

Terrorism, Taiwan Elections, and Tattered Treaties:  
PRC Security Politics From September 11 Through Year's End

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This essay addresses three important issues in Beijing's security policy since early September. First, and most obvious, is the September 11 attack on America and the newfound spirit of U.S.-China cooperation that arose from that atrocious event. Second are trends in the mainland's relations with Taiwan in the weeks surrounding the December 2001 Legislative Yuan elections, in which President Chen Shui-bian's Party, the DPP, did surprisingly well despite the economic recession on Taiwan. Third are arms control issues surrounding President Bush's announcement of Washington's impending unilateral withdrawal from the ABM Treaty.

*Beijing's Decision to Cooperate with the U.S.-led Campaign on Terror*

The September 11 attack on America and the U.S. response to that attack affected just about everything in international security politics. China's foreign relations were certainly no exception.

The initial signals out of Beijing following the attack suggested to some observers that Beijing might offer only limited and very conditional support for an American counter-terrorism campaign. For example, Foreign Ministry spokespeople emphasized the need for UN approval of any American response to terrorism.<sup>2</sup> To some, this suggested either that the shock of the attacks had left the Chinese Communist Party (CCP) paralyzed and unable to take any positive initiative, or, alternately, and worse still, that China was placing conditions on cooperation in order to win a *quid pro quo* on U.S. policy toward Taiwan and other issues. In other words, some feared that China was seeking to exploit American tragedy and vulnerability to exact diplomatic gains from Washington.

But one week after the attack, the PRC already seemed much more forthcoming and cooperative. By all accounts, the visit of Foreign Minister Tang Jiaxuan to Washington in late September was a great success. China seemed willing to help in the U.S.-led effort against terrorism, at least as it applied to the destruction of Al Qaeda and the destruction of the Taliban regime in Afghanistan. Secretary of State Powell emphasized that there was no *quid pro quo* offered to or requested by Beijing in return for its cooperation on terrorism.<sup>3</sup> And during his trip to Shanghai for the APEC summit, President Bush emphasized that President Jiang's support for the United States had been immediate and forthright.<sup>4</sup> This statement seemed directly aimed at those who had seen initial Chinese foot-dragging in the days after the attack.

For understandable reasons, the details of Chinese cooperation in the war on terrorism are classified. But from speaking to knowledgeable government officials and well-connected

former officials, it appears that China has been forthcoming in intelligence sharing, crackdowns on terrorist financial networks, and, most of all, diplomacy.<sup>5</sup> China is the most influential country in Pakistan, and Pakistani support for the American effort was critical to the success of the Afghanistan campaign. China offered political and even limited financial support for Pakistan's President Musharraf, who many feared could face popular overthrow for his support of foreign assault on an Islamic nation.<sup>6</sup> China also actively supported a UN Resolution condemning the September 11 attacks and justifying a vigorous international response to them. At a minimum, China did not oppose American basing in the Central Asian republics, with whom China has forged closer relations in the Shanghai Cooperation Organization. And, although the evidence is very scanty, China may have gone so far as to supply some logistical support for Northern Alliance forces opposing the Taliban and Al Qaeda.<sup>7</sup>

### *Reasons to Expect PRC Cooperation*

China has had its own reasons to cooperate in American efforts to bring down Osama Bin-laden's Al Qaeda organization. As argued in my previous *Monitor* analysis, Chinese security policy starts with issues of regime security and protection of national integrity. China is a diverse and multi-ethnic nation (some would call it an empire). As such, it struggles against militant Islamic separatists in its northwest Xinjiang province. The PRC has suffered terrorist attacks of its own, both in Xinjiang and in Beijing. Some militant members of the "East Turkestan Independence Movement" in Xinjiang have apparently been trained and supported by radical Islamic elements in Afghanistan, including Al Qaeda.<sup>8</sup> In typical fashion, Beijing's public claims likely exaggerate the number of Uighurs trained by Al Qaeda. One report claims that Osama Bin-laden's organization trained a thousand Uighur terrorists from China.<sup>9</sup> This seems unlikely simply because of resource limitations and the relatively low priority that attacks on the PRC must hold for Al Qaeda in comparison to other targets, such as Russian forces in Chechnya, American forces in the Persian Gulf and Mid-East, Indian forces in Kashmir, and Arab and Central Asian regimes opposing Al Qaeda and the Taliban.

There is little reason to doubt the Chinese claim that militants linked to international terrorists operate in the northwest areas of the PRC and elsewhere. But Beijing has predictably used the September 11 attacks as an occasion to increase pressure, arrests, and executions aimed at all "separatists" in Xinjiang. It is not at all clear that these detainees are directly linked to international or domestic terrorism.<sup>10</sup> In fact, Beijing has tried to lump with the terrorists all groups who are actually or even potentially a threat to regime stability, such as the Falun Gong movement, a group that can hardly be equated with hijackers and suicide bombers.<sup>11</sup>

Chinese elites saw the September 11 event as an opportunity to patch up relations with the United States. Since the April 2001 EP-3 affair, China has seemed eager to find ways to avoid further short-term damage to the relationship with the Bush Administration. This was particularly true in the period leading up to President Bush's visit to Shanghai for the APEC summit.<sup>12</sup> By almost all measures, the President's truncated trip to China in October was successful. Nevertheless, there were still some significant blemishes on the summit. President

Bush and President Jiang Zemin did not seem to have the personal chemistry that President Bush seems to have with Russia's President Putin. It is also true that the Bush-Putin meeting in Shanghai was given higher prominence in the U.S. press than the Bush-Jiang meeting. Finally, while it appeared that President Bush and President Putin were nearing an accord on important strategic issues, President Bush did fail to achieve his major concrete objective in Shanghai, an agreement with Beijing to curtail missile technology proliferation.<sup>13</sup> But the fact that President Bush traveled at all to China at a time of national emergency was a major accomplishment for Beijing. In addition, Shanghai provided a great showcase to the world for China's accomplishments since 1978.

Another reason for PRC cooperation with the United States in the anti-terror campaign is less widely discussed. China would have to be greatly concerned about the economic impact on the United States of a failed campaign against terror. The per annum growth of Chinese exports had already dropped from nearly twenty-eight percent in 2000 to about seven percent in the months before the September 11 atrocities.<sup>14</sup> For reasons outlined in my previous *Monitor* analysis, few things are as essential to CCP regime security as a healthy U.S. economy and global economy in providing export markets and sources of capital investment. Given the dangers that an American or global recession poses to the CCP, Beijing will try to avoid additional security headaches for itself and the United States, if possible. The connection between economics and security and the international terrorist threat and the world economy have been noted at high levels in Beijing. For example, in December Foreign Minister Tang Jiaxuan placed central importance on the slowdown in the American and world economies as factors that threaten global stability and progress. He also stated his opinion that the terror attacks and their aftermath have created a major obstacle to U.S. economic recovery.<sup>15</sup>

A final factor driving China's cooperation with the United States in the anti-terror campaign is that China wants to be a respected great power. Chinese nationalism is often equated with shrill condemnation of American "hegemonism" and the creation of coercive military capacity. But there are other, softer sides to Chinese nationalism. China is eager not to be excluded from any global coalition that includes all of the other great powers in the world. Since Russia was cooperating actively with the United States as the latter prepared for an assault on Afghanistan, China had little choice but to maintain a similar posture. China would be isolated in the world community if it were to refuse American appeals for cooperation, and it would be the only great power not on board the global coalition. Such isolation and loss of face would have both international and domestic repercussions for Beijing's effort to portray itself and China as a whole as responsible and respected international actors.

One Chinese interlocutor told me that many liberal-minded younger Chinese believe that Putin outsmarted PRC leaders by sensing the changing winds after September 11 more quickly than they did and by adopting a more proactive and imaginative role for Russia than Jiang Zemin did for China. The scholar's point seemed to be that, whereas Beijing had not done anything demonstrably harmful in its policy toward the anti-terror campaign, it missed opportunities to do something innovative and appreciably constructive. The scholar's position was that, on the one

hand, domestic legitimacy problems prevented too harsh of a reaction toward American military activity in Central Asia. But, on the other hand, the same domestic concerns rendered the CCP elites too conservative to make China a more influential and prominent player in the campaign, especially in the days just after September 11.<sup>16</sup>

The scholar may have a point. If one looks at the testimony to Congress of Assistant Secretary of State Elizabeth Jones in mid-December, the Bush Administration emphasizes the cooperative and influential role of Russia in Central Asia, whereas China is apparently only mentioned in her testimony as an afterthought. This must be particularly irksome in Beijing, given Beijing's efforts since the mid-1990s to build influence in Central Asia through border negotiations, confidence building measures, and new organizations like the Shanghai Five (now the Shanghai Cooperative Organization).<sup>17</sup> And, for reasons discussed below, American "promises" to stay engaged in Central Asia after the war in Afghanistan, conveyed by Jones and others, will be taken more as American threats to project power there by many realpolitik thinkers in Beijing.<sup>18</sup>

One final factor that helps explain China's continuing cooperation with the counter-terrorism campaign is the optimistic take that many in Beijing had about trends in relations across the Taiwan Strait in the months leading up to the December 2001 Taiwan legislative elections. When China is confident about Taiwan, it views with much less alarm factors that suggest potential U.S. encirclement of China. Those otherwise potentially troubling factors for elites in Beijing were plentiful in the weeks after September 11. These included improved U.S.-India ties, improved U.S.-Pakistani ties, the unprecedented acceptance of rear area support roles for the Japanese navy in the Indian Ocean during the war, the tight cooperation between Russia and the United States, and the deployment of American forces in Central Asia. Without the degree of confidence that China had on the Taiwan issue, China might have viewed the policies of the United States and its allies with great concern following September 11.

In early 2001 my interlocutors in Beijing expressed confidence that a combination of three factors would prevent Taiwan independence and lead Taiwan to accept China's prerequisites regarding the "one China" principle. Those factors are: 1) the political weakness of President Chen Shui-bian (of the traditionally pro-independence DPP); 2) the weakness of the Taiwan economy in comparison to the growing mainland economy; and 3) Taiwan's growing economic dependence on the mainland, manifested not only in tens of billions of dollars in trade and investment, but also in hundreds of thousands of Taiwan citizens setting up residence on the mainland. These factors, Beijing analysts believed, would either lead to the further weakening of the DPP, the moderation of its stance on cross-Strait relations and the return to negotiations on mainland's terms, or, preferably, both. For reasons discussed below, the December 2001 Legislative Yuan election results would seemingly run against this optimistic scenario for cross-Strait rapprochement. But especially before the election, confidence was high that time was on the mainland's side and that non-military methods could bring Taiwan back into the fold down the road.

Finally, China is in the very early phases of a truly significant military build-up (China's official defense budget increased by eighteen percent in real terms last year and by about twelve percent the previous year).<sup>19</sup> It will take time for the PLA to make operational its new doctrines and to absorb new weapons systems produced at home and, more often, purchased abroad. This lack of readiness meant that even if China were so inclined, it is not yet fully prepared to exploit American distraction by coercing Taiwan into unification talks while American forces are tied down in the Indian Ocean and Persian Gulf.

*Potential Roadblocks to Long-term PRC Cooperation with the United States*

Short-term cooperation for a campaign against Afghanistan might not foster long-term U.S.-PRC cooperation in a broader anti-terror campaign. U.S.-China cooperation in destroying Osama Bin-Laden's Afghanistan base of operations set a new, positive tone in U.S.-China relations for the foreseeable future. And while it may have made China a bit nervous, Beijing should not have been surprised or overly disappointed that the United States went further, routed the Taliban, and overthrew the regime in Kabul. However, Beijing's cooperation with the United States might be severely tested in a longer and broader anti-terrorist campaign targeting other sovereign states and sub-national actors around the globe who harbor, finance, and provide intelligence for terrorist cells.

There is a real danger of significant fallout in U.S.-China relations if the cooperative framework breaks down during a longer campaign in new areas. The tone of President Bush's speech to the September 20 joint-session of Congress reflected the strong emotions in the United States about the importance of success in a broader struggle. In such an atmosphere even PRC fence-sitting (e.g. the Gulf War), let alone PRC support for American enemies (e.g. the Kosovo operation), would be much more damaging to U.S.-China relations than it has been in the past.

Unfortunately, cooperation will likely not be very easy to maintain. China will be increasingly nervous about the several aspects of a broader U.S.-led campaign. These include: active U.S. military cooperation with India; a revitalized U.S.-Japan alliance along the lines suggested by Prime Minister Koizumi after the September 11 attack; the intentional effort to attack and domestically destabilize states other than the Taliban; and the fear, however justified, that the United States will use the campaign to create a string of permanent military relationships or bases on China's periphery. All of these fears would be exacerbated if, as seems likely in some cases, the United States appeared less than forthcoming in providing the classified intelligence linking geographically dispersed political and economic targets to actual terrorist networks or weapons programs threatening the United States.<sup>20</sup> And as they have in the past, Beijing's fears of encirclement are likely to play into attitudes in Beijing about Taiwan and about the prospect for eventual peaceful unification.

Another source of potential frustration in Beijing may be disappointment about the benefits for the PRC of cooperation with the United States. Explicit links between anti-

terrorism, separatism, and the Taiwan issue were quickly dropped by Beijing elites after September 11. Although it has been denied publicly in both Washington and Beijing, Chinese elites might expect an implicit *quid pro quo* for its assistance to the United States in the form of reduced political and military support for Taipei.<sup>21</sup> If that were indeed to be the case, Beijing will likely be very disappointed. There is no indication that China has any intention of slowing down its military build-up opposite Taiwan, and there is every indication that such a build-up will lead to additional U.S. weapons sales to Taiwan in the future. In fact, Chinese security analysts reportedly expressed dismay in recent weeks over media reports that the United States actually has every intention of transferring diesel submarines to Taiwan despite the production difficulties for an American ship-building industry that has long stopped producing them.<sup>22</sup> In addition to new weapons sales, we will likely also witness closer coordination between the ROC military and the American military. Such coordination will assist Taiwan as it struggles to absorb new technologies and will facilitate coordination and prevent friendly fire accidents in increasingly complex military scenarios in and around the Taiwan Strait. And none of these trends will be smiled upon in Beijing, particularly if it had expected cooperation in the counter-terrorism campaign to foster improved U.S.-China relations on the Taiwan issue.

One last issue to track on this score is Chinese proliferation of missile technology and other weapons-related technology abroad. Beijing has a long tradition of attempting to link its own cooperation with the United States on proliferation issues with American policy on Taiwan arms sales. For example, in the late 1990s, the issue of Chinese sales of anti-ship missiles to Iran were often linked implicitly or explicitly by Chinese security analysts to U.S. arms sales to Taiwan. As a tit-for-tat punishment for American arms sales to Taiwan or Israeli 2000 decision to cancel a U.S. \$ 2.5 billion sale of advanced warning aircraft technology to China, Beijing might transfer militarily useful items to countries like Iran, Iraq, or Syria.<sup>23</sup> Beijing can even raise an argument of plausible deniability by claiming that rogue bureaucrats may have transferred the goods without the top leadership's knowledge. In the past, such sales were only an irritant in bilateral relations, albeit a significant one, because the likelihood that the Chinese transfers would affect actual U.S. military operations was relatively small. After September 11, the American government's and the American public's reaction to such transfers would likely be much harsher, especially as the U.S. war on terrorism moves away from Afghanistan. And anger over Chinese transfers will probably not be limited to the transfer of military items proscribed by previous bilateral or multilateral agreements. Any weapons transfers to any potential U.S. enemy in the war on terror will likely cause a harsh reaction in the United States.

### *The December 2001 Taiwan Elections*

As I argued in my previous *Monitor* analysis, one of the most important issues in Chinese security politics is Beijing's estimation of long-term political and military trends in the mainland's relations with Taiwan. A key element of Beijing's attitudes about those trends is Chinese security analysts' estimation of political trends on Taiwan. I am writing this article just two weeks after the elections, and so it is too early to tell what the long-term impact will be. But one thing is certain. The election results will call into question the theory widely held in

Beijing in early 2001 that economic trends on Taiwan and across the Strait would damage President Chen's and his party's future prospects and would strengthen the hands of pro-unification forces on the island. Even the most positive spin on the results of the election cannot support this theory. As one leading mainland scholar put it, many people in Beijing had to do self-criticisms at policy meetings for predicting election outcomes that were more in tune with Beijing's wishes.<sup>24</sup>

During the quarter before the election, Taiwan suffered its deepest recession and highest unemployment rate in decades. Exports dropped forty percent in September alone after the terrorist attacks.<sup>25</sup> Meanwhile, Taiwan's dependence on the mainland grew. China's share of Taiwan's export and foreign investment markets grew to unprecedented levels, and former stalwart hold-outs against mainland production bases, like computer chip giant Morris Chang, changed their tune and decided to invest in PRC plants.<sup>26</sup> Moreover, Taiwan's recent acceptance into the WTO foreshadows only further deepening of these trends.

Despite all of these economic trends, the elections provided a major boost to the DPP and a shattering blow to the more unification-oriented KMT. The DPP gained seventeen seats in the election for a total of eighty-seven seats of the 225 seats in the Legislature. In addition, the newly formed Party of former President and now KMT-exile Lee Teng-hui, the Taiwan Solidarity Union, won thirteen seats. From Beijing's perspective, pro-independence forces of varying degrees of zealotry now occupy 100 seats, and the trend lines suggest that a majority is not out of the question in the future. Also, negative from Beijing's perspective was the crushing of the KMT. Members of that party had apparently been fueling Beijing's confidence about trends in Taiwan politics by visiting the mainland and promising better cross-Straits relations once they had improved their position vis-a-vis the DPP.<sup>27</sup> The KMT dropped from 123 seats in 1998 to sixty-eight seats in 2001. A final piece of bad news for Beijing was the devastating results for the New Party, the only Party to explicitly advocate reunification, which held on to only one seat. On the positive side from Beijing's perspective, the relatively accommodationist People's First Party under former KMT member James Soong won an impressive forty-six seats.<sup>28</sup>

One can come up with a less dire analysis from Beijing's perspective. The percentages of popular votes held by so-called "green parties" (more independence-minded parties like the DPP and TSU) and "blue parties" (more unification minded parties like the KMT, PFP, and NP) remained about the same as in the previous few years, with both groups holding around forty percent of the popular vote.<sup>29</sup> But it is important to note that this means only that nothing has changed in the popular vote percentages on Taiwan. According to the economy-based theory prevalent on the mainland earlier in the year, economic trends, particularly in the last quarter, should certainly have hurt the Green Parties and helped the Blue Parties. This trend was supposed to make Taiwan more willing to accept a return to the alleged "1992 consensus" in which, according to Beijing, both sides accepted that there is one China but agreed to disagree on what that meant. Eventually, growing economic interdependence was also supposed to lead to Taiwan's acceptance of the "one country, two systems" formula. It is fairly

clear, however, that despite the most desirable conditions imaginable for these predictions, no such trend emerged. Instead a headline in the official *Taipei Journal* announced loudly “Voters reject ‘one country, two systems’ formula.”<sup>30</sup>

Despite these results, nobody who follows basic trends in Taiwan politics has reason to expect a Taiwan declaration of independence anytime soon. It is also extremely doubtful that anyone on the mainland worries about such a near-term outcome, given Chen Shui-bian’s caution, the clear public rejection of independence as an option, and the very real economic leverage that the mainland indeed has over Taiwan. But this election will certainly temper (but not necessarily eliminate) optimism on the mainland that economic trends alone will bring Taiwan around to Beijing’s position over the longer run. Several mainland experts have expressed such disappointment.<sup>31</sup> Moreover, Beijing’s pessimism of early 2000 about long-term trends in cross-Straits relations might return if other factors emerge, such as tensions with the United States over arms sales to Taiwan and regional alliance policies reemerge in later phases of the war on terrorism. Such revived pessimism could have dangerous implications for military stability over the next decade. These fears will only be exacerbated by social, cultural and political activities in Taiwan designed to enhance a sense of “Taiwan identity,” such as the December decision to add the word “Taiwan” to ROC Passports.<sup>32</sup>

#### *U.S. Withdrawal from the ABM Treaty*

One last event of notable importance in Beijing’s security relations is the December 13 notification by President Bush that the United States would unilaterally withdraw from the ABM Treaty in six months in order to pursue a vigorous testing program for a national missile defense (NMD) system. This represented a failure, at least in public diplomacy, to reach an agreement with Russia on revising the treaty to allow for the testing.

Chinese security analysts have several reasons to pay close attention to this issue. First, China has a small arsenal of about twenty aging intercontinental missiles, and so a limited missile defense would pose a much greater challenge to China’s deterrent than it would to Russia’s arsenal of thousands of deliverable warheads. Second, a robust national missile defense system could be linked with the current upper-tier theater missile defense system being developed with Japan and other allies, with potential implications down the road for Taiwan as well.<sup>33</sup> Third, if President Bush were able to reach an agreement on revising the ABM Treaty with President Putin, it would likely make Beijing analysts nervous about the degree of Russia’s tilt toward the West since September 11. One must keep in mind that Russia still supplies most of China’s most advanced military technology.

On all scores but the third, the consequences of President Bush’s December 13 decision were negative from Beijing’s perspective. President Putin lost the ability to slow down the American NMD system. But at least he objected and criticized the American decision. Nevertheless, his reaction was hardly vitriolic, and U.S.-Russian cooperative relations still seem basically on track. Chinese responses to events surrounding U.S. ABM withdrawal have



varied. Almost all articles in the Chinese press seem to argue that the ABM Treaty was a “cornerstone” (*jishi*) of global arms control, even though it was a bilateral treaty signed between the United States and the now defunct Soviet Union. Although they do not explain the dynamics, the articles also claim that President Bush’s decision might spark a new arms race.<sup>34</sup> Many Chinese analysts see the American decision as destabilizing because it demonstrates American “hegemonic” intentions and “unilateralism.”<sup>35</sup> Another issue discussed in the articles is the Russian reaction. PRC coverage of the Russian response to the Bush Administration’s decision varies greatly. For example, while one author seems to recognize that the Russian reaction has been restrained, another adopts the tone of cheerleading for Russian anger.<sup>36</sup> Without offering evidence to back up the claim, the latter author states that the Russians are very angry and have every reason to be, as they have been so badly treated by the Americans.<sup>37</sup>

It seems probable that Chinese security analysts are upset about the decision of the Bush Administration, but not surprised by it. If the past is any guide, their major concerns likely focus on three aspects of the American decision. First, how soon will the United States deploy an effective NMD system and just how effective will it be? Second, what does the decision to pursue NMD vigorously say about long-term American grand strategy and what does this mean for U.S. policies toward issue of vital interest to Beijing, such as Taiwan? Finally, what does the Russian reaction mean for China’s ability to enlist Russia as a limited partner in its effort to fend off American “hegemony” and for China’s ability to depend on Russia as a future supplier of advanced weapons systems?

Beijing elites will worry about China’s ability to maintain a second-strike capability and the potential political and military implications of a failure to do so for crisis management and conflict escalation over an issue like Taiwan. Beijing values its nuclear deterrent not only to prevent a nuclear first strike by the United States, but also as a factor that might make the United States more cautious with its conventional weapons in and around the Chinese coast. A second concern will be about American unilateralism, reflected in the push to create a system that is effective regardless of the diplomatic fallout. If technological requirements of NMD were totally to override diplomatic concerns, then Taiwan could become a forward base for a global NMD and regional TMD system, providing early tracking of Chinese missile launches and, thereby, contributing to American capabilities for both boost-phase and mid-course intercept of ballistic missiles. This would have not only military consequences for China, but also political consequences for cross-Straits relations. Under those circumstances, Taiwan would likely be viewed in Beijing as an American ally against the mainland. Thirdly, Beijing will worry about its ability to maintain partners in a loose concert of states working to constrain American dominance in global security affairs. As a major weapons supplier to China and the only other great power candidate for such a potential concert, Beijing will watch Russian reactions to changes in U.S. policy on arms control very carefully.

China is unlikely to accelerate its nuclear weapons development program greatly simply because of the American ABM decision. There are a few reasons why. First, whether or not

the United States pursues NMD, China will be modernizing its strategic deterrent by building more modern, solid-fueled, and mobile ICBMs (e.g. the DF-31 and DF-41) in order to maintain a second-strike capability. This is true simply because China's current small force of liquid-fueled missiles is already vulnerable to an American first strike. With advancements in U.S. conventional strike weapons, Chinese security analysts must now also worry about the potential for a conventional U.S. first strike against Chinese nuclear weapons. U.S. NMD may increase the pace of PRC nuclear weapons modernization, however. But there will be financial and technical limits to this modernization. (The timing of this acceleration may also be spread out over many years, and so it will be even more difficult to discern. Deployment of effective U.S. defenses, at a minimum, will not occur for many years, and so China need not hurry on this score). What is more likely in the short term is increased consultation with Russia regarding the deployment of decoys on existing and new missiles so as to confuse and foil future U.S. defenses.

Where active U.S. pursuit of NMD may have the most important impact on Beijing's security policy is in its degree of patience on the Taiwan issue. U.S. progress on NMD will likely affect China's degree of optimism about the mainland's long-term ability to gain minimally acceptable concessions from Taiwan. It will be one factor among many in such calculations, along with regional TMD development, U.S. political and military relations with Taiwan more generally, trends in domestic Taiwan politics and society, cross-Strait economic trends, and the evolution of American alliance policies in the region. If Beijing continues to fail to get political concessions from Taiwan, Beijing elites will continue to worry about the prospect of eventual Taiwan independence and will be more likely to resort to force to compel Taiwan back into the fold.

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<sup>1</sup>The author would like to thank Michael Glosny for expert research assistance.

<sup>2</sup>Initial statements on September 12 predicated any actions on United Nations approval, for example, seemed to suggest that China might attempt to be an obstacle to U.S. freedom of action. See Jeremy Page, "China Offers to Join Global War on Terrorism," Reuters, September 13, 2001, <http://taiwansecurityresearch.org/Reu/2001/Reuters-091301.htm>. For an almost cautionary initial official statement, see "AFP: Senior PRC Military Official Urges Restraint in Reaction to US Attacks," Agence France-Presse, September 12, 2001, in Foreign Broadcast Information Service *Daily Report* (hereafter FBIS), September 12, 2001, document number CPP200109120000066.

<sup>3</sup>Charles Snyder, "Powell Assures Taipei There's No Deal With China," *Taipei Times*, September 23, 2001.

<sup>4</sup>For a recap of the summit, see Michael Vatikiotis, et al., "Terror Throws Us Together, For Now," *Far Eastern Economic Review*, November 1, 2001, pp. 36-40.

<sup>5</sup>Off-the-record discussions in October and November with current and former U.S. officials. As one well-connected interlocutor put it, there are four ways that China could have helped the United States: diplomatically; in intelligence gathering and sharing; through financial tracking and controls; and militarily. He suggested that China has been almost surprisingly forthcoming on the first three scores, but not on the fourth, though no one expected or even requested any direct military involvement by China in Afghanistan.

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<sup>6</sup>On October 1 a Xinhua report stated that Jiang Zemin had pledged ten million RMB to President Musharraf during a phone conversation. Xinhua, October 1, 2001, at <http://www.pladaily.com.cn>, October 1, 2001.

<sup>7</sup>In an off-the-record discussion, one expert American analyst of the PLA noted that media photos of Northern Alliance soldiers in new battle fatigues showed uniforms that looked very much like those used by the PLA.

<sup>8</sup>Phillip P. Pan and John Pomfret, "Bin Laden's Chinese Connection," *Washington Post*, November 10, 2001, p. A20. "Chinese FM Tang Eyes Afghan War, Terrorism, Ties with U.S., Japan, Vatican, Italy," *La Stampa*, FBIS, November 24, 2001, document number EUP200011126000152.

<sup>9</sup>"Unveiling the Terrorist Nature of 'East Tujue' Elements," *People's Daily* on-line (English), November 16, 2001, [http://english.peopledaily.com.cn/200111/16/eng20011116\\_84569.shtml#](http://english.peopledaily.com.cn/200111/16/eng20011116_84569.shtml#).

<sup>10</sup>Elisabeth Rosenthal, "U.N. Official Fears China Uses Terror War as Front for Abuses," *New York Times*, November 10, 2001.

<sup>11</sup>Vivien Pik-kwan Chan, "Falun Gong a Terrorist Operation, says Beijing," *South China Morning Post*, December 14, 2001.

<sup>12</sup>Perhaps the most startling example of this new spirit of cooperation can be found in a truly rosy Liberation Army Daily article on October 18. See Ren Xiangqun, "Zhongmei guanxi jiankang fazhan de xin dongli: Zhong Mei shounaohui de zhongyao yiyi he yingxiang" [The New Impetus in the Healthy Development of Sino-American Relations: The Important Meaning and Influence of the Sino-American Summit], *Jiefangjun Bao*, October 18, 2001.

<sup>13</sup>Craig Smith, "Jovial Bush and Jiang Mask Lack of Progress," *International Herald Tribune*, October 22, 2001, p. 6; and Phillip P. Pan and Mike Allen, "U.S., China Agree on Little But Need to Fight Terrorism," *Washington Post*, October 20, 2001.

<sup>14</sup>"PRC Experts View Impact on U.S. Terror Attacks on US Economy," *China Daily*, September 18, 2001, FBIS, September 19, 2001, document number CPP20010919000012.

<sup>15</sup> "PRC Foreign Minister Tang Interviewed by RMRB on World Situation," *Renmin Ribao* (Internet Version-WWW, in English), December 17, 2001, FBIS, December 17, 2001, document number CPP20011217000111. See also "Central Bank Reveals '9/11 Incident' Impact on PRC Economy," *Renmin Ribao* (Internet Version-WWW in English), October 30, 2001, FBIS, October 30, 2001, document number CPP20011030000077.

<sup>16</sup>Interview with Chinese scholar in the United States, November 2001.

<sup>17</sup>See "US pledges not to abandon Central Asia after Afghan war," *Interfax-Kazakhstan*, December 19, 2001, FBIS, December 19, 2001, document number CEP20011219000233.

<sup>18</sup>For an unusually vitriolic article on this score from a PLA -connected Hong Kong magazine, see "Bush Acts with Hidden Motives in Central Asia: U.S. Military Presence in Central Asia Aimed at China., Not Bin-Laden," *Kuang Chiao Ching* [Wide Angle], No. 349 (October 16, 2001): 20-22, in FBIS, October 16, 2001, document number CPP2001110160000087.

<sup>19</sup>See my previous article in the *China Leadership Monitor*.

<sup>20</sup>"China Opposes Attacks on Iraq Without Concrete Evidence," Beijing, November 11, 2001, in NAPSNET Daily Report, Monday December 3, 2001 at <http://nautilus.org/napsnet/dr/0112/DEC03.html>.

<sup>21</sup>“Think Tank Says China To Not Oppose US Action; To Expect ‘Favors’ in Return,” Agence France Presse, September 17, 2001, in FBIS, September 17, 2001, document number CPP20010917000104.

<sup>22</sup>“Seven Shipbuilders express interest in constructing subs,” *Taipei Times*, November 19, 2001 at <http://www.taipetimes.com/news/2001/11/19/story/0000112156>; and Andrew Koch, “USA seeks help to deliver Taiwan sub promise,” *Jane’s Defense Weekly*, November 21, 2001.

<sup>23</sup>Abraham Rabinovich, “China Asks \$2 Billion For Phalcon Rescission,” *Washington Times*, December 18, 2001, p.11.

<sup>24</sup> Off-the-record conversation with PRC scholar, December 2001.

<sup>25</sup>“Taiwan Exports, Imports Down More than 40% in September,” Kyodo, October 8, 2001, in FBIS, October 8, 2001, document number JPP20011008000092.; also see “CNA: Taiwan’s Jobless rate Hits Record High of 5.26% in September,” Central News Agency, October 23, 2001, in FBIS, October 23, 2001, document number CPP2001023000106; and “CNA: Taiwan Predicted to Have Negative 1.49% Economic Growth This Year,” Central News Agency, November 16, 2001, in FBIS, November 16, 2001, document number CPP20011118000089.

<sup>26</sup>Maureen Pao, “Tied to China’s Dragon,” *Far Eastern Economic Review*, September 6, 2001, pp. 28-29; and Bruce Gilley and Maureen Pao, “China-Taiwan: Defences Weaken,” *Far Eastern Economic Review*, October 4, 2001, pp. 41-45; and “CNA: Taiwan’s Exports to M’land as Ratio of Total Exports Hits New High,” Central News Agency, November 27, 2001, in FBIS, November 11, 2001, document number CPP20011127000069.

<sup>27</sup>Interviews in Beijing in January 2001.

<sup>28</sup>Myra Lu, “Voters Give Ruling Party Legislative Advantage,” *Taipei Journal*, December 7, 2001, pp. 1-2.

<sup>29</sup>Ibid.

<sup>30</sup>Ibid, p. 2. The article states that “most scholars agree that the election are a wake-up call for Beijing.” Ironically, the flight of large numbers of Taiwan residents to mainland locations like Shanghai may have hurt the “blue parties”—presuming the majority of them are relatively pro-unification—since Taiwan electoral law does not allow for absentee ballots. For continuing PRC demands regarding the “1992 consensus,” see “Beijing’s Taiwan Affairs Office Calls For Cross-Strait Dialogue,” *China Daily*, December 17, 2001, in FBIS, December 17, 2001, document number CPP20011217000009.

<sup>31</sup> See, for example, “CNA: PRC Analysts Say DPP Victory May Force Beijing to Rethink Taiwan Policy,” Central News Agency, December 3, 2001, in FBIS December 3, 2001, document number CPP20011203000119; and “CNA: Mainland Chinese Scholars See Changes After Taiwan Elections,” FBIS, document number CPP20011202000020.

<sup>32</sup>“AFP: Taiwan to Introduce New passport,” Agence France-Presse, December 12, 2001, in FBIS, December 15, 2001, document number CPP2001215000049.

<sup>33</sup>For an example of PRC concerns about Japan, see “Chinese Expert Voices Concern,” *Renmin Wang*, FBIS, November 2, 2001, document number CPP20011102000049; and the article from *China Daily*’s opinion page on November 1, entitled “Military Ambition is Behind Anti-Terrorism Help.”

<sup>34</sup>Ray Cheung, “Scrapping Nuclear Deal Spells Trouble,” *South China Morning Post*, December 15, 2001;

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<sup>35</sup>See Xu Haijing, “Meiguo tuichu fandao tiaoyue junkong mianlin tiaozhan” [The Challenge to Arms Control Posed by the U.S. Withdrawal from the ABM Treaty], *Jiefangjun bao*, December 18, 2001, <http://www.pladaily.com.cn>.

<sup>36</sup>For a moderate report on the Russian response, *ibid.* For the a cheerleading response to the “harsh” (qianglie) reaction in Russia, see Ding Zengyi, “Pingxi Meiguo xuanbu tuichu ‘fan dandao daodan tiaoyue’” [Critiquing the U.S. Announcement of Withdrawal from the ‘ABM Treaty’], *Jiefangjun bao*, December 17, 2001, p. 5.

<sup>37</sup>Ding Zengyi, “Critiquing the U.S. Announcement of Withdrawal from the ‘ABM Treaty’.” The United States is clearly making some effort to calm China’s nerves on the issue. See David E. Sanger, “Bush Offers Arms talks to China as U.S. Pulls Out of ABM Treaty,” *New York Times*, December 14, 2001 p. 1.