Some U.S. defense planners believe that NMD will allow U.S. conventional forces greater freedom of action. How does all of this affect stability in the Taiwan Strait?

- What are China's likely responses to NMD?

The PRC remains wary of American NMD efforts despite assurances by Secretary of State Powell and others that the U.S. is not targeting the Chinese deterrent. Beijing has reiterated its "constant position" that NMD "destroys the global strategic balance," "upsets international stability" and aims at "boosting an American-led unipolar world order." PRC officials have also raised warnings that NMD poses a direct challenge to China's national interests and have threatened retaliatory (albeit non-explicit) countermeasures. What changes, if any, is China likely to make in its strategic forces and nuclear doctrine? Since China’s long-term intentions with regard to its strategic modernization are unknown, it may be difficult to parse changes already planned from those triggered by an NMD system.

- What are the likely responses of others in the region to NMD?

The current rationale for NMD emphasizes the developing missile threats from North Korea, Iraq, Iran and other "rogue" states. Following the Bush Administration's repeated references to North Korea's missile threat as justification for NMD, North Korea reportedly conducted a ground test of the Taepodong-1 launch engine in late June 2001. What effect would U.S.

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15 "N. Korea Tests Missile," Associated Press, July 4, 2001. North Korean leader Kim Jong II had told visiting European officials in May 2001 that the DPRK would unilaterally extend the moratorium on missile test launches until 2003. The DPRK's ground test of the Taepodong engine came less than two months later. Although it did not violate the moratorium, it demonstrated that the DPRK missile program is not static. Pakistan’s tests in
moves on NMD have on the Chinese approach to North Korea (and hence, on developments in North Korea more broadly)? Additionally, what would NMD portend for ever-volatile South Asia, as well as for key U.S. allies in the region? Ultimately, are U.S. national security interests in Asia likely to be fortified or undermined?

- What policy options are available to the United States for achieving a strategic understanding with China on NMD that best serves U.S. security interests?

A final overarching issue is to what extent the United States should engage China to achieve a strategic understanding on NMD. Among the issues: Is it really in U.S. security interests to adopt a new approach with China to achieve a strategic understanding on NMD? And, if so, what should—or could—that approach and strategic understanding be?

What follows in responding to these questions draws heavily on the papers presented to the Project Group during the course of its deliberations and on the Group's many lengthy discussions.

May 2002 were also presumably based in significant measure on North Korea-aided programs (flight tests in Pakistan were of the Nodong variant).

16 See appendix.
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I am pleased to introduce the latest publication of the Henry L. Stimson Center, China and Missile Defense: Managing U.S.-PRC Strategic Relations. This study addresses the interaction of several issues that are likely to be major determinants of the international security scene for the decade ahead: the course of U.S.-Chinese relations, the rising prominence of missile defense as a feature of U.S. defense strategy and the consequences of missile defense for security-related dynamics in East and South Asian nations.

The study puts the China dimension of the U.S.-led missile defense initiative into sharper focus and argues persuasively that, notwithstanding the origins of missile defense—Russia and the ABM treaty and its demise—over time, China will emerge as the more important factor in determining whether missile defense will be a source of greater stability for the international system. Most important, by adding an in-depth appreciation of how Chinese officials and strategic thinkers see missile defense issues, this study can meaningfully contribute to U.S. defense thinking, which sometimes has given short shrift to the politics and perspectives of other nations.

I am pleased that this report builds on the proven strengths and the core mission of the Stimson Center: to work to manage and reduce the threats from weapons of mass destruction, and to search for practical solutions to the national and international security problems we face. It also demonstrates our commitment to integrating the work of defense and arms control experts with that of regional specialists.

The study was ably led by Alan D. Romberg, Senior Associate and Director of the Stimson Center’s China program. He worked in close partnership with the CNA Corporation and the Director of its Strategic Studies Center, Rear Admiral Michael McDevitt, U.S. Navy (Retired). A distinguished and diverse group of experts worked together over many months to share their wisdom and policy advice, and this report represents the broad consensus of the group.

We will welcome hearing from you if you have any questions about this project or other work on Asian security issues at the Stimson Center.

Ellen Laipson
President and CEO
The Henry L. Stimson Center
Preface

This study grew out of the twin convictions that U.S. policies have contributed in a major way to stability in East Asia over past decades and that U.S.-PRC relations are a key determinant of peace and prosperity in the region. Successful management of both is central to coping successfully with a host of economic, security, environmental and other social problems in the region and beyond. The history of the past thirty years has demonstrated that if relations are strong, then the inevitable buffeting they endure from time to time cannot only be weathered, but both sides can be motivated to work constructively to fashion solutions to a host of problems of mutual concern. The opportunity to press ahead on such a positive basis seems at hand once again after several years of uncertainty. Still, it could be undermined by problems that lie along one of two axes: Taiwan or strategic relations. The former is certainly related to the subject of this study, but it is not the focus. The focus here is on the implications of missile defense—and specifically what has been called National Missile Defense (NMD)—for U.S.-PRC strategic relations.

This study starts from the premise that, as the United States has considered options for a missile defense system, China has been insufficiently taken into account, and that the substantial achievements gained over the years could be eroded if this is not corrected.

In dealing with missile defense, it was natural enough for both the Clinton and George W. Bush Administrations to focus first on Russia, since Moscow was Washington’s ABM Treaty partner. America’s European allies were likewise primarily concerned with Russia’s reaction. After all, had the effort with Russia gone badly, other issues would have paled in comparison to the resulting East-West rift.

But things did not go badly, and so greater attention must now be directed to the issue of China’s possible reaction to such missile defense systems and the potentially significant implications for U.S. national security.

Project participants, representing a diversity of viewpoints on NMD, accepted the premise that the United States Government (USG) would likely continue efforts to develop a national missile defense. Thus, for the purposes of this project, the issue was not whether missile defenses were needed but, assuming they proved technically and financially feasible, how such defenses might be approached so as to enhance American national security and minimize reactions inimical to U.S. interests.

As one looks at U.S.-PRC relations, the reality is that, despite recent improvements, setting this relationship on firm foundation remains a challenge. Both countries harbor deep suspicions of the other's intentions.

In this context, missile defense is not only an issue on which the two countries disagree, but, if handled maladroitly, it could become a fundamental driver of future Sino-American relations. Should Beijing become convinced that missile defense is
essentially a tool to contain what it sees as its legitimate rise in the international community or to erode China's national security, fielding a robust missile defense system will create a fork in the road—and the course of relations will take a turn down a fundamentally hostile path.

Put another way, among the key issues that will determine the future course of this crucial relationship are how missile defense is conceived of in the United States, how its actual development and deployment evolve in practice, and how all of this is perceived—and reacted to—by China.

Clearly, China’s own ambitions and actions will be of utmost importance. The PRC is already embarked on a program of military modernization, including of its missile forces. Whatever goals China is believed to have, ultimately, neutralizing China’s strategic deterrent is not, in our view, achievable. For one thing, China’s currently planned modernization of its offensive nuclear forces, as estimated by the Central Intelligence Agency, will outpace U.S. NMD deployments for at least the next ten years. Moreover, especially given the slow pace of China’s missile modernization effort to date and the consequent need for PRC military planners to project years ahead, an impression on Beijing’s part that the United States was seeking to neutralize China’s deterrent could well set off a significant augmentation of China’s intercontinental nuclear missile or other offensive weapons programs, not to match the American arsenal, but more likely to develop asymmetric capabilities. If this happened, the United States then would face further decisions on missile defense that could spur yet further Chinese programs. The net effect of this dynamic on U.S. national security is far from certain.

It appears implausible to us that China aspires to global military hegemony, _per se_. While it would be happy to be the arbiter of security in East Asia, that is realistically beyond its reach unless the United States were to walk away from East Asia. Rather, China as a rising power will want its regional influence to reflect its new power, but it will not seek to dominate because, among other reasons, it cannot.

With the foregoing in mind, this project addresses five core issues: (1) NMD’s impact on China's threat perceptions; (2) missile defense and Taiwan's security; (3) China's likely reactions to NMD; (4) regional repercussions; and (5) options for engaging China to achieve a strategic understanding on missile defenses.

The study was initiated by The Henry L. Stimson Center in partnership with the CNA Corporation. This report, however, is the product of the many experts who participated in their individual—rather than institutional—capacities. It is not a consensus document in the sense that no participant necessarily subscribes to all points. It does, however, reflect the broad thrust of the group’s thinking. It is our hope that these findings will assist our national efforts to shape a missile defense program that enhances U.S. security while not damaging other long-term national interests of the United States.
NOTE ON TERMINOLOGY

While recognizing the Bush Administration's decision to merge national missile defense (NMD) and theater missile defense (TMD) into one conceptual framework (i.e., "layered missile defense"), we found that maintaining the conceptual distinctions between NMD and TMD was useful for the purposes of our own discussions and of this report. We therefore continue the NMD/TMD distinction, as it serves our goal of assessing reactions—and potential reactions—of China and the region to U.S. missile defense efforts.
Acknowledgments

The Henry L. Stimson Center is a nonprofit, nonpartisan public policy institution committed to finding and promoting innovative, pragmatic solutions to security challenges confronting the United States and other nations in the twenty-first century. The CNA Corporation is a not-for-profit research and analysis organization that focuses on national security issues of importance to policy makers. Both sponsoring organizations express special thanks to the following project participants, whose views are expressed in this report and who generously shared their expertise on China, missile defense and broad national security issues.

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Our deep thanks go to the W. Alton Jones Foundation, whose generous support made this study possible.
National Missile Defense and China’s Current Security Perceptions

David M. Finkelstein

As the lead off paper in this project, this essay will provide a brief overview of Beijing’s views of the U.S. National Missile Defense (NMD) program through the lens of Chinese security perceptions—long-standing and current. It will address two major issues. The first is this student’s views of the key reasons the Chinese object to the U.S. NMD program. The second major issue to be addressed will be the Chinese perception of trends in U.S.-China relations—mainly security relations. At the end of the day, these two strands of Chinese concerns are linked. As ever, it is important to underscore that interpreting the Chinese Weltanschauung does not imply endorsement or agreement.

OVERVIEW OF KEY CHINESE CONCERNS ABOUT NMD

The Chinese arguments against the plans of the U.S. Government to move ahead with NMD are multitudinous, and they range from the near reasonable (at least from a Beijing perspective) to the incredulous (regardless of where one sits). Indeed, since 1999—the year that the Chinese Government added its audible assault on NMD to its ongoing objections to Theater Ballistic Missile Defense (TBMD)—PRC arguments against NMD have taken on a near theological quality.

And since 1999, almost every variant of Chinese concern has already been tabled in Track I and Track II dialogues, as well as in the voluminous writings on this topic by China’s analytic and scholarly community. Depending upon which ministry, organization, or analytic institute one deals with, there is a range of differing priorities and concerns. What unites all of the disparate arguments is that every sector of the Chinese national security and foreign policy community is apparently in agreement that NMD will be a “bad thing” for Chinese national interests.

1 Director, Project Asia, CNA Corporation.
2 Originally presented to the Project Group on December 14, 2001.
3 For the range of Chinese arguments against TBMD, see Finkelstein, “Theater Missile Defense and U.S. Foreign Policy Interests in Asia” (Washington, DC: Woodrow Wilson Center, October 2000).
4 One Chinese foreign affairs official recently quipped: “Opposition to U.S. NMD is at least one issue upon
In the final analysis, most of the Chinese arguments against NMD can probably be grouped under two main headings:

- The implications of NMD for the viability of Chinese nuclear deterrence, and
- NMD’s perceived impact upon the “international strategic security environment.”

The thread that runs through each of the two headings above is increasing Chinese concern about—and distrust of—U.S. intentions toward China. This “thread” will be developed further on in this paper under a separate heading. At present, let us examine each of the two key areas above on its own terms.

**THE IMPLICATIONS OF NMD FOR THE VIABILITY OF CHINESE NUCLEAR DETERRENCE**

The most immediate, obvious, and significant Chinese concern about the U.S. NMD program is that it is viewed as having the potential to put both the viability and credibility of Beijing’s nuclear deterrent at risk. Using the standard four-tier hierarchy of national security interests—survival, vital, major and peripheral—the perceived de facto “challenge” to Beijing’s nuclear deterrent posed by NMD would sit at least in the “vital” basket but arguably, from a Chinese perspective, in the “survival” basket.

As Iain Johnston has pointed out, the Chinese view the possession of nuclear weapons as a prerequisite to the international stature China seeks.

As a member of the “nuclear club” Beijing accrues some degree of gravitas in the international order. When coupled with the PRC’s permanent seat on the UN Security Council (UNSC), Beijing is able to claim “major power status” despite the fact that its level of domestic development is not equal to that of the other members of the UNSC.

All true enough. But the issue of status is not the current heart of the matter. The Chinese decision to develop and deploy nuclear weapons some three plus decades ago was chiefly the result of Chinese determination to never again be subjected to what they considered the “nuclear blackmail” they argue they suffered during the Cold War—first by the United States and, later on, by which the Ministry of Foreign Affairs and the PLA can agree.”

the Soviets. And since October 16, 1964—the day China exploded its first atomic bomb—Beijing’s nuclear strategy has apparently been to field a small but credible second-strike retaliatory nuclear force accompanied by a publicly declared no-first-use policy.

Chinese arms control specialists argue that even the modest C-1 NMD configuration that was proposed by the Clinton administration would have called into question the credibility of China’s second-strike nuclear force. That force, which is estimated by most experts to stand at some 18 to 24 intercontinental ballistic missiles (ICBMs), would certainly be captured, they argue, by the more robust combination of systems the current U.S. administration has publicly stated it is considering in thinking through its options. This alone—the perception that U.S. NMD puts China’s deterrent at risk—makes the U.S. program problematic for China at best, and threatening at worst, depending upon Beijing’s assessment of U.S. intentions. It is extremely difficult to argue away this point with the Chinese—especially since most Beijing arms control specialists and security analysts do not believe that the sole purpose of NMD is to provide a prophylaxis against notional “rogue states” (or “states of concern” depending upon which term one prefers).

When considering the implications of U.S. NMD in the context of a hypothetical confrontation with the United States, some Chinese arms control specialists take one down the following logic path:

- The Chinese assumption is that the U.S. would initiate a first strike (PRC analysts are quick to point out that the U.S. does not have a no-first-use policy as does Beijing);
- Out of the two dozen or so Chinese ICBMs they claim (off-line) they possess, the Chinese assume that only a small handful will survive;
- The small handful that survive the first strike will then be “captured” by the U.S. NMD system;
- Thus, if NMD is deployed (in the absence of changes to China’s nuclear forces) then Beijing’s retaliatory capability will be negated; and
- Consequently, the survival of the Chinese state will be at risk.

The bottom line for Beijing, then, is that the U.S. NMD program is perceived to represent a direct challenge to China’s own nuclear security, thus subjecting it to the potential of “nuclear blackmail” once again, and raising the
issue of whether it needs a larger or more modern force, and whether it can still afford a no-first-use policy.

**NMD’s Perceived Impact Upon the “International Strategic Security Environment”**

In addition to the perceived direct challenge to China’s nuclear posture, the U.S. NMD program is viewed in Beijing as having potentially adverse consequences for international stability by undermining what was hitherto assessed as “positive trends” in international security and all that this implies for China’s ability to focus on internal domestic issues.

For the Chinese analytic community the assessment of the “international strategic security environment” (guoji zhanlue anquan huanjing) is an iterative affair that is conducted annually on behalf of the top leadership. Tracking trends in the security environment is a serious undertaking for assessing the state of near-term Chinese national security interests. But even more important is assessing whether the “keynote of the times” is still valid.

The concept of the “keynote of the times” (shidai zhuti) speaks to overall trends in the international security environment and whether Chinese interests are fundamentally secure over the long-term. This assessment in particular is not easily changed merely due to short-term issues, problems or threats. But when it is changed the implications are profound for Chinese domestic policies, foreign policies and security policies. In fact, since 1949, the “keynote of the times” has only changed once. That was in 1985 when Deng Xiaoping’s so-called “strategic decision” reversed Mao Zedong’s long-standing assessment.

Where Mao saw “war and revolution” as the “keynote of the times” Deng Xiaoping assessed that “peace and development” more correctly described the trends in the international security milieu. Deng recognized the continuing dangers to China posed by local wars and conflicts. However, he assessed that, overall: (1) China no longer faced the prospect of invasion; (2) the possibility of a world war between the two superpowers was remote; and—most important for the purposes of this essay—(3) the prospects of a nuclear war between the superpowers that could involve China was slight.

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6 There are some U.S. analysts who argue that China is already modernizing its nuclear force (liquid fuel to solid fuel; silo-based to road-mobile), hence, Beijing will change its nuclear posture regardless of NMD. Other U.S. analysts argue that current Chinese nuclear modernization is a response to the reality that China really does not now currently have a viable second-strike force. I am not in a position to comment on either argument, but I do choose to acknowledge this issue of debate among some in the U.S.

7 Think of a major change in the “keynote of the times” as having the same level and breadth of implication as did the assessments of NSC 68 for the U.S.
As a result of the perceived overall strategic balance between the two superpowers—to include the nuclear balance—Deng ordered the PLA to step back from Mao’s previous instructions to prepare for “early war, major and nuclear war [emphasis added]” and prepare instead for local conventional wars. Overall, Deng predicted in 1985 that China’s fundamental security was assured and it would enjoy at least twenty years of peace in which to focus on internal modernization.

On a conceptual level, then, Beijing’s objection to the U.S. NMD program revolves about Chinese concerns that this capability will significantly alter the balance between the nuclear powers with implied negative consequences for China’s own security. Hence, the often vague Chinese arguments that NMD will “destabilize” the international order; that it will “lead to an arms race”—the implication being that China and other countries will have to enhance their nuclear armaments to reestablish the nuclear balance; and admonitions that “no one country should have both the spear and the shield.” Moreover, Chinese concern about a presumed nuclear imbalance due to U.S. possession of NMD explains in part Beijing’s new found (but often selective) enthusiasm for arms control agreements—especially the sanctity of the 1972 Anti-Ballistic Missile Treaty between the U.S. and the (then) Soviets. That particular treaty—in conjunction with slowly diminishing superpower tensions, the START process and a host of other international shifts by the mid 1980s—was part and parcel of Deng’s reassessment of the Maoist critique of international security trends.

The Chinese assessment of nuclear security trends in the late 1990s has been rather dire. The U.S. decision to forge ahead with NMD came on the heels of the nuclear detonations in India and Pakistan. In addition, many Chinese analysts judge that the U.S. is slowly walking away from arms control regimes. They cite, for instance, the failure of the U.S. Congress to ratify the CTBT and, more recently, their assessment that the U.S. “as the world’s sole superpower” is more and more inclined to act unilaterally in the international community.

Overall then, there is a group of Chinese security analysts that have come to assess the state of international nuclear security as being on a downward trajectory. And this assessment was one of many security issues that came into play during what I have often referred to as “The Great Peace and Development Debate of 1999”—when, for the first time since 1985, Chinese government analysts (and others) challenged the validity of Deng Xiaoping’s original

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8 Equally important, Deng’s assessment shifted Chinese domestic policies, economic policies and foreign policies. Hence, China’s walk away from “class struggle as the key link” to “economics as the central task” and all of the reforms (“reform and opening up,” gaige yu kaifang) that have ensued.
assessment that “peace and development” was indeed the “keynote of the
times.”

Conceptually, then, the U.S. NMD program is viewed as having the
potential to radically alter what has been viewed in Beijing as at least a
relatively stable international strategic security environment.

**Chinese Concerns About the United States**

Beijing’s concerns about the U.S. NMD program are magnified because it is
increasingly viewed through the lens of rising distrust of U.S. intentions toward
China in the near, mid- and long term. Especially when it comes to security
issues, the general trend in U.S.-China relations has been on a downward slope
over the past several years.

From my own perspective, 1996 was a seminal year in bilateral security
relations. In the wake of the PRC missile launches in the Taiwan Strait it had
become clear (certainly in some quarters of the U.S. Government, and likely in
the PRC as well) that both countries were finding it more and more difficult to
ignore or paper over the security differences that divided them. And to some
extent, security differences since that time have become a more prominent driver
in relations, whereas economic ties had previously overshadowed those
differences.

Moreover, the leaders of both countries, Presidents Clinton and now Bush,
as well as Jiang Zemin, are more and more constrained in their approach to
relations by domestic politics in their own capitals. Suffice it to say that in both
Beijing and Washington both the American and Chinese “left” and “right” have
conjoined in their respective “anti-American” or “anti-China” inclinations, albeit
for differing reasons.

Confronting and arresting the increasing mutual distrust on both sides of the
Pacific should be a priority issue for both Washington and Beijing if, as was
declared in Shanghai during the Bush-Jiang meeting of October 19, 2001, the
U.S. and China seek a relationship that is candid, constructive and cooperative.

The list of U.S. concerns about China is as long as China’s list about the
U.S. Washington’s security concerns are well known and need no deep
explanation. In the realm of security they encompass Chinese proliferation
behavior, the PLA’s lack of defense transparency, Beijing’s intentions toward
Taiwan, perceived efforts to undermine U.S. alliances in the region and a
perception that China would like to see a rollback of U.S. forward military

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8 For a full study on the debate see Finkelstein, *China Reconsiders Its National Security: The “Great Peace
presence in Asia, to name a few. What I would like to do, however, is briefly talk to Chinese security concerns about the U.S. in as much as they play into Beijing’s opposition to NMD.

For the purposes of this short essay, we can capture Beijing’s security concerns about the U.S. in two broad categories—U.S. intentions toward China in general and U.S. intentions toward Taiwan.

**PRC Perceptions of U.S. Intentions Toward China in General**

For many, many years the basic, and unfortunate, long-term Chinese assessment of U.S. objectives toward China is simply this: that the United States ultimately aims to “Westernize” and to “split” China. And anecdotal evidence suggests that the internal CCP assessment has not changed in recent years. As a result, the phrase “seeing the acorn, but imagining the oak tree” is aptly applied to official PRC assessments of U.S. policies that even smack of being in contravention of Chinese interests.

With this approach to viewing the U.S., almost all American initiatives seem to be analyzed from the start from a worst possible case point of view. Indeed, in Chinese analyses most incidents, mishaps and mistakes between Washington and Beijing tend to take on the characteristics of ominous strategic calculation on the part of the Americans. Conspiratorial explanations are never hard to find.

This analytic framework on the part of many (although clearly not all) Chinese analysts is in evidence time and again. It was in evidence during the mistaken U.S. attack on the PRC Embassy in Belgrade (1999), it was in evidence during the EP-3 incident (2001), and it has even been evident attendant to world events that have not even involved the U.S. For example, there are some very serious PRC Government analysts who truly believe that U.S. intelligence had forewarning of India’s nuclear detonation in 1998 but chose not to share this with China before the fact, hence “proving” tacit U.S. approval as part of a greater plan to contain China via India. One could go on and on. Small wonder that it is difficult to convince Beijing that NMD is not “really” aimed primarily at China.

This analytic bent is buttressed by two phenomena in the U.S. First, we are an open society—a “noisy democracy” as one of my colleagues at the CNA Corporation likes to put it. What this means is that our freedom of the press is such that there will be plenty of “evidence” available to Chinese analysts who want to believe the very worst of the United States from a Chinese-interests-
One can only wonder how Chinese analytic counterparts are able to wade through so much “noise,” weigh the evidence and come to empirical conclusions.

The second phenomenon is that the U.S. Government itself is very open in its policy predilections—transparent—and very frank in its own assessments. Therefore, U.S. Government releases, papers or documents will also tend to reinforce Chinese worst possible case analyses. For example, the most recent *Quadrennial Defense Review* (QDR) released by the Pentagon in September 2001 will be read with great care in Beijing and the appropriate (?) conclusions will be drawn. Which brings us back to the issue of current Chinese security concerns about the U.S.

As recently as the summer of 2001, predating the events of 9/11, the greater Chinese security analysis community was involved in another “major debate” that indicates continuing Chinese concern (and confusion) about U.S. intentions. The three major questions revolved about the following:

- How should China assess the unfolding state of U.S.-China relations?
- What “China policy” will the Bush Administration adopt?
- What are the prospects for future relations?

But the crux of the debate was the following question: “Has the U.S. decided that China is its next enemy and that this will drive U.S. policy toward China and the U.S.’s larger security strategy in Asia?”

As was the case during the very significant debate on Chinese national security that took place in the wake of the errant bombing of the PRC Embassy in Belgrade (May 1999), a wide range of views among Chinese security analysts on these questions was allegedly held. Moreover, as was also the case in 1999, analysts of like-minded opinion could be found crossing institutional and bureaucratic boundaries.

Although no final conclusions about U.S. intentions toward China had been reached, many Chinese analysts were said to agree that the trends in U.S.

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10 A year or so ago the RAND Corporation published a monograph on U.S. policy toward China that suggested “engagement” as the appropriate U.S. policy toward Beijing. These types of unofficial documents tend to take on the characteristics of official U.S. policy in some Chinese analytic circles.

11 Interestingly, after many years of change in the nature of the Chinese media—especially the explosion of media sources—U.S. analysts are now confronted with the same analytic challenge their Chinese counterparts have endured—i.e., how to decide what is “opinion” and what is “official.” Like their Chinese counterparts, U.S. analysts can have any preconceived notion about Chinese policy or intentions and find plenty of “evidence” in the media to support any analytic argument.
policies and actions toward China since the Bush Administration took office had been “negative,” and there was a common list of data points that many cited as evidence of that negative trend. These included:

- The Bush campaign rhetoric portraying China as a “strategic competitor, not a strategic partner”;
- The strengthening of U.S.-Japan military relations (perceived to be directed at China);
- The “loud voices of the Blue Team” (so-called in the U.S.) that label China as the next enemy;
- The perception that the focus of the new U.S. military strategy is shifting from Europe to Asia (perceived as directed against China);
- President Bush’s remarks in May 2001 about the defense of Taiwan (“Whatever it takes…”);
- Increasing arms sales to Taiwan and especially expanding military contacts with Taiwan (some Chinese analysts believe the U.S. is moving toward a de facto military alliance with Taipei);
- The U.S. reception of Lee Teng-hui;
- The belief of some Chinese analysts that the U.S. “pressured” Tokyo to allow Lee Teng-hui to visit Japan;
- The U.S. transit of Chen Shui-bian;
- The “attitude of the Pentagon” toward military relations with China, not just since the EP-3 episode, but as a general proposition of “little interest”;
- The U.S. “attack” in Geneva on human rights in China;
- The appointment of a State Department coordinator for Tibetan affairs and the Dalai Lama visit; and
- The general “anti-China” attitudes of some officials appointed to the new administration.

And, of course, the Bush Administration’s plans to move ahead with NMD which many perceive to be directed at China was part and parcel of the “evidence” that U.S. policy was searching for a “new enemy” and that China was it.

Clearly, this “debate” took place before the events of September 11th and the Bush-Jiang meeting in Shanghai in October 2001. It is too early to tell how the U.S. focus on Afghanistan and the presidential summit will or will not mitigate the Chinese views held previously. However, the very fact that such debates
take place speaks volumes regardless of the judgments that result. Odds are that while the corps of Chinese analysts will be somewhat relieved that the (assumed) singular U.S. focus on the “rise of China” as a priority security issue has faded somewhat as Washington deals with Afghanistan and the war on terrorism, the basic lens of distrust that fuels such debates will not fade too far into the background. Indeed, one suspects that Chinese analytic focus will be shifted to thinking through how the U.S. campaign in Afghanistan will or will not play into U.S. security policies vis-à-vis China.

**CHINESE PERCEPTIONS OF U.S. POLICY TOWARD TAIWAN**

Finally, there is the all-important issue of Taiwan and Chinese perceptions of U.S. security policy toward the island and the issue of unification. Here again, the judgment on trends coming from Beijing has not been, and is not, positive.

President Bush’s recent reiteration of the U.S. “One China Policy” in Shanghai notwithstanding, many Chinese security analysts, especially from the military, assess that there has been a fundamental shift in the U.S. approach to Taiwan—one that predates the accession of the Bush administration.

By early 1999 Chinese security specialists seemed to be in general agreement that there had been a “fundamental shift” in the attitude of “The Pentagon” toward China and the PLA relative to the preceding year (i.e., 1998).

The Chinese analysis at the time held that whereas previously “The Pentagon” was a positive force for strategic cooperation with China within the U.S. Government, it had now moved to the “right” and was edging closer to views held among the conservative political forces in the U.S. that were arguing that China poses a potential threat to the U.S. More importantly, the Chinese assessed “The Pentagon” was moving closer to Taiwan. The following was seen as evidentiary:

- **Tang Fei Visit.** The Chinese assessed that (former) Taiwan Chief of the General Staff Tang Fei received an exceptionally warm reception from the U.S. defense establishment during his 1998 visit and was provided wide ranging access throughout the Pentagon. The Chinese held that previously the Pentagon was cooler toward the Taiwan military, keeping it at arm’s length.

- **TBMD.** The Chinese believed it was the Pentagon that had pushed Japan to participate in the U.S. Theater Ballistic Missile Defense program—a program, as is the case with NMD, the PLA and others in China view as
aimed at them. But more to the point, analysts in Beijing assessed that the Pentagon was the driving force in arguing for sharing future TBMD systems with Taiwan.

- **Taiwan Arms Sales.** Chinese assessments at the time held that U.S. sales of military hardware to Taiwan would increase in both “quantity and quality” and that the Pentagon was also in favor of this.

More disconcerting, some Chinese security analysts began to assess in 1999 that the U.S.’s fundamental security posture in the Taiwan Strait was also undergoing fundamental change as well. Whereas previously it was assessed by the Chinese that the basic posture of the U.S. defense establishment was “deterring conflict in the Taiwan Strait,” some began to argue that Washington had shifted to “preparing for conflict in the Taiwan Strait.” And clearly, various incidents, episodes, and U.S. policy decisions since that time—especially arms sales to Taiwan—have not necessarily encouraged alternative analyses (which may be good or bad depending upon one’s views). For example, the continued prospect of a future sale of advanced TBMD systems to Taiwan by the U.S. is especially worrisome to Beijing. This is not because of the military capabilities inherent in the systems, but because the Chinese believe that the technology-sharing arrangements and training attendant to such sales will be the first steps toward a renewed military alliance—if not de jure then de facto.

Here too, the issue of NMD becomes embroiled in Chinese concerns about Taiwan. Some Chinese argue that U.S. possession of NMD would complicate reunification on two counts. First, without a credible PRC nuclear deterrent, Taiwan might feel emboldened “to act recklessly” and “force” China to employ military force. Second, because U.S. intervention in a Taiwan campaign is a PLA planning assumption, military planning for a hypothetical conventional campaign against Taiwan would be exponentially complicated because Beijing would again be constrained by the specter of “nuclear blackmail.” Clearly, it is difficult to gauge how widespread these arguments really are.

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12 U.S. press reports of alleged Pentagon “war games” involving China and the U.S. over Taiwan is usually cited as one piece of evidence by Chinese interlocutors.

13 The assumption here is that the U.S. NMD umbrella would “cover Taiwan.”
CONCLUDING THOUGHTS

By way of recapitulation, at the end of the day, there are three key reasons that Beijing is opposed to the U.S. NMD program:

- First, and foremost, Beijing is concerned that the U.S. NMD program will call into question the viability and credibility of its own nuclear forces;
- Second, Chinese distrust of U.S. intentions toward the PRC over the long-term are not mitigated by U.S. assurances that the NMD program is not aimed at them; and
- Third, Beijing is concerned that a U.S. with both a “nuclear spear and a nuclear shield” will exponentially complicate the long-standing Chinese objective of reunification with Taiwan.

How the Chinese will choose to react to or adjust to a future U.S. NMD system (or systems) is beyond the scope of this essay. But it should be clear in Beijing (and, the Chinese being very pragmatic, it likely is very clear in Beijing) that merely arguing against these systems will not preclude their development and fielding. For one thing, the current U.S. administration came to office dedicated to fielding a NMD system. The questions now are not “should the U.S. field NMD?” but “what kind and when?” Second, as a result of the events of September 11th there is now the real possibility that the U.S. and Russia could reach some form of interim agreement on the ABM Treaty that might allow U.S. programs to proceed without Washington having to abrogate the treaty unilaterally. More to follow on this count as President Putin visits Texas and Washington in the coming weeks.

The long-term strategic concerns Beijing has about U.S. intentions toward China or the defense of Taiwan will not go away any time soon or very easily. But as difficult as it seems to achieve given all that has gone on in U.S.-China security relations beforehand, China’s best bet yet might be to involve itself in the process and seek reassurances from the U.S. rather than to wish away the NMD program. This will require a stable, frank and cooperative relationship between Washington and Beijing so that serious dialogue can take place.

The time may in fact be ripe for a new U.S.-China approach to the NMD issue. For one thing, the events of 9/11 and the Bush-Jiang Shanghai meeting can lead to, and ought to lead to, a new level of U.S.-China discourse on the NMD issue. Certainly it appears that there has been some subtle change in U.S. Government statements vis-à-vis China and NMD. Now, echoing pre-9/11 administration statements about seeking a “limited NMD system,” the U.S. Deputy Secretary of Defense, Paul Wolfowitz, in a recent Far Eastern
Economic Review interview, directly assailed the Chinese argument that a future hypothetical U.S. attack on China was more likely if Washington possesses NMD (the Chinese logic train cited earlier in this essay). But more interesting and potentially significant was a statement that seems to imply that the U.S. and China might be able to reach a modus vivendi on NMD just as the U.S. and Russia are attempting. As reported in the article Mr. Wolfowitz stated, “I really don’t doubt we can reach a balance in which China feels secure and doesn’t threaten other people.”

Is this a serious feeler on the part of Washington to engage the Chinese on this important issue? Time will tell. But it is certain that if there is no attempt by Beijing to engage the U.S. seriously on this issue, then it will relegate itself to merely reacting to U.S. initiatives and U.S.-Russian agreements rather than taking an active hand in shaping what it claims is a serious security concern for the Government of the People’s Republic of China.

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Missile Defenses and the Taiwan Scenario

James Mulvenon

Advocates of missile defenses generally point to three dominant rationales for the deployment of defensive systems. The first is defense against small numbers of missiles launched from rogue states. The second is defense against accidental launch from one of the established nuclear weapons states. The third, which is related in part to the first, is sometimes known as the “freedom of action” argument. It posits that countries possessing missiles capable of reaching the United States could potentially deter the latter from intervening militarily in the former’s immediate region by threatening missile-borne retaliation, thus undermining U.S. defense commitments to friends and allies as well as preventing the achievement of objectives in the national interest. While a hypothetical Iraqi ICBM capability in 1990 is often offered as an example, this challenge to U.S. military power projection is most relevant in the current China-Taiwan conflict. This paper explores the implications of proposed U.S. missile defenses for military contingencies involving the U.S., Taiwan and China.

MISSILE DEFENSES, ALLIANCE OPERATIONS AND OFFENSIVE POWER PROJECTION

Despite significantly differing attitudes about missile defenses, both the Clinton and Bush administrations have proffered versions of the “freedom of action” argument to justify missile defenses. For the Clinton Administration, a forward-leaning explication was offered by then-Undersecretary of Defense for Policy Walter Slocombe in an article published in the Washington Quarterly. The author clearly outlines the threat posed by emerging WMD-armed delivery systems among the rogue states:

In Northeast Asia and the Persian Gulf regions, we have strong commitments, vital interests and deployed U.S. forces. These are the same regions where

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1 Deputy Director, Center for Asia-Pacific Policy, RAND Corporation.
2 Originally presented to the Project Group on January 17, 2002.
potential aggressors are developing ballistic missiles with ranges sufficient to reach the United States.4

For the author, the implications are equally grave. Without defenses, he argues, “potential aggressors might think the threat of strikes against U.S. cities could coerce the United States into failing to meet its commitments.”

In response to the question of why nuclear and/or conventional deterrence alone would not be sufficient to avoid this outcome, Slocombe explains that the “prospect of a prompt and overwhelming response” should be complemented by efforts “to contain and reduce the threat by diplomacy and arms control measures” as well as “effective defense.” Thanks to the latter, “an attack would be not only fatal, but futile,” since defenses would “help the United States to retain...our freedom to respond to a regional crisis because they would negate the potential of regional aggressors with small, long-range missile forces to attack the U.S. homeland as a penalty” for maintaining defense commitments with friends and allies. As a result, Slocombe argues that defenses would make the U.S. a more reliable ally.

Within the current administration, similar themes dominate. In his May 2001 speech at the National Defense University (NDU), President George W. Bush argued that the post-Cold War world is “less certain” and “less predictable” than its predecessor. The number of declared and undeclared nuclear weapons states has risen, and “some have developed the ballistic missile technology that would allow them to deliver weapons of mass destruction at long distances.” Rogue states seek these weapons with the explicit purpose of intimidating their neighbors, but also to “keep the United States and other responsible nations from helping allies and friends in strategic parts of the world.” This latter indirect reference to the “freedom of action” argument is echoed even more forcefully in the pre-administration writings of key Bush officials, such as current Deputy National Security Advisor Stephen Hadley, who argued in the same issue of Washington Quarterly that missile defenses would offset “potential terror weapons. . .intended to blackmail or coerce neighboring states while neutralizing the ability or willingness of the United States and its allies to intervene.”5

Less clear, however, is an understanding of the calculus that would drive a small, rogue state to risk utter annihilation from a U.S. nuclear response. While arguing that the utility of defenses does not rely on “a judgment that their leaders may be. . .indifferent to the prospect of retaliation,” Slocombe does indeed argue that these leaders have a different operational code or psychology.

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4 Ibid., 79.

than their establishment counterparts: less cautious, more indifferent to the suffering of their populations, valuing regime survival above all other human concerns. In his NDU speech, Bush echoed these themes, referring to rogues as “some of world's least responsible states,” for whom “terror and blackmail are a way of life.” Their leaders are “tyrants,” who are driven by an “implacable hatred” of the United States and “care little for the lives of their own people.” As a result, the President argues, “[d]eterrence is not enough.”

Recent experience, however, seems to undercut the notion of “undeterrable regimes.” For example, the evidence suggests that Saddam was in fact deterred in 1990-91 from using chemical and biological weapons against coalition forces because of the former President Bush's threat of nuclear retaliation. It is not clear why Saddam or any of his fellow rogue state dictators would respond any differently in the “freedom of action” scenario posited by NMD advocates. They may be cruel tyrants, but they also want to survive to exercise their tyranny. If any of these countries threatened or carried out a WMD missile attack against the United States, the U.S. would certainly retaliate against its entire offensive missile infrastructure as well as the national command and control structure, including the leadership. Perhaps the weak link in the deterrence chain is instead the automatic credibility of U.S. resolve to use nuclear weapons at the conclusion of one of these asymmetrical interactions with a smaller state in a strategically significant or even volatile region like Asia or the Middle East. Given the extreme devastation wrought by nuclear weapons and the fact that politicians are unlikely to gamble with thousands of American lives on the basis of a pure, rationality-based game theoretic model, the future deployment of reasonably effective missile defenses therefore might add an additional layer of credibility for U.S. power projection, since in some cases they may remove the necessity for Washington to launch nuclear weapons.

MISSILE DEFENSES, TAIWAN AND THE FREEDOM OF ACTION ARGUMENT

While the Iraq scenario dominates much of the NMD debate, some observers have explicitly highlighted the potential freedom of action problem posed by a China-Taiwan conflict, even pointing to Chinese behavior as further justification for NMD:

The United States should have no need to deploy an NMD system against China. But if China continues to insist that it is free to use force against Taiwan, continues to deploy more ballistic missiles aimed at Taiwan and at the
United States, and continues to threaten to use those missiles against both, then the United States may simply have no choice.6

Without NMD, these advocates argue, Chinese threats of nuclear attack against the U.S. and its allies might be sufficient to deter the U.S. from intervening militarily to defend Taiwan. Fears of this outcome were further fueled by Chinese General Xiong Guangkai's now ubiquitous but distorted remark about Washington's unwillingness to trade Los Angeles for Taipei in a nuclear exchange.7

To fully address this line of argument, an examination of the role of missile defenses and nuclear weapons in a potential Taiwan scenario is needed. In other words, could one imagine a chain of events in cross-Strait conflict that could cross the nuclear threshold and thereby involve U.S. national missile defenses? Two different escalation control problems lie at the heart of this question. The first involves escalation control difficulties between China and the United States in a bilateral context. The latter currently enjoys asymmetric escalation dominance in this relationship, thanks its advantages in force size, readiness, strategic early warning capability and survivability. A decapitating U.S. first strike would clearly overwhelm the current Chinese ICBM force, which is small (approximately 20 ICBMs) and vulnerable (silo-based, liquid-fueled, no LOW/LUA8 capability).

The Chinese recognize the vulnerability of their force, which has arguably provided them with only a psychological deterrent to a "bolt from the blue," based by the nagging doubt in the minds of the attacker that at least one silo, previously undiscovered and hidden in a mountain valley under camouflage netting, would survive and eventually strike back. Since 1969, the Chinese have tried to augment the credibility of their deterrent, pursuing a road-mobile, solid-fueled ICBM (DF-31) to increase the survivability of their force and engaging in a costly and ultimately failed effort to build an operational triad. Nonetheless, the absence of U.S. missile defenses has bolstered deterrence stability between the U.S. and China, imperfect and incomplete as the latter's system may be. If NMD were deployed before China were able to deploy the road-mobile DF-31,

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6 Ibid., 106.
7 This comment was apparently taken out of context to mean that China would contemplate a pre-emptive strike against the United States to deter the latter from intervening. Such a threat stretches credibility, since China has no real offensive nuclear war fighting options against the United States and would pay a much greater cost in the devastating nuclear annihilation that would follow. Instead, Xiong's comment was likely meant to illustrate what Chas Freeman calls the "asymmetry of fervor" in the Taiwan Strait. In other words, China argues that it ultimately cares more about the fate of Taiwan than the United States does, and is willing to prove the point with blood and treasure.
8 Launch On Warning/Launch Under Attack
then a U.S. first strike could potentially wipe out the majority of the force and
catch any missed or hidden parts of the arsenal with limited defenses.
Deployment of the DF-31, by contrast, would restore a perverse element of
strategic stability and escalation control to the relationship.

The second escalation control problem centers on the triangular relationship
between China, Taiwan and the United States. Game theory suggests that any
triad is more susceptible to escalation than a dyad because of the exponential
increase in interactions. In this particular case, there are escalation problems at
every level of the conflict, including low-level crisis, but national missile
defenses are probably only relevant to more advanced conflicts involving
military forces of all three sides. The potential escalation problems in the
triangle are exacerbated by multiple destabilizing trends in the current cross-
Strait balance. Clearly, the most destabilizing trends are China’s continuing
deployment of increasingly accurate short-range ballistic missiles opposite
Taiwan, as well as its Taiwan-centric military modernization program, refusal to
renounce the use of force as a means of reunification, belligerent rhetoric and
large-scale exercising. But it must also be noted that there are trends on Taiwan
that increase the chances of escalation, in particular the rise of an offensive
orientation in certain defense circles.

In the last several years, it seems that Washington’s defense-oriented
military-to-military exchange and arms sales approach with Taiwan, marked by
a focus on theater ballistic missile systems like PATRIOT, strategic early
warning radars and hardening of C4I and facilities, does not seem to be as
attractive to the Taiwan side as it once was. This conclusion is bolstered by
Taipei’s new reluctance to pursue more PAC-3 batteries, as well as decisions to
cancel maintenance contracts on the existing PAC-3s and back away from the
planned acquisition of strategic early warning radars. Instead, military planners
and political leaders have placed an increasing emphasis upon the development
of a more robust military deterrence, in response to the growing capabilities of
the PRC. The current DPP government itself favors a more active and outward-
oriented defense strategy in place of Taiwan’s traditional concept of resolute
defense or a purely defensive posture.9  The leadership even seems to support

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9 During the 2000 presidential campaign, then-DPP candidate Chen Shui-bian introduced perhaps the most
forward-leaning policy, calling for a change from “pure defense” to “offensive defense” (gongshi fangyu). This
formulation explicitly abandoned the “old concept of attrition warfare” in favor of an emphasis on “paralyzing the
enemy’s war fighting capability” and “keeping the war away from Taiwan as far as possible.” A key principle of
Chen’s platform is “decisive offshore campaign” or “decision campaign beyond boundaries” (jingshi juezhan),
calling for Taiwan’s military to “actively build up capability that can strike against the source of the threat” using
enhanced naval and air forces as well as joint operations and information warfare. These various defense concepts
are bundled together under the rubric “preemptive defense,” which is marked by the maintenance of a strong
deterrence posture during peacetime through the development of information warfare and long-range precision
strike. During wartime, however, preemptive measures are necessary, including the suppression of Chinese C4I
the idea of carrying out offensive operations against the PRC when Taiwan's security is threatened, with an emphasis on the conduct of warfare beyond the main island of Taiwan and the acquisition of more offensive weapons systems designed to strike at Chinese ports, airbases and missile launchers, such as surface-to-surface ballistic missiles, submarines, land-attack cruise missiles and air-to-ground munitions. This shift is partly indigenous, but Taiwanese interlocutors often point out that the U.S. Air Force's preferred method of theater missile defenses is “attack operations” against the missile launchers, not active defenses like PAC-2 or passive defenses like hardening of facilities.

While this shift in emphasis toward offensive operations may be a logical response to Taiwan's domestic and external challenges, it complicates the maintenance of crisis stability and potentially undermines efforts at escalation control by the United States. The following scenario is illustrative. If China began lobbing missiles around, over or on the island, analysts agree that there would be great domestic pressure on the Taiwan leadership to “do something,” even if the missiles were warning shots into unoccupied areas as a coercive diplomatic signal. A key political and military objective for both the U.S. and Taiwan would be to stop or degrade SRBM operations. Leaving aside China's nuclear weapons for a moment, an obvious retaliatory option would be air attacks against missiles and their infrastructure on the mainland. Unfortunately, DESERT STORM and ALLIED FORCE revealed the extreme difficulty of interdicting elusive ground targets with airpower, despite a sophisticated global ISR system and state-of-the-art precision-guided munitions. Neither the U.S. nor Taiwan air forces could have a high degree of confidence in their ability to interdict Chinese SRBM launches with air attacks, particularly given the additional presence of highly sophisticated Chinese air defense systems like the SA-10. Taiwan could draw on its historical experience and employ special operations forces, but the SOF record against “elusive ground targets” is also less than desultory. Also, the TEL operating area on the mainland would be prohibitively large, as the operating range of SOF is limited by terrain and other factors.

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10 For some new thinking on using airpower to attack mobile Chinese missiles, see Alan Vick et al., *Aerospace Operations Against Elusive Ground Targets* (Santa Monica, California: RAND, 2001).

11 For a fascinating historical study of special operations against elusive ground targets, comparing MACV/SOG's efforts to interdict the Ho Chi Minh trail with the efforts of SAS and others to interdict Saddam's missiles, see William Rosenau, *Special Operations Forces and Elusive Enemy Ground Targets: Lessons from Vietnam and the Persian Gulf War* (Santa Monica, California: RAND, MR-1408-AF, 2001).
A more attractive option for Taiwan would be land-attack cruise missiles, which open sources suggest is a top R&D priority. But here is the rub. Let's say that unidentified LACMs come skimming over the horizon and start dropping cluster munitions all over Chinese railheads, depots and other SRBM staging areas. How are the Chinese supposed to know whether those are Taiwanese LACMs or U.S. LACMs fired from a U.S. 688-class submarine lurking offshore? If the Chinese worst-case and assume that the U.S. has crossed the Rubicon of attacking targets on the mainland, then they might believe that Washington has decided to climb all the way up the ladder preemptively, including decapitating PRC nuclear forces. Given the current fragile survivability of their nuclear forces and Washington's publicly stated willingness to use nuclear weapons first in a conflict, the Chinese might therefore move them to a higher state of readiness unilaterally, which would likely be visible to U.S. overhead assets. These indicators and warning would almost certainly trigger a series of responses by Strategic Command consistent with prior planning, possibly including a corresponding increase of U.S. alert levels and readiness.

At this point, it is important to note that there are factors that mitigate the possibility this chain of events could cross the nuclear threshold. It is very difficult, for instance, to imagine the character and objectives of a Chinese first strike of nuclear weapons against the United States. The PRC force is simply too small and the American triad too robust for an effective counterforce attack, and a counter value attack would simply result in an overwhelming and ultimately devastating American response. The U.S. side can also afford to be more patient in this crisis, given its advantages in strategic early warning and reconnaissance assets as well as an ability to launch under attack. Thus, there is significant room for cooler heads to prevail via the hotline or other channels.

Yet, two developments on the U.S. side complicate the situation, perhaps pushing the Chinese towards more rapid escalation in order to preserve either their defensive deterrent or their attack options. First, an attack on Chinese nuclear forces no longer automatically involves the release of American nuclear weapons. One oft-repeated fear of PLA strategists is that the U.S. has demonstrated the conventional military capability to degrade Chinese nuclear forces, so Beijing might even believe that Washington could achieve the goal of neutering China's nukes without suffering the international opprobrium of using

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12 This fear for the Chinese is not abstract. China can credibly claim to have been threatened with nuclear attack not once but twice, first in the 1950s by Eisenhower and later in 1969 by the Soviets. There has even been a recent revelation about consideration of the move during the Johnson Administration. The desire to prevent this type of "nuclear blackmail" was the primary motivation for China's enormous investment in the development of its own nuclear weapons capability.
nuclear weapons. In recent public documents, the Pentagon has in fact touted its growing conventional capability in these types of contingencies, principally through the use of airpower.

The second development is the Bush Administration's advocacy of both defensive and offensive deterrence rather than offensive deterrence alone. If the scenario above occurs in an NMD-blessed future, then some might argue that Washington has an incentive to decapitate the Chinese force, removing the potential nuclear threat to the U.S. homeland while remaining confident that even an imperfect NMD could catch the stragglers. The U.S. targeting plan could be divided into at least four levels of targets. The first and minimum essential set includes the entire Chinese nuclear-capable ICBM missile infrastructure—e.g., silos, depots, warhead storage facilities and brigade headquarters. Fortunately, open sources reveal that these assets are located in relatively isolated, less densely populated areas, limiting collateral damage from blast and fallout. The second set consists of nuclear-capable theater missiles of sufficient range to hit U.S. or allied bases or populations, including Taiwan, as well as missiles that can be moved into range. The third set centers on NCA-level C2 facilities, particularly the national military command center in the Western Hills, Second Artillery Headquarters, Zhongnanhai, and the Central Military Commission facilities at Sanzuomen, though their location in or near Beijing would necessitate much higher levels of direct civilian casualties. The fourth and relatively least essential set of targets is China's conventionally-tipped missiles, which is ironic considering that they initiated the entire sequence of events. In the final analysis, however, escalation raises the stakes well beyond the impact of 500kg warheads.

If the road-mobile, solid-fueled DF-31 is IOC and flushed from its storage sites, U.S. confidence in a first strike aimed at degrading China's force to a “straggler” level would clearly be reduced. The deployment of transporter-erector-launchers (TELs) mated with warheads would likely increase the necessity of targeting the national command and control facilities listed above, with the final calculation based in part on the level of uncertainty about whether these TEL units have autonomous targeting data and release authority. If it does have the ability to fire after the Chinese NCA has been decapitated, then the U.S. would either have to pre-empt even earlier in the crisis or face the daunting technical challenge of targeting mobile missiles. During the Cold War, Soviet possession of these types of survivable forces actually increased deterrence.

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stability. The superiority of American recce assets and the lack of Chinese strategic early warning, by contrast, would give American planners a higher degree of confidence in their ability to prevail despite Chinese mobility, though the higher level of escalation required would raise the toll in human lives on the Chinese side beyond human comprehension.

**CONCLUSION**

The Taiwan scenario demonstrates that escalation control in a triangle of asymmetric capabilities, asymmetric escalation dominance and “asymmetric fervor” is dangerously unstable. Three immediate policy measures could be recommended:

- Strategic-level dialogue with China on issues related to strategic stability, including nuclear weapons and missile defenses;
- Discussions with China on crisis management, including protocols and alerting procedures; and
- Closer coordination with Taiwan on joint warfare, C4I interoperability, crisis communications and contingency planning, with a focus on demarcation of roles and rules of engagement involving attacks on the mainland.

While these operational measures are no substitute for normalization in overall Sino-U.S. relations or a *modus vivendi* in the Taiwan Strait, they would likely reduce uncertainty and misperception and therefore lessen the chance of war.
Potential Chinese Responses to U.S. Ballistic Missile Defense

Paul H.B. Godwin

This essay will build on the groundwork prepared by Dr. Finkelstein’s opening paper for this working-group meeting. Dr. Finkelstein concluded that China’s opposition to the U.S. national missile defense (NMD) program is founded on three essential judgments:

- U.S. NMD will undermine the viability and credibility of China’s strategic nuclear deterrent;
- U.S. assurances that its NMD program is not directed at China do not mitigate Beijing’s distrust of American long-term intentions; and
- When missile defenses are joined with U.S. strategic nuclear offensive capabilities, the “shield and sword” created will vastly complicate Beijing’s objective of reunifying Taiwan with the mainland.

This paper will therefore not assess Beijing’s longstanding political-diplomatic opposition to U.S. missile defense programs, but will concentrate on the potential consequences for China’s strategic nuclear force posture. Before entering into an analysis of China’s probable responses to U.S. ballistic missile defenses, however, five factors affecting this assessment have to be recognized.

First, there is no official public statement from China laying out the doctrine and strategy for its strategic nuclear forces. Beijing’s public pronouncements are limited to three declarations: China will not be the first to use nuclear weapons; will not use nuclear weapons against non-nuclear states; and has deployed a small number weapons sufficient for a credible retaliatory force after absorbing a first strike. Whereas there are numerous unofficial discussions in Chinese sources about nuclear doctrine and strategy, there is no formal statement for an analysis to build on. Nevertheless, there is consensus among most observers that Beijing’s deterrence logic is based on the principle that enough of its strategic forces must survive a first strike to inflict unacceptable

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1 Non-Resident Scholar, Atlantic Council.
2 Originally presented to the Project Group on January 17, 2002.
damage on the adversary in a retaliatory strike. This logic is referred to as a “minimum deterrence” strategy.

Second, Chinese nuclear strategists appear to have rejected the “mutual assured destruction” war-fighting doctrine adopted by the United States and the former USSR during their 45-year nuclear confrontation. The investment required to develop and deploy thousands of warheads on ground-based missiles, submarines and aircraft is simply staggering and far beyond China’s means. Furthermore, Beijing does not consider such a doctrine necessary because an all-out nuclear war is inconceivable, not the least because both Russia and the United States are reducing their nuclear stockpiles. Parity with either the United States or Russia is therefore not a Chinese objective.

Third, I have found no Chinese assessment of the Bush Administration’s change in missile defense research and development (R&D) programs. With this revision, the Ballistic Missile Defense Organization’s (BMDO) programs now blur the distinction between theater missile defense (TMD) and NMD, and approach missile defense as a single integrated system. The objective is now a layered defense capable of providing multiple engagement opportunities along the entire path of ballistic missiles at all ranges. These opportunities occur in the boost, mid-course and terminal phases. How China will react to R&D programs intended to integrate TMD and NMD into a single, integrated multi-layered ballistic missile defense system designed to complicate an adversary’s strategy is not yet known. It can be safely assumed, however, that General Kadish’s congressional testimony will lead Beijing to anticipate a much more robust missile defenses than was envisioned by the previous administration.

Fourth, although it cannot be confirmed, this paper will assume that, for planning purposes, Beijing’s security community sees at least some form of U.S. nation-wide terminal missile defense as inevitable. Further, especially given the direction now taken by the BMDO, a very robust system will probably be deployed in the decades ahead as the various technologies the United States is pursuing come to fruition.

Finally, although China has a significant number of intermediate-range ballistic missiles (IRBM) capable of targeting U.S. bases in the West Pacific, this assessment will be limited to Beijing’s potential responses to a U.S. national missile defense system.

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China confronts U.S. ballistic missile defenses as it is in the midst of transitioning from a very uncertain nuclear deterrent to a more competent and reliable force structure. Consequently, Beijing’s response to U.S. missile defenses will influence the force structure that emerges over the next several decades.

The mainstay of the current strategic deterrent is the silo-based Dong Feng-5 (East Wind-DF) intercontinental ballistic missile (ICBM), which achieved initial operational capability (IOC) in 1981. Around 20 are now deployed. Because these weapons are liquid-fueled, they cannot be kept at a high level of readiness. They are normally based unfueled in their silos with their warheads stored separately. Fueling the launchers and installing the warheads can take two to four hours. The second long-range weapon in China’s inventory is the DF-4 deployed since 1980. There are perhaps 20 of these 3,000-mile range liquid-fueled systems incorporating the same limitations as the DF-5. China’s single nuclear-powered ballistic missile submarine (SSBN) with its twelve 1,000-mile range Ju Lang-1 (Big Wave-JL) missiles entered service in the late 1980s. This ship has been so troublesome over the years that it was likely never operational and is a doubtful component of China’s strategic forces.

These strategic forces are complemented by perhaps 90 warheads deployed on intermediate-range ballistic missiles (IRBM). There are some 40 DF-3A liquid-fueled mobile missiles with ranges of 1,700 miles. With an IOC of 1971, these are Beijing’s oldest weapons. China’s newest IRBMs are the 48 solid-fueled mobile DF-21As with a range of more than 1,000 miles that achieved IOC in the mid-1980s. American bases in the West Pacific are within the effective range of both weapons. These missiles are joined by approximately 100 H-6 (Tu-16) and 30 Q-5 (J-6/MiG-19 derived) nuclear-capable aircraft. Although updated in some respects, these aircraft are based on 1950s Soviet technologies and would have great difficulty penetrating modern air defenses.

China’s modernization programs were initiated in the early 1980s and designed to replace its inaccurate, unreliable, slow-responding liquid-fueled weapons with tactically mobile, more accurate, quicker-responding solid-fueled systems. In particular, mobility was sought to reduce the vulnerability of China’s forces to a disarming first strike, which is a major deficiency in the current force structure. Because solid fuel contains less thrust than liquid fuel, shifting to solid fuels also required China to develop smaller, lighter warheads with much better yield-to-weight ratios than its older weapons.

Four new weapons form the heart of China’s modernization programs. The 7,500-mile range DF-41 was to replace the DF-5, but may have been cancelled
or delayed by development problems. The DF-4 is to be replaced by the 5,000-mile range DF-31. The DF-31 also serves as the basis for the 5,000-mile range JL-2 submarine-launched ballistic missile (SLBM) for the new SSBN class (the 09-4 program), should this project come to fruition. The fourth weapon is the 1,000-mile range DF-25, which will replace the DF-3. This system employs the first two stages of the DF-31 three-stage launcher.

Because these weapons have yet to become operational, although the DF-31 has had at least one successful flight test, we may assume that the future deployments will reflect a response to U.S. missile defenses. There is one reservation about this judgment. India weaponized its nuclear program in 1998, and has been testing missile launchers for many years. Accordingly, some aspect of future deployments could reflect China’s response to whatever force structure India puts in place. Nevertheless, the United States is the preeminent focus of China’s security strategists.

**RESPONDING TO U.S. BMD**

With so much already invested in the sunk costs associated with the development of a new family of nuclear weapons and a new SSBN class, China can select from a number of feasible options. The investments already committed suggest China will not be totally constrained by the incremental costs of a larger force structure. Although cost will play a role, the size and composition of China’s strategic forces will be determined primarily by the doctrine and strategy Beijing selects in response to missile defenses.

The threat BMD presents to China’s current doctrine is quite straightforward. In China’s use, minimum deterrence relies upon an adversary’s uncertainty about the number of weapons that may have survived a first strike to be launched in retaliation. With an ICBM force of around 20 silo-based weapons, even a “thin” deployment of 100 interceptors in a terminal defense mode could easily capture what few weapons remained for China to use in a retaliatory strike. Should the United States become confident that its missile defenses will defeat whatever retaliatory force remains after conducting a disarming first strike, China believes it would be exposed to the threat of nuclear coercion—which Beijing refers to as “nuclear blackmail.” As Beijing states China’s nuclear doctrine after repeating its longstanding no-first-use (NFU) pledge:

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5 The following discussion draws extensively from Robert A. Manning, Ronald Montaperto and Brad Roberts, *China, Nuclear Weapons and Arms Control* (New York: Council on Foreign Relations, 2000).

China maintains a small but effective nuclear counterattacking force in order to deter possible nuclear attacks by other countries. Any such attack will inevitably result in a retaliatory nuclear counterstrike by China. China has always kept the number of its nuclear weapons at a low level. The scale, composition and development of China’s nuclear force are in line with China’s military strategy of active defense.

It is important to note that part of China’s strategy is to neither confirm nor deny estimates of the size and composition of its nuclear forces—the force structure. The estimated size of the force and its deployment has a direct effect on the targeting and size of any disarming first strike conducted by an adversary. Beijing’s “neither confirm nor deny” strategy is designed to increase uncertainty in the mind of an adversary. Not only must the attacker worry about the strike’s effectiveness, but also whether his estimate of the force structure and its deployment is accurate. China’s present minimum deterrence strategy is thus built on uncertainty and not on the absolute number of weapons in its inventory.

“SMALL BUT MODERN”

The question that arises is whether U.S. BMD will lead to Beijing rejecting the uncertainty principle that is at the heart of its doctrine and strategy for nuclear deterrence. If Beijing is primarily worried that uncertainty will be dissipated by missile defenses, the tactical mobility provided by the new family of weapons and an operationally successful SSBN could well satisfy the uncertainty principle. In a small but modern force structure, China’s deterrent forces would no longer be based in silos, which become the missiles’ tombs in a disarming first strike. Tactical mobility together with dispersal and deception provide the survivability so central to the uncertainty principle underlying China’s current doctrine. If Beijing is confident that mobility, dispersion and deception will restore uncertainty, the size of the force need not necessarily be significantly increased.

Furthermore, China has various technological hedges available to ensure that some warheads will penetrate defenses. Missiles could be mounted with multiple re-entry vehicles (MRVs), with some of them dedicated to decoys. It is also plausible for Beijing to consider mounting multiple independently targetable re-entry vehicles (MIRVs). The warheads themselves could be designed with reduced radar and infrared reflection, thereby limiting the effectiveness of kinetic kill vehicles. One or more of the warheads could dispense chaff to confuse the interceptors’ sensors. In short, there are a number

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8 This concept modifies a response outlined in Manning, Montaperto and Roberts, China, Nuclear Weapons and Arms Control, 55.
of technologies China could apply to ensure that its warheads penetrate missile defenses.

Thus, one feasible approach to counteracting missile defenses without significantly increasing force size is to sustain the uncertainty principle with a mix of mobile land-based missiles and SLBMs mounting MRV/MIRV warheads with penetration aids. To be effective in creating this uncertainty, the United States and all other potentially threatening nuclear states must be made aware that mobile and/or submarine-launched ICBMs are being deployed, and that various modes of penetration aids are being employed. Therefore, the small but modern response would require Beijing to be more transparent about its nuclear weapons and their capabilities than it has been thus far.

This choice, however, responds only to a missile defense system configured to engage warheads in their terminal path. China also has to contemplate responding to the boost and mid-course phase engagements anticipated by BMDO’s development programs. The capability to engage the retaliatory weapons several times places great weight on increasing the number of missiles forming the strategic deterrent.

“ASSURED MINIMUM DETERRENCE”

Beijing would almost certainly conclude that the multi-layered defense system sought by the United States requires a more robust response than China’s current minimum deterrence stance provides, even if transformed by the small but modern mode. In anticipation of boost and mid-course defenses, the number of mobile ICBMs and/or SLBMs deployed would be increased. The requirement for a credible deterrent in the face of more sophisticated defenses would also provide an additional incentive to mount multiple warheads allowing the employment of various penetration aids. This force structure can be classified as assured minimum deterrence.

Although the impetus to increase both missiles and warheads is evident, it is uncertain what number of mobile and/or SLBMs together with their MRV/MIRV warheads Beijing’s strategists would accept as providing assured deterrence. An assessment undertaken by Robert Manning, Ron Montaperto and Brad Roberts suggests that China would want to be confident that roughly 20 warheads could penetrate any defenses the United States prepared. Li Bin argues that the number of surviving warheads must be greater than the number of interceptors used in a terminal defense mode. If there are 100 interceptors

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8 This discussion draws from Manning, Montaperto and Roberts, China, Nuclear Weapons and Arms Control, 55, as well as from Li, “The Effects of NMD.”

10 Ibid.
and two interceptors are directed at each retaliatory warhead, then more than 50 warheads must survive a U.S. first strike. Both assessments agree their numbers are notional, but also that some significant increase in the number of ICBMs and the ability of their warheads to penetrate missile defenses is probable. That is, the numbers may change but the argument for increasing the number of missiles and warheads remains the same. Because these assessments are based on a thin terminal defense mode, an American capability to also engage missiles in the boost and mid-course stages of their paths serves as an incentive to deploy an even greater number of missiles.

As with the small but modern force structure, assured minimum deterrence requires China to be more transparent about its forces. The United States must be made aware that an increasing number of strategic weapons exist armed with MRV/MIRV warheads. Further, that their mobility, dispersion and deception together with a number of weapons deployed on SSBNs, if the decision is made to proceed with 09-4 program, makes confidence in a disarming first strike improbable. Assured minimum deterrence therefore constitutes a distinct change in China’s nuclear posture. No longer relying on the uncertainty principle alone, Beijing would be required to declare that the number of missiles is no longer small. That is, quantity is joined with uncertainty to ensure the credibility of its deterrent.

**DOCTRINE CHANGE: LIMITED NUCLEAR DETERRENCE**

A no-first-use commitment joined with minimum deterrence using the threat of a single counter value punitive strike to deter is seen by some Chinese strategists as passive and incompatible with what they perceive as a future requirement for a more flexible nuclear posture. As used by Chinese analysts, limited nuclear deterrence (you xian he wei she) differs from minimum deterrence in that it contains a nuclear war-fighting capability. In brief, limited deterrence is seen as requiring a range of weapons from tactical to strategic sufficient to deter the escalation of conventional or nuclear war. The significantly larger number and variety of weapons required by a doctrine of limited deterrence would provide China the ability to respond to any level of attack from tactical to strategic. Given sufficient numbers of weapons, there

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11 Li, “The Effects of NMD,” Table 2.
could be intra-war escalation control because China would retain forces necessary to respond at a higher level should the aggressor choose to escalate a nuclear exchange. Targeting in such a strategy goes beyond counter value “city busting” to counterforce strikes on military targets, including hardened missile silos.

The purpose behind this doctrinal change would be to present both a credible deterrent and prevent the United States from using its offensive superiority to threaten or use nuclear weapons while protected with a defensive missile shield. It would be seen as the next step beyond assured minimum deterrence without approaching parity.

If implemented with an appropriate force structure, a doctrine of limited deterrence could provide China greater confidence in its nuclear deterrent. Nonetheless, Beijing has to consider several liabilities inherent in the doctrine. First, the major build-up of weapons required to implement a limited deterrence doctrine would do more than alarm the United States. It is doubtful Asian states would view such a build-up as solely a response to U.S. BMD. It is more likely that such an increase would be viewed as indicating a major change in China’s defense policy to a more aggressive stance, suggesting Beijing’s intent to supplant the United States and militarily dominate the region. It would certainly be difficult for Beijing to argue as in the past that its nuclear forces were strictly defensive.

Second, Chinese analyses of limited deterrence requirements have recognized the complexity and cost of the technologies required to implement the strategy. China does not have the space-based reconnaissance and early warning systems required to determine in near real-time the size and origin of an attack. Thus, it would be difficult to determine what kind and level of response would be required. Chinese analysts are aware of these and numerous other deficiencies constraining the implementation of a limited deterrence doctrine. It is distinctly possible that China’s research centers are conducting R&D programs to overcome these difficulties, but their cost and complexity indicate that it will be some years before they are resolved.

Third, China’s commitment to the Comprehensive Test Ban Treaty (CTBT) does not allow Beijing to test any new warheads that may well be required. Beijing could withdraw from the CTBT, but withdrawal would be seen in Asia and the United States as yet another indication that China had shifted to a more aggressive nuclear posture.

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13 Ibid., 31-33.
These combined political, technological and cost constraints may dissuade China from committing itself to a fully-fledged limited deterrence posture. Nonetheless, this option cannot be totally eliminated.

**BALLISTIC MISSILE DEFENSES**

No matter what nuclear deterrence doctrine and strategy Beijing chooses to pursue, BMD would contribute to the survival of China’s retaliatory force. In the mid-1980s, Chinese assessments of the Reagan Administration’s Strategic Defense Initiative (SDI) generated considerable interest in ground- and space-based missile defense. China’s continuing interest in BMD can be seen in R&D programs seeking defenses against both cruise and ballistic missiles, including space-based early warning satellites. Passive counter-space technologies and anti-satellite weapons are an integral component of these R&D programs, including ground-based high-intensity lasers.

As with many advanced technology military programs, initial research programs are relatively inexpensive, especially when compared to developing and testing prototypes. Consequently, although China’s interest in an extensive range of technologies is evident, even if only for point defense of missile bases and command control (C2) facilities, whether and when these research programs can be translated into operational systems is questionable. If U.S. missile defense programs are any measure, it will be many years before China can deploy effective missile defenses—and then, only after considerable investment.

**“LAUNCH ON WARNING”**

With its new family of weapons capable of being maintained on high alert, China could consider changing its nuclear posture from one of absorbing a first strike to launch on warning (LOW). This option would be especially attractive if the SSBN program was unsuccessful or was cancelled because of costs. Beijing would argue that LOW is not a violation of its NFU principle because it would be a defensive response to a confirmed attack. LOW also has a distinct doctrinal attraction for Chinese analysts who closely follow Mao’s tenets in that it eliminates the “passive” connotations of a doctrinal commitment to absorbing a first strike before retaliating. LOW could be defined as an “active defense”

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15 See Mark A. Stokes, *China’s Strategic Modernization: Implications for the United States* (Carlisle, Pennsylvania: Strategic Studies Institute, U.S. Army War College, September 1999), 114-123.

16 This discussion draws on Johnston, “China’s New ‘Old Thinking,’” 21-23.
POTENTIAL CHINESE RESPONSES TO U.S. BALLISTIC MISSILE DEFENSE

(jiji fangyu) measure taken only after the adversary has attacked but before his weapons have wreaked destruction on China and particularly on its retaliatory forces. LOW would complement a BMD capability by providing a swift retaliatory salvo even as some of China’s weapons and C2 were protected by missile defenses for follow-on responses.

No matter how Chinese strategists strive to incorporate LOW into their nuclear posture as necessary and/or conforming to Mao’s doctrinal tenets, it does require early warning of an attack. This in turn requires space-based reconnaissance systems to identify the source and dimensions of a nuclear attack in near real-time in order to provide sufficient warning to launch a retaliatory strike. Again, China’s interest in and research programs dedicated to space-based reconnaissance satellites are known. When they will mature into operational systems is not known.

CONCLUSIONS AND SPECULATIONS

Since the mid-1980s, Chinese analysts conducting inquiries into China’s nuclear posture have demonstrated concern that a doctrine of minimum deterrence implemented by a small number of strategic weapons will not provide sufficient security in the future. U.S. missile defenses, even if limited to a “thin” terminal defense mode, provide an additional and significant incentive to change this doctrine.

Changing China’s nuclear force posture presents Beijing with a dilemma. In part, of course, this dilemma is created by the lack of mature technologies in critical areas such as space systems and perhaps in the strategic weapons program itself. The future of China’s DF-41 may be in doubt and the new class of SSBN may well be facing difficulties. Nonetheless, in my judgment, the core problem is doctrinal. A doctrinal decision would permit Beijing to focus resources on those technologies central to implementing the doctrine.

Doctrinal choices, however, have political consequences, and this may be where Beijing is facing its most troublesome problems. Moving beyond minimum deterrence to some form of limited deterrence with its war-fighting implications will enhance U.S. and regional apprehension that China is adopting a more aggressive security policy. Given the increased number and variety of weapons such a doctrine requires, China’s assertion that its nuclear forces were for defensive purposes only would be difficult to sustain. Moreover, the expansion of China’s nuclear arsenal would occur just as the United States and Russia were agreeing to significant reductions in their own strategic forces, serving to underscore China’s build-up. It could also lead to precisely the more

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17 Stokes, “China’s Strategic Modernization,” 15.
capable U.S. BMD Beijing’s political strategy seeks to prevent. Consequently, whereas limited deterrence may be attractive to analysts engaged in abstract assessments of nuclear doctrine and strategy, the potential political costs could be viewed as outweighing whatever increases in confidence this nuclear posture may provide.

Assuring the viability of China’s retaliatory forces has fewer liabilities and does not rule out the opportunity to shift to some form of limited deterrence in the future. Accordingly, Beijing could choose the small but modern option as its first step toward a revised nuclear posture. Deployments to fulfill this choice would also serve as the basis for building an assured minimum deterrence force structure, should the United States demonstrate the capability to deploy a multi-layered BMD system.

Indeed, small but modern could well be selected as a “wait and see” alternative to a nuclear posture change. It will be at least a decade or more before the U.S. begins deploying an operational multi-layered defense capable of engaging weapons at their boost, mid-course and terminal phases of flight. Thus, Beijing has the opportunity to pace its deployments and delay any major nuclear posture change until it believes this transformation is essential for China’s security. This window also grants Beijing the opportunity to focus its resources on whatever R&D programs it believes central to any probable future nuclear posture revision.

Nonetheless, it is certain that U.S. BMD programs will result in Beijing deploying a more robust nuclear deterrent and preparing for an even more capable force structure. The family of new strategic weapons coming on-line was designed to ensure that China’s minimum deterrence posture remained viable. BMD has enhanced concern among Chinese strategists that this posture built around a small number of strategic weapons is no longer adequate. Future force structures will add penetrating defenses to the survivability criterion initially sought. Thus, it is reasonable to anticipate a significantly larger force of more sophisticated weapons than Beijing had originally planned.
Missile Defense and Asian Security

Michael Krepon

During the Cold War, Europe was the region most likely to be affected—for better or for worse—by U.S. missile defense deployments. Now Asia has replaced Europe as the region most likely to be roiled by such deployments. Beijing and Islamabad are unequivocally opposed to any national missile defense deployments. New Delhi sees missile defenses in a mixed light, attracted by the possibility of technology and military transfers from the United States as well as constraints on China, but wary of the impulse U.S. deployments could impart to Chinese missile programs. Chinese countermeasures are likely to bring Indian reactions that, in turn, stir Pakistan in a cascading effect.

Reactions to missile defense in northeastern Asia are similarly mixed. Taiwan appears to have few, if any, reservations about U.S. missile defense plans, viewing prospective deployments—especially of TMD—as an opportunity to reconnect with the U.S. military and as a counter to China’s missile build-up. China, meanwhile, continues to warn against U.S. efforts to obtain defensive as well as offensive strategic superiority and against any missile defense collaboration between Washington and Taipei. Tokyo's sentiments are divided: on one hand, worried about North Korea's missile threat while, on the other, anxious that a U.S. policy isolating the DPRK will endanger regional security. Concern about a U.S.-China clash and Beijing’s growing missile arsenal also contributes to Tokyo's ambivalence. South Korea supports a U.S. missile shield. Like Tokyo, however, Seoul also is concerned by Pyongyang's reactions to missile defense and other U.S. actions focused at North Korea. President Bush's inclusion of the DPRK as part of the "evil axis" raises similar concern that isolating the DPRK only encourages its reversion to protracted and destabilizing confrontation with the South, Japan and the U.S. Despite Pyongyang's recent willingness to reengage on obtaining light-water reactors through the Korean Peninsula Energy Development Organization (KEDO), talks on ending North Korea's missile program remain frozen.

1 Founding President, Henry L. Stimson Center. For the purposes of this paper (originally presented to the Project Group on February 20, 2002), when we have reference to Theater Missile Defense (TMD), we will so label it; otherwise, “missile defense” will refer to National Missile Defense (NMD) systems.

2 Beijing is also, of course, extremely sensitive to any TMD deployments covering Taiwan.
UNSTABLE TRIANGLE IN SOUTH ASIA

China, India and Pakistan all have near-term, growing nuclear potential. Moreover, they do not appear to have fixed requirements for nuclear deterrence. In this fluid, early phase of modernizing their nuclear capabilities, all three could increase their unstated requirements in response to U.S. national missile defense deployments, while ostensibly maintaining allegiance to “minimal” nuclear deterrence postures. Consequently, a very real potential exists in southern Asia for the acceleration of a nuclear cascade resulting from U.S. missile defense deployments. Cascade effects could generate further growth in nuclear stockpiles, exacerbate spikes in regional tensions and precipitate some deployments of missile defenses within the region.

China, India and Pakistan are enmeshed in a three-cornered interaction from which there is no easy exit. Their close proximity magnifies nuclear- and missile-related message sending, and those messages are likely to reverberate beyond the confines of southern Asia. Prospective U.S. missile defense deployments will undoubtedly compound these tympanum effects. Southern Asia presents a far more complex model than that between the U.S. and USSR during the Cold War that allowed strategic stability to develop. Leaders in Beijing, New Delhi and Islamabad all say that minimum deterrence will serve as their guide, and that they will avoid the competitive drives leading to ever-larger nuclear arsenals. But national leaders in all three capitals have also said that deterrence is not a static concept. The requirements of each state will depend, in some measure, on what the others are doing or might seek to do.

Accepting—let alone codifying—a hierarchical, triangular relationship will be extraordinarily difficult for these proud nations. No two sides of the triangle in southern Asia are equal, and within the triangle, there are two competing dyads. In geometrical terms, there is nothing inherently stable about a triangle consisting of three unequal sides. Different sides of the triangle jockey over disputed borders, engage in a deadly dispute in Kashmir, worry about Islamic extremism and anticipate a competition between “blue water” navies. Nuclear weapons and missile programs now overlay these neuralgic issues, making it harder for national leaders in China, India and Pakistan to create and sustain a stable strategic environment. Scant progress has been made on this agenda over the last decade. Beijing and New Delhi have begun a strategic dialogue, but their interactions on nuclear matters have initially dwelled on China’s displeasure at being obliquely named as a reason for India’s nuclear tests in 1998, and New Delhi’s concerns over China’s support for Pakistan’s nuclear and missile capabilities. China has been reluctant to discuss mechanisms to stabilize the Sino-Indian nuclear relationship in a context that presumes numerical equality.
South Asia’s roller coaster ride has provided little time or space to negotiate and implement stabilizing measures like those employed by Washington and Moscow to stabilize their Cold War pursuits. The prospective deployment of ballistic missile defenses by the United States therefore can only complicate the nuclear risk reduction agenda in southern Asia. Leaders in China, India and Pakistan have the better part of a decade before national and advanced theater missile defenses are deployed to take serious steps to reduce negative consequences and nuclear risks. The sooner they attend to this task, the better. In the meantime, Washington must also attend to the downside risks and unintended consequences in Asia of deploying missile defenses.

**…Can Lead to Cascade Effects**

Beijing’s calculations of nuclear sufficiency will reverberate in New Delhi, and India’s recalibrated nuclear requirements will reverberate in Islamabad. At the top of this cascade, Beijing’s calculations will be affected by U.S. deployments of national and advanced theater missile defenses. Whatever additional requirements Beijing feels are warranted to counter U.S. missile defense programs—even if they are to be relatively inconsequential in terms of the U.S.-China nuclear equation—could be compelling on the Subcontinent. The potential for cascading nuclear requirements would exist, however, even in the absence of U.S. missile defense programs, since China’s military and strategic modernization programs have other drivers.

Pakistani leaders have reacted quite negatively to prospective missile defenses, not simply in support of Beijing, but also out of concern that New Delhi will eventually deploy its own defenses, possibly negating Islamabad’s investment in medium-range missiles. And this concern has grown as New Delhi’s diplomatic posture toward missile defenses has shifted from negative to neutral to forward-leaning.

Pakistan’s confidence in the survivability of its nuclear deterrent is likely to degrade in crisis situations, given the small number of locations in which Pakistan’s nuclear deterrent resides and the quick reach of Indian strike forces. Consequently, there are strong incentives for Pakistani military leaders to increase the readiness of their nuclear deterrent in periods of mounting tension, with attendant spikes in nuclear danger. The potential for accidents and miscalculations in South Asia grows considerably when missiles and combat aircraft are placed on heightened alert. Any pursuit by India of missile defenses

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3 Advanced TMD systems that could be deployed in South Asia or China might be those available or under development in Russia, Israel and even the U.S., and would be potentially as destabilizing as NMD deployments.
would increase this hair-trigger effect, evident in the ongoing dispute over Kashmir.

Early in the Clinton Administration, when ties were strained, Indian diplomats derided missile defenses as yet another ill-conceived strategic initiative by an insular and unilateralist Washington. With the substantial improvement in Indo-U.S. ties at the end of the Clinton Administration, New Delhi’s public criticism toward missile defenses was greatly muted, while Indian officials privately contemplated bilateral cooperation in this sphere. Subsequently, New Delhi’s official response to President George W. Bush’s pronouncements on strategic policy was far more appreciative than reactions emanating from European capitals.

New Delhi’s nuclear choices are different from those driving Beijing, but they are no less susceptible to reverberations generated from missile defense deployments. India’s nuclear requirements flow from two colluding nuclear neighbors, considerations of status and domestic politics, and the prompting of a well-connected “strategic enclave.”

There was an absence of official Indian government statements regarding the requirements of nuclear deterrence, not unwelcome to foreign governments that prefer ambiguity to firmly stated, ambitious estimates of India’s nuclear needs. Filling this vacuum were Indian strategic analysts who offered their own unofficial estimates of the requirements of deterrence. These unofficial assessments, together with a 1999 Indian National Security Advisory Board report, suggest some clues as to how the Indian government might translate minimum nuclear deterrence into numbers—at least in the absence of cascade effects. The community of strategic commentators in India that pushed for an overt nuclear capability, and others who have joined them since the 1998 blasts, mostly translate the requirements of nuclear deterrence and great power status into a thermonuclear weapons capability and a three-digit-sized force of nuclear weapons.

The leaders of China, India and Pakistan all have expressed their clear intent to avoid nuclear excess. However, none is inclined to establish fixed requirements for minimal nuclear deterrence, given the strategic uncertainties they face. While China, India and Pakistan will retain a strong interest in holding down nuclear force levels, all have implied or explicitly stated that “minimal” is a relative term, depending on the evolution of external threats.

Relativism and minimalism are different concepts that are difficult to reconcile for force sizing purposes. Fixing nuclear requirements in relative rather than minimal terms would constitute a dramatic shift for China, which was, by far, the most relaxed nuclear weapon state during the Cold War. And if Beijing ratchets up its capabilities, domestic pressures and interest groups within
India will push in a similar direction. Pakistan has the infrastructure to stay within earshot of India, as long as nuclear and missile programs remain high budgetary priorities. The more Pakistan’s military falls behind Indian conventional capabilities, the more it will be tempted to rely on nuclear weapons as an “equalizer.” Thus, there could be a bottom-up push to escalate nuclear capabilities, as well as a top-down pull. U.S. missile defense deployment decisions can either depress or accelerate these calculations.

**MISSILE DEFENSE AND TAIWAN**

Notwithstanding improving Sino-U.S. relations in the wake of September 11th, the reunification of Taiwan with the mainland remains a top national priority for China's leadership and the most likely focus of conflict between the U.S. and China. Since recognizing the People's Republic of China as the “sole legitimate government of China,” U.S. policy on Taiwan has been carefully nuanced to allow constructive relations with the mainland while encouraging peaceful rapprochement between Taipei and Beijing. However, since Taiwan's domestic political opening in the 1980s, the gradual decline of the KMT and the rise of the pro-independence Democratic Progressive Party, the island gradually but steadily has moved on a more separatist path. This has led to increasing tensions in the Taiwan Strait with an accompanying and continuing PLA military buildup that in turn has brought pressure on the U.S. government to assist in updating Taiwan's defenses. The result is a dangerously escalatory three-sided dynamic.

Missile defense figures as an important factor in Taiwan's future security. While the effectiveness of theater missile defenses against mainland attacks remains questionable, few debate the potential psychological and political benefits to the island. Taiwan's ruling DPP leadership has made the development of theater defenses a high priority in response to public outcry over the island's vulnerability in the wake of the mainland's missile “tests” off Taiwan's coasts. The ideal scenario from Taipei's standpoint would be a collaborative venture with the U.S. that would both facilitate the development of theater missile defense technologies and a strengthening of military links with Washington. U.S. deployment of national missile defense would also presumably be welcomed by Taipei as easing any U.S. decision to come to Taiwan’s aid without fear of nuclear retaliation from the mainland.

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4 China's agreement to the U.S. initiative to normalize relations—and the ensuing peace that this brought to the Asia-Pacific region—was in large part founded on a U.S. acknowledgment (though not acceptance) of the mainland's sovereignty claim over the island. At the time, both the PRC and ROC were in agreement that Taiwan was a part of China (the disagreement was over which side was the legitimate government), facilitating the normalization deal.
Beijing has repeatedly warned that any provision of upper-tier, or even more sophisticated lower-tier theater missile defense systems to Taiwan or linking of the U.S. and Taiwan militaries would violate Chinese sovereignty over the island and have the "gravest repercussions." Washington has thus far refrained from crossing the threshold of providing Taiwan these more sophisticated missile defense technologies. But while the U.S. has not entered into collaborative arrangements with Taiwan on missile defenses nor acceded to repeated requests for PAC-3 and Aegis-class missile frigates, it has not ruled out the possibility of eventual sales. In the wake of the U.S. approval of the sale of submarines to Taiwan (not yet delivered and still the object of strong opposition from China), moves to provide the island with these missile defense technologies would be especially provocative from Beijing's viewpoint.

China also is concerned that its small and antiquated strategic deterrent, if captured by a U.S. missile shield, would return Beijing to the days when it was vulnerable to American and Russian "nuclear blackmail." Consequently, Beijing's vocal opposition to U.S. national missile defense programs stems not only from strategic but tactical concern—the belief that a U.S. shield coupled with already highly advanced conventional capabilities will neutralize China's deterrent, giving the U.S. greater freedom of action in a conflict over Taiwan.

While Washington has sought to assuage China's fears on missile defense and improve relations with two presidential visits to China in the first thirteen months of the Bush Administration, Beijing remains skeptical of Washington's intentions. China holds to the view that America continues to harbor a strategy of containment against China while supporting Taiwan's independent progression. Recent U.S. actions add to Beijing's suspicions. The decision to end the annual USG interagency review of arms sales to Taiwan introduces more flexibility into the interagency approval process for arms sales to the island while lessening transparency. President Bush's approval of submarines and destroyers to Taiwan—the biggest arms package for the island since 1992 when his father authorized the sale of 150 Texas-built F-16 jet fighters—drew strong reactions from Beijing. And the President's momentary parting in April 2001 with the traditional U.S. "strategic ambiguity" over coming to Taiwan's defense in a dust-up with China was also interpreted in Beijing as a significant sign that Washington was taking sides in the Strait and even encouraging Taiwan independence.

Other than constructive dialogue between Beijing and Taipei, which seems out of reach at the moment, probably the biggest factor in reversing this
dangerous trend in the Taiwan Strait would be an improvement in the political relations between the U.S. and China. President Bush's offer of high-level strategic talks with China, including discussions on missile defenses, is a step in the right direction although it is unclear what new approaches, if any, will be deployed to lessen China's anxieties. In Washington, while there is greater recognition of the need to consult with Beijing on missile defenses, the complexities of managing disparate policy tracks remain. Decisions on Taiwan arms sales, missile defense and even transits or visits of Taiwan leaders to the United States require careful management to avoid exacerbating an already tense cross-Strait environment.

THE KOREAN PENINSULA

In his January 29th State of the Union address, the President's inclusion of North Korea as part of an "evil axis," together with Iraq and Iran, and his reiteration of the North Korean “threat” as a rationale for national missile defense, raised concern in Asian capitals. Tokyo and Seoul, key U.S. allies, grumbled over an unnecessarily provocative public utterance by Washington that could only weaken regional security. And in Beijing, it was yet another sign that further U.S.-PRC collaboration to encourage good behavior of the DPRK—one of the important areas of constructive Sino-U.S. engagement welcomed by regional governments—was perhaps a thing of the past. The new administration's reversal of previous U.S. efforts to engage North Korea brought expected results. Pyongyang stepped away from diplomatic processes that some believe came close to a breakthrough on stopping North Korea's missile program before the 2000 U.S. presidential election. North-South rapprochement also was put on ice to the consternation of Kim Dae Jung's government.

There were similar reactions within U.S. policy circles. The U.S. security stake in Korea remains extraordinarily high. Though the Korean War is a distant memory for most Americans who view the DMZ a relic of the Cold War, today more than a half million North Korean troops remain massed across the 38th parallel. Nowhere else in the world are so many (i.e., 37,000) U.S. troops concentrated in continual wartime readiness. The potential for a devastating strike by Pyongyang across the DMZ and missile attacks against Japan is real and ominous. Equally serious to U.S. security interests is North Korea's capacity to develop, produce and export WMD and long-range missiles. In this context, the June 2000 North-South Korean summit and subsequent developments were significant, "revolutionary" in the eyes of many South Koreans, as were U.S.-DPRK talks to end Pyongyang's missile and WMD threat.
The question for U.S. policymakers now is how to reengage North Korea on its missile development program. Although Pyongyang has signaled willingness to resume talks on obtaining light water reactors under KEDO auspices and to consider resumption of humanitarian family visits with South Korea, U.S.-DPRK missile talks remain on hold. North Korea's test launch of a Taepodong missile in August 1998 handed missile defense advocates in the U.S. and Japan a convincing rationale. Yet over the next two years, Pyongyang demonstrated willingness to table its missile program as a bargaining chip in talks with the U.S. aimed at normalizing relations. Though the missile launch provoked strong reactions in Tokyo, Seoul and Washington, the governments of Japan and South Korea supported subsequent U.S. diplomatic efforts to induce North Korea to end its missile program. In mid-2001, Pyongyang signaled its impatience by conducting a static Taepodong-1 engine test. The North nevertheless extended its unilateral moratorium on long-range missile launches from 2002 to 2003 when Swedish Prime Minister Persson met with Kim Jong Il in May 2001.

There are other signs of DPRK restiveness. Anti-U.S./ROK/Japan diatribes broadcast by DPRK state-controlled media have become more pronounced in the wake of the "Axis of Evil" speech. Provocative military actions such as the building of anti-tank defenses near the DMZ and the incursion of a suspected North Korean drug smuggler into Japanese waters are again back in the news, reminiscent of the days where such incidents fed a dangerous cycle of confrontation and tension. Obviously, efforts to stem any resumed clandestine effort by the DPRK to produce nuclear and other WMD also become less viable if tensions between Washington and Pyongyang continue to rise.

Although South Korea had sought to partner and cost-share with the U.S. in developing a missile shield, political changes in Seoul together with the lingering economic weakness caused by the Asian Financial Crisis brought a reversal. Not partnering also avoided a potentially nasty irritant in what were then warming North-South relations. Finally, practicality weighed in the minds of ROK leaders, as the main threat across the DMZ remains North Korean artillery and SCUDS, not longer-range missiles.

Building an offensive missile capability to match the North remains a priority of the ROK military despite U.S. efforts to restrain this impulse. A resumption of efforts by the North to develop and deploy missiles, including in

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6 In exchange for the DPRK freezing and eventually dismantling its graphite-moderated nuclear reactors, KEDO is to provide for: (1) the financing and supply of a light-water reactor (LWR) project in the DPRK consisting of two reactors with a capacity of approximately 1,000 megawatts each; (2) the supply of interim energy alternatives (i.e., oil) pending construction of the first LWR unit; and (3) the implementation of any other measures deemed necessary to carry out the objective of the Agreed Framework.
response to U.S. missile defenses, would only spur the South to step up indigenous missile development programs. South Korea has maintained its missile testing program and announced plans to launch its first satellite in 2005. In this scenario, there also could be greater domestic pressure in Japan for a militarization of its missile and space programs and more collaboration with the U.S. on missile defenses. These developments, as in the case of South Asia, would stimulate a cascade effect, drawing concern and reaction from China.

Finally, it would be an underestimation of Korean national aspirations to believe that North-South rapprochement would be an acceptable casualty in South Korea of a tougher U.S. approach to North Korea. South Korean desire for humanitarian exchanges remains urgent and strong and sentiment for ultimate peaceful reunification runs deep. U.S. policy decisions seen as obstructing or keeping the two Koreas apart in perpetuity are almost certain to be corrosive to U.S.-ROK relations and to the future of the alliance.

**JAPANESE AMBIVALENCE**

Tokyo's sentiments are mixed. On one hand, Japan is worried about North Korea's missile threat and Beijing’s growing missile arsenal; on the other, it is concerned about a U.S.-China clash and not wanting to be enmeshed in unwise U.S. policies, as well as about not being properly defended by Washington.

To complicate things further, the regional effects of U.S. missile defense deployments are invariably crosscutting and resistant to harmonization. Deployments that soothe Japanese concerns can rub Chinese sensibilities raw. Conversely, voluntary restraint by Washington in the face of Chinese or North Korean missile threats can be as unsettling to Japan as ill-conceived complacency. And whatever choice is agreed upon by Washington and Tokyo will likely raise sensitive constitutional, civil-military and “burden sharing” questions in Japan and stir regional reactions, particularly from China and even the ROK.

Japanese sensitivity remains high over the need for prior consultations before Washington announces policy changes that can affect Japan's security. The U.S. decision to end distinctions between theater and national missile defense systems was at best an insensitive move from Tokyo's perspective. Article 9 of Japan's constitution prohibiting collective defense has stirred much domestic debate about the degree in which Japan can participate in a U.S. missile defense program. While there is prevailing acceptance of a Japanese role in joint research with the U.S. of theater missile defense systems that could eventually be "indigenized" by Japan, being a part of a U.S. national missile defense system is another story.
Displeasure over U.S. pronouncements on national missile defense and the ABM Treaty brought cool public reactions from Tokyo. Both Prime Minister Koizumi and then-Foreign Minister Tanaka made statements that Japan had "its own thinking" on missile defenses not necessarily in sync with that of Washington. While Japan "understood" Washington's rationale for a more robust and transcendent system, this did not imply Tokyo's agreement. Subsequent consultations with the Japanese on missile defense have calmed Tokyo, but similar displeasure arose again when the President included the DPRK in the "evil axis" and again pointed to North Korean missiles as a core justification for missile defenses. In the wake of a suspected North Korean incursion into Japanese waters, Tokyo questions whether the new U.S. approach toward North Korea will be counterproductive to Japan's security interests.

THE CHALLENGES AHEAD

Negative repercussions in Asia resulting from U.S. deployments of national missile defenses are inescapable; Washington's decisions could accelerate or moderate them. The cascade effects of prospective missile defenses have already begun in anticipation of deployments. Hedges in the form of resource allocations, increased missile production rates and the development of countermeasures are undoubtedly under way.

National leaders in India, China and Pakistan need to find the wisdom to exercise restraint. They also need wise U.S. policy choices, because their own security dilemmas are so complicated. The triangular geometry of regional competition in southern Asia sits unsteadily atop two dyads. In each of the dyads, the stronger of the two antagonists does not outwardly acknowledge its competitor, making formalized nuclear risk reduction extremely difficult. A triangular effort to moderate cascade effects would be plagued by this history, and by the lack of symmetry resulting from three-cornered interactions. Even without the added complications of U.S. missile defenses, formalized bilateral or trilateral arrangements dampening nuclear interactions would be very difficult to negotiate. If India also deploys missile defenses, further complications would arise, especially for Pakistan.

Successful nuclear risk reduction in southern Asia will require finding a unique mixture of transparency and survivability for nuclear capabilities, as well as creative monitoring arrangements that provide reassurance without increased vulnerability. This agenda has barely begun at a time when it can be severely buffeted by prospective U.S. deployments of missile defenses.

Peace in Northeast Asia is an achievement maintained over the past five decades by U.S. military presence and diplomatic flexibility. America's willingness to engage with regional states has provided the underpinnings for
this long period of stability and prosperity. But the security overlay in the post-Cold War era is beginning to fray as disparate policy actions, including on missile defenses, seemingly tug in contradiction. The absence of adequate consultations with U.S. allies and with China evokes suspicions of Washington's intentions and, at worst, is stirring an arms race.

Taiwan's move toward separate status, if not formal "independence," and the unwillingness of all sides to actively (and creatively) seek a "peaceful resolution" of the cross-Strait dilemma is a dangerous apathy. Any injection of U.S.-Taiwan collaboration on theater missile defense in this situation would work against achieving a peaceful remedy. Operational and political realities also argue for keeping such regional missile defenses under U.S. control and on U.S. warships. Decisions in this area will depend importantly, of course, on what Beijing does regarding its military build-up opposite Taiwan. But at a minimum, the multiple strands of policy regarding Taiwan, from arms sales to visits to missile defense, require high-level attention and coordination by the Administration.

America's war on terrorism has put North Korea on notice that the military might focused against the Taliban can be turned against Kim Jong Il's regime. However, although North Korea is a prime target of U.S. missile defenses, Washington should not foreclose engaging North Korea on ending Pyongyang's missile program. The risks and consequences of an attack on North Korea are far different from those of an attack on Afghanistan, and would place great stresses not only on U.S. alliances with Japan and South Korea, but on stability throughout East Asia. A prudent course would be that proposed by former Defense Secretary Perry, who advocated a strong stance toward the DPRK but one that allowed for mutual threat reduction. The absence of such a positive track will leave Pyongyang little choice but to resume its mischief.

The U.S. push for Japanese "reinterpreting or redefining" Article 9 of their constitution is viewed warily by the rest of Asia, still mindful of the threat posed by a militarized Japan in World War II. Chinese and North Korean countermeasures to U.S. missile defense efforts will alarm Japan, strengthening domestic voices that favor Japan's remilitarization. Recognizing and accepting Japan's desire to restrain collaboration with the U.S. on missile defense—and limiting it to theater defenses—would go far in easing Tokyo's concern that the U.S. is asking for too much and unnecessarily provoking Japan's neighbors.

Perturbations in Asia are insufficient reasons for the United States to forego national missile defenses if a modest insurance policy is needed against improbable but devastating missile attacks. However, the prospect of an Asian nuclear and conventional cascade constitutes a strong argument against ambitious NMD proposals to counter the least likely threat to the U.S. homeland.
Missile Defense and U.S. Policy Options
Toward Beijing

Michael McDevitt

In the Rose Garden of the White House on December 13, 2001, President Bush made it official: six months hence—on June 13, 2002—the United States would officially withdraw from the ABM Treaty. This relatively low-key announcement surprised no one who had been following the foreign policy and public diplomacy of the Administration since early spring of 2001. By the time President Bush made his announcement it was a forgone conclusion that the United States would free itself from the impediments of the ABM Treaty in order to pursue a defense against ballistic missiles that would provide coverage for the entire fifty states.

The ABM Treaty is perceived (correctly in my view) by Administration officials as an impediment to the development, testing and fielding of any national system, even one limited in capability in terms of the numbers of ICBMs it could engage. Deputy Secretary of Defense Paul Wolfowitz captured this view clearly when he testified before the Senate Armed Services Committee that ten years after the first Americans were killed by a ballistic missile, the country is no better prepared to meet the threat of ballistic missiles than it was decade ago and that “our people and our territories are defenseless. . .because of the ABM Treaty.”

Deciding to withdraw also allowed the White House to cut the Gordian knot of trying to reconcile adherence to the law of the land—the National Missile Defense Act of 1999—which requires the United States to deploy a national missile defense as soon as technologically possible, with a treaty that forbade that very action.

What is interesting is how muted the reaction from Russia and China has been. While Russia is on record as considering this action as a “mistake,” it generated less harsh language from Moscow than we have heard about the anti-Russian judging at the Salt Lake City Winter Olympics. Beijing has been

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1 Originally presented to the Project Group on February 28, 2002. This represents the personal views of the author only—not those of the CNA Corporation.

2 Rear Admiral, U.S. Navy (Retired) and Director, Center for Strategic Studies, CNA Corporation.

The ABM Treaty was equally circumspect in its reaction; although it is not clear what it could realistically have done beyond rhetoric since it was not party to the treaty. But the point, as former Secretary of Defense Schlesinger wrote in the February 20th editorial page of the *Washington Post* is that “[i]t is astonishing that there has been so little commentary on the prospective end of the ABM Treaty, which until recently was heralded as the cornerstone of strategic stability.”

The point of raising the Schlesinger observation is not to reopen the debate regarding the ABM Treaty, but to highlight how little discussion and public debate has taken place on the issue of what the post-ABM Treaty strategic environment will be, especially with China. In the case of Russia, dialogue is under way to define a new “legally binding” strategic relationship. This dialogue is taking place within the context of an Administration worldview that opines that the ABM Treaty is an unnecessary understanding between Moscow and Washington because neither country saw the other as an enemy. It also takes place in an environment of rough strategic parity in which the ability to defeat a full-scale Russian nuclear attack was simply too difficult of a defensive challenge.

But, neither of these two shaping aspects of dialogue with Moscow—balanced nuclear capabilities and the apparently benign conceptualization of long-term intentions toward one another—pertains to China. Nor does any enthusiasm exist in Beijing for strategic dialogue; although it is hard to see how China can avoid accepting President Bush’s offer if it hopes to have any opportunity to make its concerns about missile defense known to Washington.

At the same time, trying to think through U.S. policy options leading to some sort of strategic relationship with China is hamstrung by uncertainty: uncertainty over Beijing’s long-term strategic modernization plans; uncertainty over whether the U.S. and China could be involved in a war about Taiwan; uncertainty over whether the U.S.-China relationship will—over the long run—be “candid, constructive and cooperative,” or something worse, such as competitive or confrontational; and finally, uncertainty over how successful the country will be in actually fielding a national missile defense.

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4 At this stage, even if this Administration, or some subsequent administration, wanted to transition from the modest “limited” ballistic missile defense now envisioned to a “dense,” all-aspect “defense dominance” concept akin to the Reagan-era Star Wars concept—against an arsenal as large as that of the Russians, it would be unable to do so for many years because of the limits of technology. The Russians remain worried about this, however, and will probably press for some legally binding way to keep a “limited” BMD system limited.

5 Testimony of Secretary of State Colin Powell before the Senate Foreign Relations Committee, February 5, 2002.
IMPACT ON CHINA

The decision to withdraw from the ABM Treaty was not a surprise, but it was a diplomatic setback for China because, no matter how “limited,” any U.S. national system would have an impact on China’s small strategic retaliatory force.

According to Chinese interlocutors, the only way that China would have been able to maintain a small—though modernized—retaliatory ICBM force of about the size it possesses today (i.e., 18-20 ICBMs) was if the ABM Treaty survived intact and unmodified. The key for China was no U.S. national system—period. Any compromise that permitted a national system disadvantaged China. Even the very modest system proposed by the Clinton Administration would have had a negative impact.

As a result, Beijing’s diplomatic strategy aimed at frustrating U.S. desires to build a national missile defense had a very low chance of success because it was clear, almost from the time of North Korea’s Taepodong launch, that the U.S. was determined—in fact was legislatively required—to field some sort of national defense.

The only way China could have succeeded was for Moscow to continue to say “nyet,” and for Washington to be afraid of withdrawing from the Treaty unilaterally. So, on balance, whether the ABM Treaty was modified or the U.S. totally withdrew really made very little difference to Beijing in terms of overall impact: the only question was the size of any U.S. national system, and the magnitude of what China’s response might be. The Chinese are painfully aware of this, and this, I believe, is why Beijing has been so restrained in its commentary on the December 13th announcement.

CHINA’S LIKELY RESPONSE

Since October 16, 1964, the day China exploded its first atomic bomb, China’s declared strategic doctrine has been retaliatory in nature. The official statement made that day continues to guide China’s nuclear strategy:

The Chinese government hereby solemnly declares that China will never at any time, or under any circumstances, be the first to use nuclear weapons.

This so-called “no-first-use” doctrine means that China has adopted a strategy that overtly acknowledges that China will “accept” the first nuclear blow. Its nuclear forces would only be used to retaliate once China was attacked.

This means, however, for such a strategy to be credible, at least vis-à-vis the two nuclear superpowers, its retaliatory nuclear force had to be able to survive an overwhelming first strike from either the Soviet Union (now Russia) or the
United States. In other words a few, perhaps only one or two, Chinese nuclear systems had to survive the hundreds or even thousands of weapons implied by an overwhelming preemptory strike in order to be able to hit back at Soviet or American cities.

This strategy vis-à-vis the United States was clearly “incredible” between 1964 and 1981 because China did not have the means to deliver a nuclear weapon at intercontinental distances. China’s first ICBM, the DF-5, did not enter operational service until 1981. Up to that time, Chinese ability to retaliate with nuclear weapons against the United States was limited to shorter-range bombers and missiles aimed at U.S. bases on China’s periphery.

It is only over the last twenty years that China’s minimum deterrent against the continental United States was credible, provided that its ICBM force could survive a potential decapitating U.S. first strike. However, even today, ICBM survival seems problematic. As Paul Godwin has written about both the DF-5 ICBM and the shorter range DF-4 IRBM:

neither of these weapons is maintained at high levels of readiness. Their warheads are stored separately from the rocket launchers, and the rockets themselves are not kept fueled. The process of loading the liquid fuel tanks and installing the warhead can take 2 to 4 hours.

Furthermore these silo-based weapons are obviously geographically fixed—and hence locatable from space. Because the Chinese do not have space-based missile launch detection systems necessary to warn them of a U.S. missile launch, China could not institute a launch on warning posture even if its ICBMs were fueled and otherwise ready during a crisis.

During the 1980s, Chinese apprehension regarding this vulnerability was undoubtedly mitigated by the relatively close anti-Soviet political relationship between Beijing and Washington. The potential for a Soviet first strike must have seemed much more credible at the time. Against the Soviets then—and the Russians and Indians today—Beijing has available its numerous short-range ballistic missiles, its intermediate-range bomber force and, from mid-decade on, its single SSBN. This intermediate-range “triad” made the likelihood of some retaliatory capability surviving a Soviet first strike much more credible.

During the 1990s, Beijing has had this calculus reverse to its disadvantage. The close Beijing-Moscow “strategic partnership” makes the prospect of a Russian first strike remote, whereas the potential for conflict between China and Washington over Taiwan has, from the perspective of a PLA worst-case planner, worsened. The prospect of a U.S first strike is not nearly as far-fetched as just

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twelve years ago. Instead of the several hundred weapons that could range Russia, and thus almost guarantee some ability to retaliate, Beijing today has just some 20-odd DF-5A ICBMs (8,100 nautical mile range) capable of reaching the United States. 7

China’s sensitivity to the vulnerability of its retaliatory capability was almost certainly enhanced as the PLA carefully analyzed the lessons of U.S. military operations since the Gulf War. The combination of real-time space-based surveillance, space-based navigation systems and very accurate conventional weapons made the possibility of preemption by conventional weapons another concern.

As the decade ended, the reality facing Beijing was that its declaratory nuclear doctrine, based on an assured ability to retaliate against the United States, was more rhetorical than real. In an important paper, Bates Gill and James Mulvenon concluded that the credibility of China’s retaliatory capability is more psychological than real in the face of an all-out preemptive strike. 8

Given this assessment, it is fair to pose a rhetorical question: if Beijing’s retaliatory capability against the United States is a strategic fiction anyway, how does a missile defense system make China’s strategic situation any worse? Why has Beijing invested political capital in an active anti-missile defense policy?

The answer has several aspects. First, from Beijing’s perspective there is always the possibility that a few—even one or two—Chinese ICBMs could survive preemption. Even a minimally sized U.S. missile defense would be able to deal with these surviving ICBMs.

Second, and more important, is the worry that a U.S. missile defense system would threaten China’s ongoing strategic modernization—a program specifically aimed at eliminating China’s vulnerability to a preemptive U.S. first strike. Beijing’s efforts have largely focused on its ICBM force, and at this time do not appear to have the goal of complementing its intermediate range triad with an intercontinental triad focused on the U.S.

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9 Adding an intercontinental bomber force to the PLAAF seems far-fetched at this point, although sales from Russia cannot be totally discounted; that would, however, be a violation of START I. However, if the START framework is a casualty of the ABM Treaty’s demise, bomber sales cannot be ruled out. While most analysts credit Beijing with plans to build additional SSBNs, those submarines must be able to elude and, hence, survive United States attack submarines to be considered a survivable leg of China’s retaliatory force.
Preliminary pieces of a U.S. system may be fielded at about the same time these survivability steps are beginning to be fielded in China, raising the specter of trumping them and returning China to today’s situation of having more of an aspirational than real retaliatory capability. This relates directly to the third reason China opposes U.S. NMD—the issue of “nuclear blackmail.”

Nuclear blackmail is a very serious issue from Beijing’s perspective. It dates back to the 1950s when the Eisenhower Administration threatened to employ nuclear weapons to end the Korean War, and then again during the Taiwan Strait Crisis of 1958. In 1964, when China detonated its first atomic bomb, its public rationale for developing this weapon was to “oppose the U.S. imperialist policy of nuclear blackmail and threats.” It continued: “China is developing nuclear weapons for defense and for protecting the Chinese people from U.S. threats to launch a nuclear war.”

These arguments may appear self-serving to Americans, particularly since it has been over 40 years since the last occurrence, but they are encountered frequently enough from Chinese interlocutors that they cannot be easily dismissed.

The issue of nuclear blackmail leads to the fourth and final major reason why Beijing worries about missile defense: Taiwan. A U.S. missile defense would return China to a position of nuclear vulnerability without a retaliatory recourse. Then any attempt by Beijing to use force against Taiwan would permit the U.S. to intervene and threaten to escalate the crisis with impunity. In other words, a replay of the 1958 Taiwan crisis.

Implied in this argument is that as long as its nuclear retaliatory capability is credible, China possesses a wider range of military options against both Taiwan and the U.S. than it might otherwise consider if the U.S. can trump Beijing’s nuclear response.

With or without a U.S. missile defense system, China has a strategic vulnerability issue it is slowly taking steps to correct through a comprehensive strategic modernization. Missile defense did not precipitate that modernization, but any U.S. deployment may have an impact on the quantitative, and perhaps qualitative, scope of strategic modernization. I say “may” because Chinese long-term plans and objectives for their ICBM force are not clear.

According to the latest CIA National Intelligence Estimate, entitled Foreign Missile Developments and the Ballistic Missile Threat Through 2015, the
intelligence community (IC) projects the overall size of the Chinese ballistic missile force deployed against all of the United States as falling between 75 and 100. In addition, China has about 24 shorter range DF-31 and CSS-3 ICBMs that can reach the western United States. So in total, according to the intelligence community, China will have, at a minimum, 100-125 ICBMs that could hit the United States. Was this where China was going before U.S. national missile defense decisions were firm, circa 1999, or is it a goal that Beijing established after the Missile Defense Act of 1999 which removed questions about U.S. national intent? The NIE is silent on this point, probably because the IC does not know.

This is a very important “guesstimate” because depending upon the capability that the U.S. chooses to field in a limited missile defense system, a Chinese arsenal of this size may be adequate to ensure its ability to retaliate. Since most of these Chinese ICBMs would be road-mobile, concerns about the ability of the U.S. to destroy them with conventional weapons would also be greatly mitigated. Finally, if by 2015 China is able to have in place space-based sensors that can detect U.S. missile launches, Beijing’s concerns about being disarmed by a “bolt out of the blue” attack would be mitigated because it would have the ability to “launch on warning.”

THINKING ABOUT CHINA IN THE CONTEXT OF U.S. MISSILE DEFENSE

In attempting to discuss U.S. policy options toward China that make sense regarding missile defense in particular and a “strategic relationship” in general, I find it useful to parse the “threat” in the context of whose missiles missile defense is intended to defend against.

Clearly, the Administration does not intend to make an attempt to defend against a full-scale Russian attack, although a ballistic missile defense system would presumably be able to deal with an errant or accidental launch from Russia (something that cannot be ignored given the steady decline in Russian defense funds made available for maintenance, training and spare parts).

The President and all senior officials from the Department of State and the Department of Defense have been explicit that whatever missile defense system the United States ultimately fields, it will not be “thick” enough to totally “disarm” or neuter Russia’s ability to strike the United States with a ballistic missile. In this sense, the system is said to be “limited” because it will simply not have enough firepower to defeat the many hundreds of ballistic missiles the Russian Federation has at its disposal.
Further, the Administration has argued, with good reason in my judgment, that doing away with the ABM Treaty created no reason for Russia to worry because neither country saw the other as an enemy. In other words there was no reason for the United States to attempt to defend itself against Russian missiles because Russia is a friend. In my mind that means it is difficult to envision an issue in which the interests of both parties would be so important yet so diametrically opposed that the two countries could be brought to the point of military conflict. Just as the United States is not building missile defense to defend against British, French or Israeli missiles because they are friends and allies, there is no reason to defend against Russian missiles.

If the United States is not concerned about defending against Russia, Great Britain, France or Israel, who are the countries that have long-range missile programs and either weapons of mass destruction or the desire to obtain WMD? The three rogues—Iran, Iraq and North Korea—now connected as an axis of evil (soon, I predict, to be known “the AOE countries”)—along with India, Pakistan and China are the remaining possibilities.

Envisioning India as a state one needs to defend against seems farfetched at this time; it is difficult to imagine a plausible scenario that would bring New Delhi and Washington to the point of nuclear confrontation. It is also comforting that India’s nuclear strategy is oriented toward deterring China and Pakistan. Such a strategy does not require missiles with a range great enough to reach the United States. Therefore, India has neither the capability nor intent to want to target the United States. However, should India carry out plans to field ballistic missile submarines, this would present a capability that U.S. security officials could not ignore, unless by that time the overall U.S.-India relationship has grown much closer.

Today Pakistan has neither the capability or intention to threaten the United States with nuclear-tipped ballistic missiles. But, the possibility of a radical Islamic government that is virulently anti-U.S. coming to power in Islamabad and building upon the existing Pakistani missile and weapons program is a frighteningly plausible scenario. So while Pakistan is not a rogue, its political fragility means that a limited missile defense capability provides a reassuring hedge.

Finally then, what about China? Where does China fit in? My former colleague at CNA Corporation, Ambassador Linton Brooks, cleverly captured the conceptual difficulty that China presents to U.S. planners and the system architects alike. Should U.S. officials consider China a “small Russia” in missile defense planning—i.e., as an ICBM threat that the U.S. does not attempt to “capture,” thereby allowing China to continue to be able to hold a number of U.S. population centers at risk? Or should they consider China “a large rogue”
in terms of its nuclear arsenal, and design America’s missile defenses so they can defeat any Chinese ICBM attack?

Both the Clinton and Bush Administrations have said—repeatedly—that U.S. missile defense is not aimed at China. That means, implicitly, that the U.S. does not see China as an “enemy” to be defended against. This judgment is reinforced by the fact that President Bush spoke to both Moscow and Beijing following the decision to walk away from the ABM Treaty about creating a new strategic framework.

The problem is that despite declaratory policy, and even good intentions regarding China, any missile defense system that the U.S. fields that is able to cope with the “AOE countries,” or Pakistan, will inevitably, intended or not, impact China’s current small ICBM force. This “unintended” strategic impact has consequences because unlike the cases of Great Britain, France, Israel or India, it is possible to imagine an issue that would bring the United States and China into conflict. The issue is of course Taiwan. Both Washington and Beijing recognize this possibility very clearly—witness the military contingency planning going on in both capitals.

Since Beijing has pointedly not eschewed the use of force to achieve unification of Taiwan and China, and the United States has historically been willing to use force to prevent a militarily imposed unification, the plausibility of conflict remains reasonable until one or both of the parties is willing to change these long-held policies—a prospect that does not appear likely in the near term.

So while I don’t believe the United States is being disingenuous when it says missile defense is not “aimed” at Beijing, it is being disingenuous not to acknowledge that even a limited system will have some impact on China and that Taiwan is a potential flashpoint that could lead to a requirement to defend against Chinese ballistic missiles.

Beijing clearly understands this and worries that it could lose the ICBM “option” against the U.S. it currently possesses. Assuming that a missile defense system that works against ICBMs can eventually be fielded (this is not a foregone conclusion), one issue facing the United States is what impact, if any, building a missile defense against the AOE countries will have on the build-up of Chinese ICBMs.

Further, if the implication in the latest NIE is correct that China will increase the size of its force several-fold over the next dozen years, without regard to whether or not the U.S. fields a defense system, this takes one down a different policy path than if the build-up is assumed to be in response to missile defenses. The unclassified version of the NIE does not address this issue, and
since the Chinese have so far been unwilling to reveal their strategic force structure intentions, U.S. observers can only speculate.

Parenthetically, I must add, were I a Chinese strategic planner, I would not reveal my long range intentions until I had enough road-mobile systems deployed to assure survivability of a retaliatory capability. Recent U.S. scholarship has reminded Beijing that in the early 1960s, the U.S. debated whether to preemptively “take-out” its nascent nuclear program.

**IMPORTANCE OF TAIWAN**

It is difficult to overstate the importance of Taiwan to any calculation of strategic nuclear relations with China. All such calculations must consider the possibility of conflict with China over Taiwan, either because Taiwan rashly declares independence and the U.S. feels compelled to come to the aid of a small democracy and longtime “friend” (even if it was Taiwanese rashness that precipitated the crisis), or because China becomes tired of waiting and decides to act based upon its declaratory policy found in the February 2000 White Paper on Taiwan, and attacks Taiwan because the island hasn’t begun dialogue leading to reunification.

While both scenarios are plausible, the likelihood of one or the other actually taking place seems too remote to this author—because China has deterred Taiwan, and we have deterred China. But not so remote that prudent planning should not be taken to ensure that if the United States becomes embroiled in a shooting war with China, we have thought through all the implications of engaging in armed conflict with a country armed with nuclear weapons. The United States has never actually had to really do this because, happily, the Cold War with the Soviets never went hot. It is worth remembering that it did go hot with China, but that was before China had nuclear weapons.

One of the implications of conflict over Taiwan must be whether or not the United States should focus on defending against Chinese ballistic missiles. Certainly if conflict broke out with China over Taiwan and the U.S. had already fielded a missile defense system, such a system would be used to the extent of its capability to defend the United States from any Chinese missiles. The issue is not whether we would use any and all defenses if attacked—of course we would. The issue is what capabilities the country should strive to achieve vis-à-vis China’s ICBMs within the context of a plausible conflict over Taiwan. How one answers this question will help inform judgments on U.S. interests and U.S. policy choices.

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U.S. MISSILE DEFENSE PRIORITIES

Before turning to U.S. interests and policy options, an important point of context is provided in an early January 2002 DoD directive from Secretary of Defense Rumsfeld which provides specific guidance as to its missile defense priorities:

- First, to defend the United States, deployed forces, allies and friends.
- Second, to field a missile defense system that layers defenses to intercept ballistic missiles in all phases of their flight (i.e., boost phase, midcourse flight and terminal) against ballistic missiles of all ranges.
- Third, to field specific elements of the overall Ballistic Missile Defense System (BMDS) as soon as practicable. For example, deployment of Patriot PAC-3, as the first line of defense against short-range missiles, is under way.
- Fourth, to develop and test a full range of technologies, conduct an aggressive testing program and then field the most promising technologies as they become available. This is what some have called Secretary Rumsfeld’s “pharmaceutical” approach—i.e., to look at all possibilities and select the best as opposed to “putting all eggs into one basket” by making an early determination of just one approach.

To accomplish these priorities, the Defense Department is in the process of reorganizing itself to put one organization in charge. This new entity is to be called the Missile Defense Agency (MDA).

What is interesting about these priorities is the implied uncertainty over the size and nature of layered missile defense. It is also interesting that the defensive “requirement” is very broad—encompassing friends and allies.

ASSUMPTIONS THAT SHAPE U.S. POLICY CHOICES

Any discussion of U.S. interests or policy options in the context of missile defense and likely Chinese responses must start by acknowledging the work of Dr. Brad Roberts of the Institute of Defense Analyses in Alexandria, Virginia. He has done the pioneering work on this issue and his August 2001 monograph “China-U.S. Nuclear Relations: What relationship Best Serves U.S. Interests?” addresses many of these issues in greater depth and erudition than I have.

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I choose to make the following assumptions as a way to shape policy choices for the United States:

- The United States will invest considerable time and effort in attempting to realize a limited national missile defense system.

- The country will succeed, but the exact architecture and mix of defense systems is still unknown. The system will not be perfect. As Secretary Rumsfeld said before the Senate Appropriations Committee on September 5, 2001: “first let me say that there’s no missile defense system that is going to make us invulnerable... there is no weapons system or defense... that’s ever been perfect, that’s ever worked 100 percent of the time. That’s just not in the cards.”

- The Chinese will continue their strategic modernization and will, at a minimum, build to an ICBM force of between 100-125 no matter what the U.S. does regarding defenses. They will do this because this is a reasonably sized arsenal to deter the United States. For example, the Indians calculate that to deter China, they must be able to destroy 13 population centers. Because of reliability and other factors they judge a requirement of 6 ICBMs per target. Adding a 20-percent war reserve yields around 125 ICBMs. This provides a rough rule-of-thumb insight into Chinese calculus. If they want to hold around a dozen U.S. cities at risk, the numbers fall within the bounds of the IC assessment.

- The Chinese will grudgingly engage in generalized strategic dialogue with the United States, but they will not be willing to address the specifics of their long-range intentions and building goals until a number of road-mobile ICBMs are deployed and operationally ready. (Chinese vagueness will probably drive U.S. interlocutors to distraction).

- So long as reunification dialogue between Taiwan and the PRC has not commenced, the risk of conflict with China is real. U.S. planners have to take this possibility into account. I have no doubt that PRC planners already assume that the U.S. will militarily intervene if necessary.

- The U.S. has decided that the best course of action is to conceptually think about China as a “small Russia,” and not a “big” rogue. But that could
change depending on progress on proliferation and a whole host of other issues. The U.S. objective of a normal relationship characterized as “candid, constructive and cooperative” could become a more hostile or confrontational one. Of course, neither capital wants this, nor do any of America’s friends or allies in Asia. But it cannot be totally ruled out. If this does change, then it is likely that the U.S. would expand the focus of missile defenses to include a Chinese threat. Whether this would be possible is difficult to predict given the uncertainty surrounding the ultimate architecture of missile defenses.

- The PRC is serious when it says it will not be subject once again to nuclear blackmail. I take this view with a grain of salt, however, because in truth it ought to be caveated with the phrase, “if we can do anything about it.” Today, China finds it possible to live under the shadow of overwhelming U.S. nuclear superiority (so overwhelming, in fact, that a totally disarming U.S. first strike is conceptually feasible) without adverse impact on its modernization and economic development.

- The U.S has lived under the threat of a Chinese nuclear attack for some time now and that has apparently not affected our policy choices and actions with regard to Taiwan. Our ability to massively retaliate has apparently permitted U.S. policy makers to react to China and Taiwan in an unconstrained fashion.

**POLICY APPROACHES**

Because so much of this issue is surrounded by uncertainty, it would be foolish to propose lines of policy that go beyond the offer by the United States to engage in dialogue with Beijing on the topic of missile defense and the nuclear strategic relationship between the two countries. Dialogue will inevitably mean shedding light on Beijing’s long-term plans for the modernization of its ICBM force. This means becoming transparent in an area in which China has deliberately maintained secrecy and circumspection. But, this will not come quickly and Beijing will proceed to slowly field its more survivable modernized ICBM force, while the U.S. will continue to test and experiment as it moves toward defining the most effective combination of systems that will comprise the “layered” national missile defense system.

How the strategic dialogue with the Russians plays out will have a big impact on the dialogue with Beijing, because one of the central Russian concerns is how to assure that a “limited” U.S. missile defense system remains
“limited.” How Washington and Moscow work this out—if they can work it out at all—will have a major impact on long-range Chinese thinking. If Beijing can be assured that a “verifiable cap” is in place that limits U.S. defensive firepower to a predicable level, then it will be able to reach judgments about the adequacy of its retaliatory force. At this point both sides would be able to formally codify the strategic relationship. I hasten to add that this is a long way off.

Finally, it is important to note that there is one more wild card in this deck of uncertainty: North Korea. I have made the point throughout that China has very little leverage with Washington on this issue. It is important to note that Beijing does have one bit of leverage—its proximity to and influence in Pyongyang. Were Beijing to persuade North Korea to verifiably forgo the development of nuclear weapons and ICBMs, this could have a major impact in Washington, particularly if fielding an effective system proves to be very difficult and inordinately expensive.

Without the possibility of a North Korean ICBM threat, the political consensus in the United States that favors a limited national system could easily weaken, or totally unravel. Missile defense legislation could be repealed. Absent the North Korean problem, Iraq and Iran remain the only likely “rogue” threats, and Iraq as we know it today may not be with us long either. In these cases the location and capabilities of a limited national system would probably have to be oriented in such a way that it would be physically impossible to capture all of China’s ICBMs.

Let the dialogue begin.