

Forward

The world needs peace, the people want cooperation, nations long for development and society aspires for progress. These are the irresistible trends of our times. The Chinese people, like the people of all other countries, do not want to see any new war, hot or cold, and turbulence in any region of the world, but yearn for lasting peace, stability and tranquility, as well as common development and universal prosperity in the world.

China has entered the new phase of development for building a well-off society in an all-round way and speeding up socialist modernization. To continue to propel the modernization drive, to achieve national reunification of the motherland, and to safeguard world peace and promote common development are the three historical tasks of the Chinese people in the new century. The 16th National Congress of the Communist Party of China, which attracted worldwide attention, has drawn up a grand blueprint for China's development in the new century. A developing China needs a peaceful international environment and a favorable climate in its periphery. And its development will make even greater contributions to world peace and human progress. China steadfastly follows a road of peaceful development, pursues an independent foreign policy of peace and implements a national defense policy that is defensive in nature.

To further introduce China's national defense policy and progress in national defense development in the past two years, this white paper, *China's National Defense in 2002*, is hereby published.

Chapter 1

The international situation is undergoing profound changes as the world has entered the new century. World multi-polarization and economic globalization are developing amid twists and turns. Science and technology are advancing with each passing day. Competition in the overall national strength has become increasingly fierce. And mankind is faced with new opportunities for development and new challenges.

Peace and development remain the themes of the present era. Economic interdependence among nations has been deepened. The role played by global and regional economic cooperation organizations is on the increase. And economic security has been given even more attention. Economic development, scientific and technological progress, and the enhancement of overall national strength are the main strategic trends of all countries. The major countries, while cooperating and seeking support from each other, are nonetheless checking on and competing with one another. But since the terrorist attacks against the United States on September 11, 2001, they have stepped up their coordination and cooperation. The developing countries are actively pushing forward the establishment of a fair and rational new international order, and playing an important role in the promotion of world peace and development. A new world war is unlikely in the foreseeable future. To preserve peace and promote development represents the common aspiration of all peoples.

The Asia-Pacific region has, on the whole, continued to enjoy its peace and stability, and remains the most dynamic region economically with the greatest development potential in the world. Strengthening dialogue and cooperation, maintaining regional stability and

promoting common development have become the mainstream policy of the Asian countries. The Asia-Pacific Economic Cooperation (APEC) is heading for closer cooperation. The cooperation in East Asia with the Association of Southeast Asian Nations (ASEAN) and China, Japan and the Republic of Korea (10 + 3) as the major channel, has become more practical. China and ASEAN have reached a consensus on the establishment of a free trade area within 10 years, initiating full cooperation in the field of non-traditional security issues. Cooperation for the development of the Mekong River valley is about to unfold. The ASEAN Regional Forum has made substantive achievements in the transition from confidence-building measures to preventive diplomacy. The Shanghai Cooperation Organization (SCO) has made outstanding progress in building mutual trust and developing state-to-state relationship based on partnership rather than alliance, as well as in anti-terrorism cooperation. The reconstruction of Afghanistan is under way. The situation in the South China Sea area has been basically stable, as the relevant countries have signed the *Declaration on the Conduct of Parties in the South China Sea*.

However, uncertainties impeding peace and development are also on the increase. The world is far from being tranquil. The old international political and economic order, which is unfair and irrational, has yet to be changed fundamentally. Economic development of the world is materially unbalanced, and the North-South gap is further widening. The developing countries have gained less from the economic globalization process, and some of them are in danger of being marginalized. Democracy in international relations remains elusive, and there are new manifestations of hegemonism and power politics. In certain regions, disputes caused by ethnic, religious, territorial, resources or other issues crop up from time to time, leading even to armed conflicts and local wars. Terrorism, transnational crimes, environmental degradation, drug trafficking and other non-traditional security threats are becoming more and more pronounced. Terrorism, in particular, is posing a real threat to both global and regional security.

Rapid and drastic changes are taking place in the military field around the world, and a new serious disequilibrium has occurred in the balance of military power. The extensive applications in the military field of new and high technologies led by IT have stretched the battlefield into multidimensional space which includes the land, sea, air, outer space and electron. Medium- and long-distance precision strikes have become an important pattern of operations. The form of war is becoming increasingly information-oriented. All major countries have made adjustments in their military strategies and stepped up the modernization by relying on high technologies. As far as military technology is concerned, the gap between the developed and developing countries is wider than ever before. The developing countries are facing a serious challenge in their effort to safeguard sovereignty and security.

Factors of instability still exist in the Asia-Pacific region. Traditional security problems left over from history are yet to be resolved, and new ones have appeared. In certain countries, non-traditional security issues are looming large. The danger posed by terrorist, separatist and extremist forces to the region's security cannot be rooted out in a short time. Tension in South Asia has not been fundamentally changed. Afghanistan has not regained full stability. Reconciliation on the Korean Peninsula is moving haltingly. Certain countries are stepping up their military deployment and strengthening their

military alliances in the Asia-Pacific region. Other countries have time and again enlarged the terms of reference and scope of operations of their armed forces.

The basic pattern and trend of development in the cross-Taiwan Straits relationship remain unchanged. As the Taiwan compatriots are more vocal in their demand for peace, tranquility and development, cross-Straits economic, trade, cultural and personnel exchanges have become more frequent, and the opening of three direct links in mail, air and shipping, and trade between the two sides represents the popular will and the trend of the times. But the root cause of tension between the two sides has not been eliminated. While refusing to accept the one-China principle, and stubbornly clinging to the position of “Taiwan independence,” the leader of Taiwan has even gone so far as to dish up the separatist proposition of “one country on each side,” and carried out all sorts of separatist moves with an incremental tactic. The Taiwan separatist force is the biggest threat to peace and stability in the Taiwan Straits. By continuing to sell weapons and military equipment to Taiwan and elevating relations with the Taiwan authorities, a handful of countries have interfered in China’s internal affairs, inflated the arrogance of the separatist forces and undermined China’s peaceful reunification.

Threats to world security have come in multiple forms and assumed global dimension, which has increased the common interests of countries on the issue of security. To enhance mutual trust through dialogue, to promote common security through cooperation, and to cultivate a new security concept featuring mutual trust, mutual benefit, equality and cooperation, have become the requirements of the trend of our era. China is always a staunch force for safeguarding world peace and promoting common development. China will unremittingly put the new security concept into practice, oppose all kinds of hegemonism and power politics, and combat terrorism in all forms and manifestations. China will strive, together with other countries in the world, to create an international environment of long-term peace, stability and security.

Chapter 2

Strengthening national defense is a strategic task in China’s modernization drive, and a key guarantee for safeguarding China’s security and unity and building a well-off society in an all-round way. China has consistently pursued a national defense policy that is defensive in nature.

The fundamental basis for the formulation of China’s national defense policy is China’s national interests. It primarily includes: safeguarding state sovereignty, unity, territorial integrity and security; upholding economic development as the central task and unremittingly enhancing the overall national strength; adhering to and improving the socialist system; maintaining and promoting social stability and harmony; and striving for an international environment of lasting peace and a favorable climate in China’s periphery. China takes all measures necessary to safeguard its national interests and, at the same time, respects the interests of other countries, standing for peaceful settlement of disputes and differences among nations by means of consultation.

The goals and tasks of China’s national defense are, in the main, as follows:

— **To consolidate national defense, prevent and resist aggression.** China’s territorial land, inland waters, territorial seas and territorial airspace are inviolable. In accordance with the requirements of national defense in the new situation, China persists in unified leadership over national defense activities, pursues the principle of independence and

self-defense by the whole people, implements the military strategy of active defense, strengthens the building of its armed forces and that of its frontier defense, sea defense and air defense, takes effective defensive and administrative measures to defend national security and safeguard its maritime rights and interests. In the event of aggressions, China will resolutely resist in accordance with the Constitution and laws.

— **To stop separation and realize complete unification of the motherland.** China is a unitary multi-ethnic country jointly created by its people of all ethnic groups. The Chinese government forbids discrimination and oppression against any ethnic group, as well as any act aimed at undermining ethnic harmony and splitting the country. Taiwan is an inalienable part of China. The Chinese government will, in keeping with the basic principles of “peaceful reunification” and “one country, two systems” and the eight-point proposal on developing cross-Straits relations and advancing the process of peaceful national reunification at the present stage, strive for prospects of peaceful reunification with the utmost sincerity and the maximum effort. But it will not forswear the use of force. China resolutely opposes arms sales to Taiwan or entering into a military alliance in any form with Taiwan by any country. China’s armed forces will unswervingly defend the country’s sovereignty and unity, and have the resolve as well as the capability to check any separatist act.

— **To stop armed subversion and safeguard social stability.** China’s Constitution and laws prohibit any organization or individual from organizing, plotting or carrying out armed rebellion or riot to subvert the state power or overthrow the socialist system. China opposes all forms of terrorism, separatism and extremism. Regarding maintenance of public order and social stability in accordance with the law as their important duty, the Chinese armed forces will strike hard at terrorist activities of any kind, crush infiltration and sabotaging activities by hostile forces, and crack down on all criminal activities that threaten public order, so as to promote social stability and harmony.

— **To accelerate national defense development and achieve national defense and military modernization.** China follows an approach of coordinating national defense building and economic development, striving for a high cost-effectiveness and promoting defense and military modernization on the basis of economic growth. Taking Mao Zedong’s military thinking and Deng Xiaoping’s thinking on armed forces building in the new period as the guide to action, and fully implementing the important thought of the “Three Represents (The Communist Party of China must always represent the requirements of the development of China’s advanced productive forces, the orientation of the development of China’s advanced culture, and the fundamental interests of the overwhelming majority of the people in China.),” the Chinese military persists in taking the road of fewer but better troops with Chinese characteristics, pushes forward the various reforms in response to the trend in military changes in the world, and strives to accomplish the historical tasks of mechanization and IT application, thereby bringing about leapfrog development in the modernization of the military.

— **To safeguard world peace and oppose aggression and expansion.** China will never seek hegemony, nor will it join any military bloc or crave for any sphere of influence. China opposes policies of war, aggression and expansion, stands against arms race and supports efforts of the international community to solve international disputes in a fair and reasonable manner. It endorses all activities conducive to maintaining the global strategic balance and stability, and actively participates in international cooperation against terrorism.

China implements a military strategy of active defense. Strategically, China pursues a principle featuring defensive operations, self-defense and attack only after being attacked. In response to the profound changes in the world's military field and the requirements of the national development strategy, China has formulated a military strategic guideline of active defense in the new period.

This guideline is based on winning local wars under modern, especially high-tech conditions. In view of the various factors threatening national security, China has prepared for defensive operation under the most difficult and complex circumstances. The People's Liberation Army (PLA), in implementing the strategy of building a strong military through science and technology, has accelerated the R&D of defense weaponry and equipment, trained high-quality military personnel of a new type, established a scientific organizational structure, developed theories for military operations with Chinese characteristics, and strengthened its capability for joint, mobile and multi-purpose operations.

This guideline stresses the deterrence of war. In accordance with the needs of the national development strategy, the PLA, by employing military means flexibly and in close coordination with political, economic and diplomatic endeavors, improves China's strategic environment, reduces factors of insecurity and instability, and prevents local wars and armed conflicts so as to keep the country from the harm of war. China consistently upholds the policy of no first use of nuclear weapons, and adopts an extremely restrained attitude toward the development of nuclear weapons. China has never participated in any nuclear arms race and never deployed nuclear weapons abroad. China's limited nuclear counterattack ability is entirely for deterrence against possible nuclear attacks by other countries.

This guideline highlights and carries forward the concept of people's war. In the face of new changes in modern warfare, China persists in relying on the people in national defense building, enhancing the popular awareness of national defense, and instituting an armed force system of combining a small but capable standing army with a powerful reserve force; upholds the principle of combining peacetime footing with wartime footing, uniting the army with the people, and having a reserve among the people, improving the mobilization mechanism with expanded mobilization scope, and establishing a national defense mobilization system in line with the requirements of modern warfare; and adheres to flexible applications of strategies and tactics, creating new ways of fighting so as to give fuller play to the strength of a people's war.

Chapter 3

The armed forces of the People's Republic of China (PRC) are composed of the People's Liberation Army, the Chinese People's Armed Police Force and the militia. The Central Military Commission (CMC) of the PRC directs and assumes unified command of the nation's armed forces.

The People's Liberation Army

The PLA is a people's army created and led by the Communist Party of China (CPC), and the principal body of China's armed forces. The PLA is made up of both active and reserve components. Its total force is maintained below the 2,500,000-strong mark. The active components of the PLA are the country's standing army, consisting of the Army, Navy, Air Force and the Second Artillery Force, whose main task is to conduct operations of defense, and, if necessary, help to maintain social order in accordance with

the law. Through the General Staff Headquarters, the General Political Department, the General Logistics Department and the General Armaments Department, the CMC exercises operational command over the whole PLA and leadership for the development of the PLA.

The PLA was established on August 1, 1927, and consisted of land forces only in its early days. The Army is responsible primarily for military operations on land. At present, the Army has no independent leading organ, and the functions of the leading organ are exercised by the four general headquarters/departments. The seven military area commands, namely, those of Shenyang, Beijing, Lanzhou, Jinan, Nanjing, Guangzhou and Chengdu, exercise direct leadership over the Army units under their command. The Army has such arms as infantry, armor, artillery, air defense, Army aviation, engineering, chemical defense and communications, as well as other specialized units such as those of electronic counter-measure (ECM), reconnaissance and mapping. The infantry, maneuvering and operating on foot or on armored personnel carriers or infantry fighting vehicles, is composed of mountain infantry, motorized infantry and mechanized infantry (armored infantry). The armored corps (tank corps), equipped basically with tanks and other armored vehicles and support vehicles, carries out ground assaults. The artillery corps, equipped basically with artillery for suppression and anti-tank purposes, and missiles for antitank and other operational-tactical purposes, carries out ground fire strikes. The air defense corps, equipped basically with anti-aircraft artillery and ground-to-air missile systems, carries out ground-to-air operations. The Army aviation corps, equipped with attack, transport, and other specialized helicopters and light fixed-wing aircraft, carries out air maneuvers and provides support for ground operations. The engineering corps, responsible for engineering support, is composed of engineering and other specialized units of pontoons, construction, camouflage, field water supply, and engineering maintenance. The chemical defense corps, responsible for chemical defense operations, is composed of chemical defense, flame-throwing and smoke-generating units. The communications corps, responsible for military communications, is composed of specialized units engaged in communications, communications engineering, communications technical support, aviation navigation and military postal service. The Army, in accordance with its different duties and responsibilities, is also divided into field mobile, sea border defense, frontier defense, and garrison troops. The organizational order of the field mobile troops is normally combined corps, division (brigade), regiment, battalion, company, platoon and squad. The organizational systems of the sea border defense, frontier defense and garrison troops are decided in accordance with their operational tasks and geographical conditions.

The Navy of the PLA was established on April 23, 1949. Its primary missions are, independently or jointly with the Army and Air Force, to guard against enemy invasion from the sea, defend the state's sovereignty over its territorial waters, and safeguard the state's maritime rights and interests. The Navy has such arms as the submarine, surface, naval aviation, coastal defense and marine corps, as well as other specialized units. Under the Navy, there are three fleets, namely, the Beihai, Donghai and Nanhai fleets, as well as the Naval Aviation Department. Each fleet has bases, maritime garrison commands, flotillas and squadrons under its command. The submarine force is composed both of conventional and nuclear-powered units, with underwater attack and some nuclear counterattack capabilities respectively. The nuclear-powered submarine force, which

assumes the strategic nuclear counterattack mission, is under the direct command of the CMC. The surface force has combat and support units, which have anti-ship, anti-submarine, air defense, mine warfare and shore attack capabilities. The naval aviation is composed of bomber, fighter-bomber, attacker, fighter, anti-submarine and reconnaissance units, and security, ECM, transport, rescue and air refueling units, which have reconnaissance, security, anti-ship, anti-submarine and air defense capabilities. The organizational order is: Naval Aviation Department, fleet aviation, and aviation division and regiment. The naval coastal defense force is composed of shore-to-ship missile and coastal artillery units, which have capabilities to defend China's coasts. The marine corps has infantry, artillery, armor and engineering units, as well as reconnaissance, chemical defense and communications units. It is a rapid assault force for amphibious operations.

The Air Force of the PLA was established on November 11, 1949. Its primary missions are organizing homeland air defense to protect the territorial air, and providing air security for key facilities; organizing relatively independent air offensive operations; independently or jointly with the Army, the Navy or the Second Artillery Force, engaging in joint operations against enemy invasion from the air, or in conducting air strikes against the enemy. Adopting a system of combining aviation with ground-to-air defense forces, the Air Force consists of the aviation, surface-to-air missile, anti-aircraft artillery and airborne units, as well as communications, radar, ECM, chemical defense, technical reconnaissance and other specialized units. The Air Force has an air command in each of the seven military areas of Shenyang, Beijing, Lanzhou, Jinan, Nanjing, Guangzhou and Chengdu. In the major direction and target zones, there are air corps or corps-level air bases. The aviation is composed of fighter, attacker, bomber, reconnaissance, transport and support units, usually in the organizational order of division, regiment, group and squadron. An aviation division generally has under its command two to three aviation regiments and related stations. The aviation regiment is the basic tactical unit. Due to differences in weaponry and tasks, the number of aircraft in an aviation regiment ranges from 20 to 40. The ratio of aircraft to pilots (aircrew) is usually 1:1.2. The ground-to-air missile force and anti-aircraft artillery force are usually organized into divisions (brigades), regiments, battalions and companies, and the airborne force into corps, divisions, regiments, battalions and companies.

The Second Artillery Force of the PLA was established on July 1, 1966. It is composed of the ground-to-ground strategic nuclear missile force, the conventional operational-tactical missile force, and the support units. The strategic nuclear missile force, under the direct command of the CMC, constitutes the main part of China's limited nuclear counterattack capability. It is equipped with land-based strategic nuclear missile systems. Its primary missions are to deter the enemy from using nuclear weapons against China, and, in the case of a nuclear attack by the enemy, to launch an effective counterattack in self-defense independently or jointly with the strategic nuclear forces of other services, at the order of the supreme command. The conventional operational-tactical missile force is equipped with conventional operational and tactical missile systems. Its task is to carry out fire assaults with conventional missiles.

The PLA's reserve force, established in 1983, is a force with its own preset organizational structure, with reserve personnel as the base and active personnel as the backbone. The reserve force operates a unified organizational system. The divisions, brigades and regiments of the reserve force are conferred designations and military

banners. The reserve force implements orders and regulations of the PLA, and is incorporated into the PLA's order of battle. In peacetime, it is led by the provincial military districts or garrison commands, and in wartime, after mobilization, it is commanded by the designated active unit or carries out combat missions independently. It receives military training in peacetime in accordance with the relevant regulations, and, if necessary, helps to maintain social order in accordance with the law. In wartime, it may be called into active service in pursuance of a state mobilization order.

The PLA forces stationed in Hong Kong and Macao are under the direct leadership of the CMC. The PLA Hong Kong Garrison is mainly composed of ground, naval and air units. The PLA Macao Garrison is mainly composed of a ground force, with some naval and air force personnel on its staff.

The Chinese People's Armed Police Force

The Chinese People's Armed Police Force was established on June 19, 1982. It consists of internal security forces, gold mine, forest, water conservancy, electricity power, and transportation forces. The frontier police force, fire brigades and security guards are also included into the Armed Police Force. The internal security forces are composed of contingents and mobile divisions. The Armed Police Force is constructed in accordance with the PLA's guiding concept, purpose and principles of army building, as well as its orders, rules and regulations, combined with characteristics of the Armed Police Force. It implements the Military Service Law of the PRC, and enjoys the same benefits as those of the PLA. The basic missions of the Armed Police Force are to maintain state security and social stability, protect facilities and objects significant to the state, safeguard people's lives and properties, and assist the PLA in wartime in defensive operations.

The Armed Police Force is subordinate to the State Council, and is under the dual leadership of the State Council and the CMC. The Armed Police Force receives unified leadership and management, and its command is delegated to a relevant organ at each level. The Armed Police Force has three echelons of leadership, namely, general headquarters, contingent (division) and detachment (regiment). The General Headquarters of the Armed Police Force, as the chief commanding organ of the Armed Police Force, commands and administers internal security forces, and gold mine, forest, water conservancy, electricity power, and transportation forces. In the nationwide administrative hierarchy, the Armed Police contingents, detachments, and squadrons are instituted at province, prefecture, and county levels respectively. When performing a public security task or relevant work, the Armed Police Force unit is subordinate to the leadership and command of the public security organs at the same level.

In peacetime, the tasks of the Armed Police Force include performing guard duties at fixed points, dealing with contingencies, combating terrorism and supporting national economic development. Guard duties at fixed points chiefly means, among others, security guard, watch and ward, prison and detention guard, escort and patrol. It is specifically responsible for protecting the security of state-designated objects to be guarded, important visiting foreign dignitaries, leading organs of the Party and government at and above the provincial level, embassies and consulates of foreign countries in China, important national and international conferences, and sites of large-scale cultural and sports activities; posting peripheral armed guards at prisons and detention houses; providing armed protection for key departments in charge of confidential work and critical parts of important airports, radio stations, state economic

departments, and national defense works, as well as important bridges and tunnels along trunk railway lines, and specially designated large road bridges; and performing armed patrol and other security duties in state-designated large and medium-sized cities or specific zones. Dealing with contingencies chiefly means handling, according to law, sudden illegal incidents endangering state security or social order, such as revolts, riots and disturbances, fights with weapons and other group activities that endanger public security. Combating terrorism chiefly means performing anti-attack, anti-hijacking and anti-explosion tasks. Supporting national economic development chiefly means gold mine prospecting, preventing and fighting forest fire, participation in key state energy and transportation projects, and emergency rescue and disaster relief in cases of serious calamities.

The Militia

The militia is an armed mass organization not released from production. It is a reserve force of the PLA and the basis for the prosecution of a people's war under modern conditions. The General Staff Headquarters administers the building of the militia under the leadership of the State Council and the CMC. Under the command of military organs, the militia in wartime helps the standing army in its military operations, conducts independent operations, and provides combat support and manpower replenishment for the standing army. In peacetime, it undertakes the tasks of performing combat readiness support, taking part in emergency rescue and disaster relief efforts, and maintaining social order.

In accordance with provisions in the *Military Service Law of the PRC*, male citizens from 18 to 35 years of age who are fit for military service, excluding those enlisted for active service, shall be regimented into militia units to perform reserve service. The militia has two categories: the primary and the ordinary. A selected group of militiamen under the age of 28, including soldiers discharged from active service and other persons who have received or are selected for military training, shall be regimented into the primary militia; other male citizens belonging to the age group of 18 to 35, who are qualified for reserve service shall be regimented into the ordinary militia. The primary militia may recruit female citizens when necessary. Rural towns and townships, administrative villages, urban sub-districts, and enterprises and institutions of a certain scale are the basic units in which the militia is organized. Primary militiamen are separately organized for concentrated military training in militia military training bases of administrative areas at the county level. Currently, there are emergency detachments, and such specialized technical detachments as anti-aircraft artillery, anti-aircraft machineguns, portable air defense missiles, ground artillery, communications, chemical defense, engineering and reconnaissance detachments.

To ensure that militiamen are always ready to respond to the call in case of a contingency, the Chinese government has formulated a militia combat readiness system, whereby combat readiness education is carried out regularly among the militia with the purpose of enhancing their national defense awareness, and exercises are conducted in accordance with combat readiness plans to enhance the militia's operational capabilities.

Chapter 4

China's national defense building is an important part of the country's modernization drive. To meet the needs of safeguarding its national security, China insists on modernizing its national defense according to its own conditions.

Legal System

During the past two years, the legal system relating to China's national defense has made much headway. In March 2000, the National People's Congress (NPC) enacted the *Legislation Law of the PRC*, which for the first time expressly defined the legislative power of the CMC and all general headquarters/departments, all services and arms, and all military area commands. The CMC may formulate military statutes in accordance with the Constitution and laws. The general headquarters/departments, services and arms, and military area commands may, within their respective authorities, formulate military regulations in accordance with the law and the military statutes, decisions and orders of the CMC. The military statutes and regulations are implemented within the armed forces. Procedures for formulation, amendment and nullification of military statutes and regulations shall be stipulated by the CMC in accordance with the principles specified in the provisions of the said Law. The above stipulations have provided for the important position of the military legislative system within the overall legislative system of the state. Since 2000, China has issued 3 decisions, 56 statutes and 420 regulations in respect of laws and law-related issues concerning national defense and armed forces building. *The National Defense Education Law of the PRC* enacted by the Standing Committee of the NPC has provided a legal basis for national defense education. The newly revised *Law of the PRC on Officers in Active Service* has further perfected the military service system pertaining to PLA officers. The State Council and the CMC have jointly formulated the *Implementation Measures for the Law of the PRC on Protecting Military Facilities*, which expressly provides for the organizational leading system regarding the protection of military facilities, as well as specific protection and penalty measures. The newly revised *Routine Service Regulations of the PLA* and *Discipline Regulations of the PLA* provide a powerful legal guarantee for enhancing the effort of running the armed forces according to law under the new conditions.

To safeguard the interests of national defense and the legitimate rights and interests of military personnel in an age of reform and opening-up, China has reformed its military judicial system. Authorized by the Supreme People's Court of the PRC, military courts have begun to adjudicate civil cases within the armed forces, including cases on contract, marriage and family, real estate, intellectual property rights, damage claims in medical accidents, and applications for adjudication of the missing or death of servicemen, thus exercising the function of civil adjudication inside the armed forces. Relevant organs of local governments at various levels and the armed forces are trying to create a favorable legal environment for national defense and armed forces building by establishing and improving the mechanism of protecting the legitimate rights and interests of the service personnel and their families.

Under unified arrangement by the state, the Chinese armed forces launched in 2001 the Fourth Five-Year Program on Education to Popularize Knowledge of Laws. The main contents include studying the Constitution, basic laws of the state and laws and regulations in relation to national defense and armed forces building, performance of the armed forces' functions, development of the socialist market economy, and the vital interests of the officers and men. The contents of the military law, the law of war and

armed conflicts, etc., have been included in the legal courses at military colleges and schools, and the training programs of the armed forces. The PLA has set up courses for field-grade officers of the Army, Navy and Air Force on the armed conflict law once every two years, and organized lectures on the armed conflict law for officers of the division level and above, who are enrolled at the National Defense University every year.

Mobilization

At each level of the people's government from the county up to the state, there is a national defense mobilization commission, which has under it, offices and coordinating bodies responsible for the mobilization of the people's armed forces, national economy and transportation, civil air defense, and national defense education. The premier of the State Council takes the position of chairman of the State National Defense Mobilization Commission, and vice-premiers of the State Council and vice-chairmen of the CMC are vice-chairmen. Other members include heads of relevant ministries and commissions under the State Council, leaders of the general headquarters/departments of the PLA and heads of their subordinate offices. The chairman of the local national defense mobilization commission is the principal leader of the local government at the same level. The vice-chairmen are the deputy leaders at the local government of the same level and principal leaders of the military organ at the same level.

The state conducts mobilization preparations in peacetime by integrating mobilization of the armed forces, the national economy and transportation, civil air defense, and defense education into the state's overall development plan and relevant programs. Mobilization of the armed forces refers to the mobilization of the active and reserve forces of the PLA, the Armed Police Force, the militia and the reserve personnel, as well as the mobilization of appropriate weapons, equipment and logistical materials. Its main task is to prepare in peacetime for manpower mobilization and, in case of need, call up the reservists and other citizens of service age, ensure a quick expansion and reorganization of the PLA, and expansion of the other forces, and organize the masses to support and join in the operations of the armed forces. Mobilization of the national economy includes mobilization of industry, agriculture, science and technology, material supplies, commerce and trade, and finance. Its main task is, in peacetime, to integrate the preparation for mobilization with economic development in an organized and planned way, and in time of war, reallocate economic resources, and exercise centralized control and use of national financial and material resources so as to increase the production of weapons, equipment and other military supplies, and meet the needs of war. Mobilization for civil air defense includes mobilization of civilians and people with special civil air defense skills, material and technical support for civil air defense projects, and civil air defense early-warning systems. Its main task is to mobilize social forces in construction of air defense projects, establish and train specialized air defense service, conduct civil air defense publicity and education, organize evacuations and sheltering, assist in air defense operations, and deal with the aftermath of air raids. Mobilization of transportation includes mobilization of transportation, communications and postal services. Its main task is to organize in peacetime the formation of professional transportation and communications support force, defense infrastructure construction, equipment build-up, war material storage and mobilization preparations of civil transportation means and in time of war, organize the rush repair and construction of

transportation and communications facilities, and transportation support for troop movement and material supply.

In recent years, some army units and local governments have, pursuant to relevant laws and regulations, jointly organized defense mobilization drills for transportation and air defense. China is further improving its defense mobilization laws and regulations, perfecting its defense mobilization system, and actively promoting modernization in this area.

Education

China emphasizes popularizing and strengthening national defense education with patriotism at its core, strives to enhance the national defense awareness of the whole people, and helps citizens perform defense duties conscientiously.

The nationwide defense education is under the leadership of the State Council, with the assistance of the CMC. The State Defense Education Office is responsible for the planning, organization, direction and coordination of the nation's defense education. Local people's governments at all levels exercise leadership over defense education in their respective administrative areas. All relevant departments perform their respective duties, cooperate with one another, and, combined with their own work, ensure that defense education activities are carried out smoothly. The *National Defense Education Law of the PRC* was formally promulgated and came into force on April 28, 2001, putting China's national defense education on the legal track.

China implements a military training system in institutions of higher learning, senior middle schools and schools corresponding to senior middle schools. Since 1985, more than 200,000 officers and men have helped these institutions and schools organize military training for students, and more than 30 million students have been trained. In the past several years, the percentage of university and college freshmen receiving military training has reached about 60%. Commencing in 2002, students of all regular institutions of higher learning and senior middle schools are obliged to take military training in accordance with relevant regulations and plans.

On August 31, 2001, the NPC Standing Committee set the third Saturday of September every year as the National Defense Education Day. This has provided a vehicle for the participation of the entire population in national defense educational activities, which helps ensure enhanced and continued implementation of the educational programs in this area.

Defense Expenditure

The Chinese government has always been strict in its control, management and supervision of defense spending, and has established a complete system of relevant laws and regulations for that purpose. Pursuant to the *National Defense Law of the PRC*, the entire defense expenditure comes from the state financial budget. In order to meet the defense needs, the Chinese government exercises a system of financial appropriation of defense funds, and implements administration in accordance with the *Budget Law of the PRC*. China's defense budget and final accounts are reviewed and approved by the NPC. The state and armed forces' auditing organs exercise strict auditing and supervision of the execution process of the budget.

In recent years, in line with financing and budgeting reforms in the government, the administration of defense expenditure has undergone a whole array of reforms, including reform in the defense expenditure budgeting method, centralized payment

for weapon and equipment procurement, and a tendering and bidding system for the procurement of defense materials, projects and services. Defense funds are therefore managed in a more just, fair and transparent way.

Based on the continuous economic growth, China's defense expenditure has increased somewhat. The proportion of annual defense spending in the GDP was 1.09% in 1995, and 1.50% in 2001 (see Chart 1). However, China's defense expenditure has been kept at a fairly low level, and the increased part is basically of a compensatory nature. From 1979 to 2001, the proportion of defense expenditure in the state financial spending is on a declining curve (see Chart 2) from 17.37% in 1979 to 7.65% in 2001 — a drop of nearly 10 percentage points.

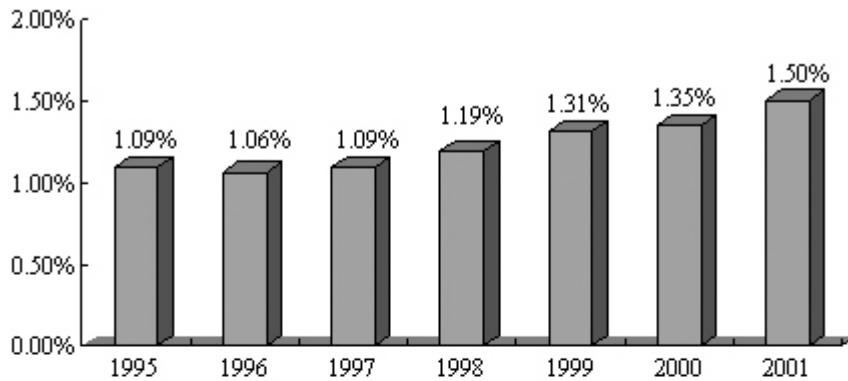
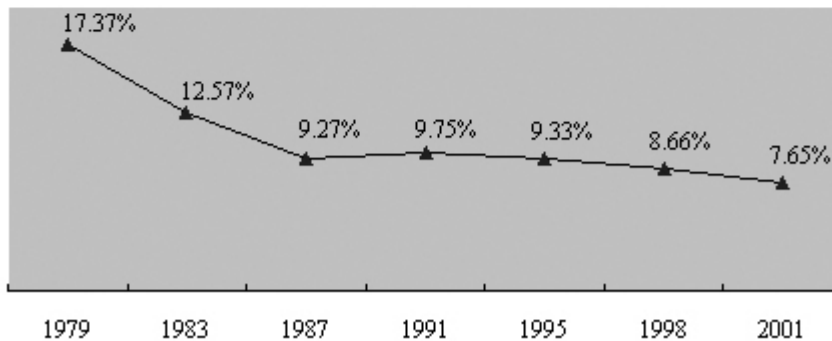


Chart 1: Percentage of China's Annual Defense Expenditure in GDP (1995-2001)



China's defense spending was RMB 120.754 billion yuan in 2000, and 144.204 billion yuan in 2001. The budget for defense expenditure in 2002 is 169.444 billion yuan (see table on p. 26), accounting for 7.60%, 7.65% and 8.03% of the state financial expenditure in the same year, respectively.

Item Year	Personnel	Maintenance & Operations	Equipment	Total
2000	405.50	412.74	389.30	1,207.54
2001	461.63	485.81	494.60	1,442.04
2002	540.43	581.23	572.78	1,694.44

Table: Breakdown of China's Annual Defense Expenditures in 2000, 2001 and 2002 (unit: RMB 100 million yuan)

The increased defense expenditure in recent years has primarily been for the following purposes: 1. Increase of personnel expenses. Along with the socio-economic development and the per-capita income rise of rural and urban residents, it is necessary to improve the living standards and conditions of military personnel. The past decade has witnessed the increase of the board expenses in the armed forces on five occasions, and an 84% salary raise for officers and 92% allowance raise for soldiers. 2. Establishment and gradual improvement of a social security system for servicemen. In accordance with the requirements of the market economy, China has, since 1998, established such systems as injury and death insurance for servicemen, medical insurance for demobilized servicemen and housing subsidies for servicemen, and adjusted and enhanced living expense standards for PLA retirees. 3. Increase of expenses of a maintenance nature. Since the armed forces stopped commercial activities in 1998, the budget for training has increased year by year. With the gradual improvement of living facilities and progressive office automation, expenses of a maintenance nature have kept rising. 4. Increase of expenses spent on cooperation with the international community in anti-terrorism activities. 5. Appropriate increase of expenses for the improvement of military equipment to enhance defense capabilities under the conditions of modern technologies, particularly high technologies.

On the whole, China's defense expenditure has remained at a fairly low level in the world in 2002 (see Chart 3). Compared with the USA, Russia, UK and France, the percentage of China's defense expenditure in its GDP and the state financial expenditure is also fairly low (see Chart 4).

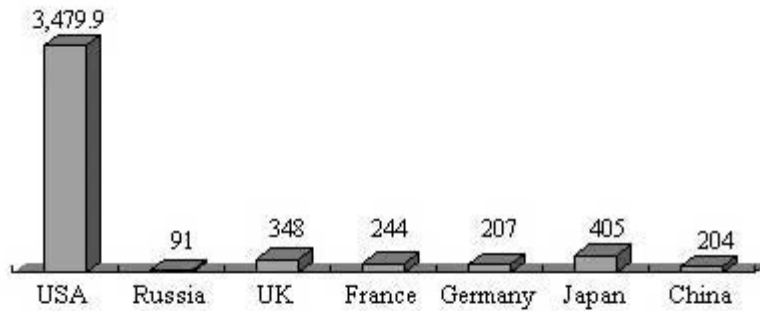


Chart 3: Comparison of Defense Expenditures of Some Countries in 2002
(unit: 100 million US dollars)

Note 1: The exchange rate used here is based on that announced by China's State Administration of Exchange Control in 2002, which is US\$ 1.0~RMB 8.28 yuan.
Note 2: Statistics in the chart are sourced from the national defense reports, financial reports and other government reports published by the said countries.

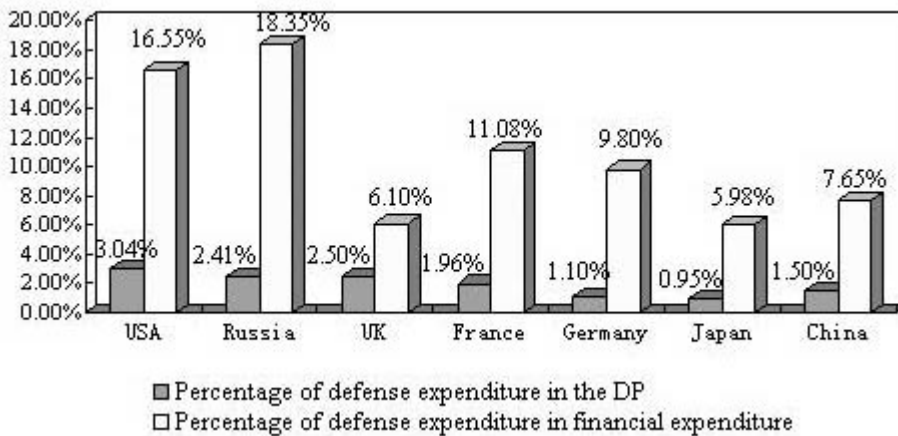


Chart 4: Comparison of the Percentages of Defense Expenditure in the GDP and Financial Expenditure of China and Some Other Countries in 2001

Note: Statistics in the chart are sourced from the national defense reports, financial reports and other government reports published by the said countries.

Science, Technology and Industry for National Defense

China's defense-related science, technology and industry is the state's strategic industry, and the important industrial and technological foundation for national defense modernization, as well as a major driving force for the development of the national economy, science and technology. China builds and develops its defense-related science, technology and industry independently, enhances the overall level and economic efficiency of defense-related science, technology and industry, and promotes the coordinated development of national defense and economy.

The Commission of Science, Technology and Industry for National Defense of the PRC is an organ under the State Council in charge of work in this regard. It is responsible for researching and formulating principles and policies, as well as laws, rules and regulations

in respect of the development of defense-related science, technology and industry; deliberating the development plan for defense-related science, technology and industry, and overseeing the overall planning of and proper connections between defense-related research, production and construction; organizing qualification examination and approval work for research and manufacture of military products; examining and verifying contracts in respect of scientific research and production between the military and the producers; coordinating, supervising and inspecting execution of ordering contracts so as to ensure the production and supply of military equipment; exercising administration of the nuclear, space, aviation, shipbuilding and weaponry industries; giving guidance to the administration of the military-related electronics sector; organizing, studying and implementing reform of the system of defense-related science, technology and industry; organizing adjustment of the capability, structure and layout of the defense-related science, technology and industry; drawing up plans for investment in fixed assets in respect of defense-related science, technology and industry, and for technical transformation and development of defense conversion technologies, and organizing the implementation of such plans; and conducting foreign exchanges and international cooperation in the field of defense-related science, technology and industry.

After decades of development, China has formed a defense-related science, technology and industry system, which is by and large complete in disciplines and coordinated with regard to means of research and production; trained and fostered a contingent of professionals with a good mastery of advanced technology and a sound work style; and laid an important material and technological foundation for independent research and manufacture of military equipment in China. Currently, China has 11 military industrial group corporations, namely, China National Nuclear Corporation, China Nuclear Engineering and Construction Corporation, China Aerospace Science and Technology Corporation, China Aerospace Science and Industry Corporation, China Aviation Industry Corporation I, China Aviation Industry Corporation II, China State Shipbuilding Corporation, China Shipbuilding Industry Corporation, China North Industries Group Corporation, China South Industries Group Corporation, and China Electronic Science and Technology Corporation. Each is responsible for the organization and administration of its R&D and manufacture, and exercising the rights of an investor authorized by the state over state-owned assets in its subordinate enterprises.

China's defense-related science, technology and industry gives priority to the development of new- and high-tech weaponry and equipment, and strives to raise their modernization level. It is imperative to speed up the adjustment of capability, structure and layout, enhance capability in research and production of new- and high-tech weaponry, streamline the work force of military industry, optimize the industrial layout, and gradually establish a new system of defense-related science, technology and industry. It is imperative to further strengthen the development of defense-related science and technology, promote the progress of science and technology, concentrate resources to make breakthroughs in a number of key technologies, enhance the capability of self-reliance and innovation and sustained development capability in defense-related science, technology and industry, and strive to achieve leapfrog technological progress. It is imperative to bring up talented people and create a well-structured contingent of high-caliber people in a whole array of disciplines needed for the development of defense-related science, technology and industry. At present, in China's defense-related science,

technology and industry, 141 academicians of the Chinese Academy of Sciences and the Chinese Academy of Engineering are active, of which 52 are academicians of the Chinese Academy of Sciences, 95 are academicians of the Chinese Academy of Engineering, and 6 belong to both academies.

The Chinese government has always stressed the peaceful use of military industrial technology, and encouraged and supported defense-related science, technology and industry to bring its technological and human resource advantages into full play, and develop dual-purpose technologies and new- and high-tech industries, and thus promoted the development of the national economy. Nuclear power for civil use should be industrialized. Civil aerospace technologies have made remarkable achievements in the applied satellite, carrier rocket, and manned spaceship. The “Long March” series of carrier rockets have successfully launched 27 foreign-made satellites, entitling China to a position in the international commercial satellite launching service market. In 1999, 2001 and 2002, China successfully launched in succession three experimental unmanned spaceships, marking a breakthrough for China in mastering basic manned spaceship technology. This has provided a solid foundation for China to send a manned spaceship into space. The aviation industry for civil use, while strengthening technological research, expanding sub-contracting scope for production, and improving existing plane models, has made important headway in manufacturing general-purpose aircraft and the “Xinzhou 60” aircraft, and has begun the R&D of new feeder liners. The shipbuilding industry for civil use has already become a highly competitive pillar export industry among China’s electromechanical industries. In recent years, China’s shipbuilding output has continuously increased, ranking third in the world for seven consecutive years. The accomplished shipbuilding output in 2001 accounted for 6% of the world’s total.

China’s defense-related science, technology and industry endeavors to establish and perfect an organizational system and an operational mechanism tailored to the needs of national defense building and the socialist market economy. It encourages a specialized division of labor, gradually forms a new multi-tiered cooperative system of principal weaponry contractors, sub-contractors and suppliers of parts and components. It also presses forward with the strategic reorganization of military industrial enterprises and institutions, optimizes the allocation of resources, develops core industries, and gradually forms a batch of internationally competitive conglomerates. It makes efforts to deepen the reform of military industrial enterprises, establish a modern enterprise system, and push forward the diversification of investors of the enterprises and transformation of operational mechanisms so as to enable these enterprises to turn into market competitors operating independently and responsible for their own profits or losses. The defense-related science, technology and industry stresses the reform of its sci-tech system, strengthens the organic integration of production, education and research, and transforms the defense-related science and technology into actual productivity. In addition, the defense-related science, technology and industry adheres to opening-up, and actively participates in international exchanges and cooperation in line with the principles of the complementarity of each other’s strengths, reciprocity, mutual benefit and common development.

Land and Sea Border Defense

China pursues a policy of good neighborliness and friendship. It defends and administers its land borders and seas under its jurisdiction, safeguards the country’s territorial

sovereignty and maritime rights and interests, and secures both its land and sea borders strictly in accordance with treaties and agreements it has signed with neighboring countries, and the *United Nations Convention on Law of the Sea*.

China advocates settling unresolved border and maritime demarcation issues through negotiation, and demarcating maritime boundaries with neighboring countries or countries contiguous to opposite coasts based on the principle of equity, and opposes the use of force or provocative acts. China has solved or basically solved boundary issues left over by history with most of its adjacent countries. In December 2000, China and Viet Nam entered into the *Beibu Gulf Demarcation Agreement*. In May 2002, China and Tajikistan signed the *Supplementary Agreement on the Boundary Between the People's Republic of China and the Republic of Tajikistan*.

China attaches importance to having frontier defense exchanges and cooperation with neighboring countries, and jointly maintaining order along the borders. China has signed treaties, agreements and understandings with Mongolia, Russia, Myanmar, Viet Nam, Laos and India on border control and handling border affairs, setting up confidence-building measures, and preventing dangerous military activities. Since 1995, the Chinese Ministry of National Defense has signed frontier cooperation agreements with the General Administration of Frontier Defense of the Russian Federation and the Administration of Frontier Guards of Mongolia. In January 2002, Chinese Ministry of National Defense and the National Security Commission of Kazakhstan signed the *Frontier Defense Cooperation Agreement Between China and Kazakhstan*. In April 2002, China sent a delegation to attend the meeting of leaders of frontier defense authorities of the member states of the Shanghai Cooperation Organization (SCO) held in Alma-Ata. At the meeting, the leaders of the frontier defense authorities of China, Russia, Kazakhstan, Kyrgyzstan and Tajikistan agreed that the frontier defense authorities of the five states will, within the framework of the relevant documents of the SCO and in accordance with the circumstances of the areas of common borders of the member states, strengthen exchanges of information in respect of frontier defense; further deepen corresponding bilateral and multilateral cooperation; take effective measures for the joint fight against terrorism, separatism and extremism, and for preventing cross-border criminal activities of all forms; safeguard order along the common borders of member states; and provide powerful guarantee for the development of good neighborliness and friendship and economic, trade and cultural relations between the member states. China's frontier authorities and frontier troops faithfully implement relevant treaties, agreements and understandings, actively establish or improve the systems for consultation, frontier defense talks and meetings with counterparts of neighboring countries, carry out frontier defense contacts and cooperation at various levels, and deal appropriately with border affairs. Therefore, mutual understanding, trust and friendship between China and neighboring countries have been increased, and a peaceful and friendly atmosphere along borders has been created.

The Chinese government attaches importance to border area development and endeavors to promote transportation, communications, culture, education, public health, radio and television services in border areas. Since 1996, the State Frontier Defense Commission has organized the construction of frontier defense infrastructure on a large scale in nine overland frontier provinces and autonomous regions, which has effectively improved the administrative conditions of border areas, and given impetus to economic and social

development there. While earnestly performing their duties and unremittingly improving them-selves, the land and sea border defense forces have actively participated in and supported local economic development and the building of spiritual civilization. This has helped to strengthen the relations between the armed forces and the local governments, and between the military and civilians, and to safeguard political and social stability, and the unity of ethnic groups in frontier regions.

Civil Air Defense

China's civil air defense sector implements the concept of people's war. In view of wartime requirements, and based on the economic capability of the country, it relies on the broad masses, gives play to the initiatives of the central and local governments, ensures its readiness to provide effective protection. The basic tasks of civil air defense include: spreading knowledge of air defense among the people; building all types of protection projects; setting up a civil air defense communications and warning system; making plans for personnel and material evacuation; organizing and training specialized air defense contingents; guarding and protecting important facilities of the national economy; and in wartime, organizing and directing people to protect themselves against air-raids. In accordance with the needs for preparation against war, China has identified cities and regions for the conduct of civil air defense, and urban civil air defense is taken as the focal point of civil air defense.

The civil air defense sector adopts a system of joint leadership by the people's governments and military organs. The State Council and the CMC exercise leadership over civil air defense nationwide. Authorized by the State Council and the CMC, the military area commands exercise leadership over civil air defense in their respective regions. Local people's governments at the county level and above and the corresponding military organs exercise leadership over civil air defense in their respective administrative areas. The administrative organ in charge of nationwide civil air defense is in the General Staff Headquarters, and those in charge of the military area civil air defense are in the headquarters of the military area commands. The administrative organs in charge of civil air defense at the county level and above are in the people's governments at the same level. The relevant departments in charge of planning, programming and construction in the people's governments at the county level and above are responsible for relevant civil air defense within their respective scopes of duties.

The civil air defense sector adheres to the policy of long-term readiness, construction of key projects, and combination of peacetime footing with wartime footing, and implements the principle of developing in coordination with economic construction and in combination with urban construction. In peacetime, the state carries out civil air defense construction, divides cities into different categories for protection, incorporates civil air defense construction into the national socio-economic development program, integrates the civil air defense construction plan into the overall urban development plan, and ensures the smooth operation of the civil air defense communications and warning system. The state protects civil air defense facilities from being damaged, adopts a preferential policy toward construction of air defense facilities, and encourages and supports enterprises, institutions, social organizations and individuals to invest in civil air defense construction projects. In peacetime, the state encourages submission of civil air defense projects to the service of economic development and people's daily needs; the use of civil air defense communications and warning facilities for emergency rescue and

disaster relief, and as-assumption by civil air defense organs and specialized contingents of rescue and relief missions assigned by people's governments. To meet the needs of the changing situations, civil air defense will gradually be integrated with disaster prevention, and capabilities in rapid-reaction, damage-resistance, emergency rescue and self-improvement will be enhanced so as to cope with modern warfare and serious disasters and accidents, and effectively protect citizens' lives and property.

China has promulgated and implemented the *Civil Air Defense Law of the PRC*, and formulated a number of auxiliary civil air defense regulations. China sets store by cooperation and exchanges in respect of civil air defense with countries worldwide, and joined the International Civil Defense Organization in 1992.

Participating and Supporting the Development of the Western Region

The development of China's western region is important to the country's economy, politics and national defense. In accordance with the strategic decision for the large-scale development of the western region made by the state, the CMC has established a special leading group and a dedicated office, and made unified arrangements. The PLA and the Armed Police Force have contributed more than 1.5 million troops and 450,000 motor vehicles and machines to actively participate in and support the western region development efforts.

Concentrating strength on supporting the construction of key infrastructure projects. The Chinese armed forces regard the participation in the construction of transportation, energy, water conservancy and communications projects as the focal points in supporting the development of the western region. They have engaged in the expansion or reconstruction of 8 airports, 3 national highways and 4 expressways; the construction of 9 energy facilities such as pipelines, natural gas fields and oil-and-gas fields; the construction of 7 hydropower stations and 19 trunk diversion channels; and the laying of 8 optic telecommunications cables totaling more than 20,000 km.

Taking part in the protection and construction of the ecological environment. The armed forces stationed in the western region have, in order to improve the ecological environment, taken an active part in activities such as forestation, sand prevention and control, closing mountains to facilitate forestation, and restoring the reclaimed land to forests and grasslands. They have planted trees in an area of more than 3 million *mu* (one *mu* equals one fifteenth of a hectare), sown grass on more than 1.8 million *mu* of land, and restored more than 1.5 million *mu* of reclaimed land to forests and grasslands. Technical troops specializing in mapping, meteorology, water supply and aviation have provided such services as geographic survey, weather forecast, water source exploration, aerial sowing and artificial precipitation in the western region.

Providing talented personnel, and intellectual and technical support. Chinese armed forces have selected and transferred professionals from military colleges and schools, hospitals and scientific research institutes to support the development of the western region; arranged, in a planned way, demobilized officers to work in the western region; encouraged or persuaded demobilized soldiers from densely populated areas to settle in the west; and assigned increased numbers of soldiers from the western region to units stationed in developed areas, so as to help the cultivation of talents and the renewal of thinking for the development of the western region. Some colleges and schools, hospitals and scientific research institutes have actively provided services to the western region by way of jointly running schools, sponsoring short-term training courses, offering diseases

prevention and treatment assistance, and transferring achievements of scientific and technological research.

Opening and developing military facilities. On the premise of ensuring military security, the armed forces have opened 5 military airports, more than 200 military rail lines, 30 oil pipelines, 70 communication lines and more than 100 rear area warehouses for civilian use. Some of the military farms, real estate, support enterprises and army horse-breeding farms have been handed over to local authorities. The armed forces have improved such facilities for preparation against war as air traffic control and frontier defense roads, in order to support the development of the civil transportation.

Carrying out activities to help the poor and needy. The armed forces stationed in the western region have sent officers and men to help repair roads, install electricity lines, sink wells, teach useful skills and develop a diversified economy. These efforts have enabled more than 200,000 local people to get rid of poverty. The armed forces have also helped build or enlarge more than 300 middle and primary schools, and helped more than 50,000 school dropouts return to class. In addition, 100 PLA hospitals have made arrangements with 105 local county hospitals in the poor areas of the western region to provide assistance.

Chapter 5

In compliance with the general requirements of being qualified politically and competent militarily and having a fine style of work, strict discipline and adequate logistical support, and focusing on the two historic tasks of being capable of winning and never degenerating, the PLA strives to strengthen its overall development and form a revolutionary, modernized and regularized people's army.

Military Training

The PLA strives to adapt itself to the characteristics of modern war-fare, takes enhancement of the capability of defensive operations under high-tech conditions as the main objective, and continuously strengthens and improves military training.

Over the past two years, the PLA has quickened its steps in transforming the training — from the conventional training to one featuring new technology. It has made full use of modern science and technology to organize and implement military training. In October 2000, the General Staff Headquarters organized a large-scale high-tech military exercise in the vicinity of Beijing and used such new and high technologies as computer networking, reconnaissance sensing, ECM and simulation to drill and test the new operational concepts, weaponry and training methods. The latest achievements gained in military training featuring new technologies were exchanged among the troops.

In line with the new generation of operational doctrines, the PLA focuses on the studies and training of joint operations. The annual regular exercises organized by the military area commands and services and arms all concentrate on joint operations. In the spring and summer of 2001, both Nanjing and Guangzhou military area commands organized field exercises with joint landing operations as the backdrop, focusing on the coordination of joint and combined arms landing operation, and drew useful lessons on how to organize, support and manage joint training, ground force amphibious landing training, and training of rapid reserve mobilization. In addition, the general headquarters/departments organized successive studies and exercises of communications and command at the joint operational level, training of landing and mountain operations,

and research on methods of joint penetration operations, and explored the features and patterns of integrated network and electronic warfare.

The PLA has enforced new military training regulations and strengthened regularized training. On the basis of extensively absorbing the achievements of the armed forces' training reform and the experience gained in troop training featuring new technologies, the General Staff Headquarters revised and adjusted the system of content of the PLA's military training, promulgated the *Outline of Military Training and Evaluation* in July 2001, and organized a training course of the *Out-line* in a combined corps in northern China in September 2001. In September 2002, the CMC promulgated the new *Regulations on Military Training of the PLA* comprehensively and systematically standardizing the organization, leadership and administration of military training.

The PLA has continued to deepen the reform of institutional education. In line with the general concept of "running schools in large scale, modernizing teaching, regularizing administration and outsourcing logistic support," the PLA has further improved its new system of institutional education and established a teaching system consonant with military, sci-tech and educational developments. In recent years, on the basis of fulfilling the major construction tasks of 18 colleges and schools, 60 disciplines and 31 laboratories, the PLA has launched the Key Construction Project of Military Colleges and Schools, whereby efforts are being focused on 67 domains of disciplines and specialties, and 178 research centers. So far 58 have been qualified as state-level key disciplines and specialties. The general headquarters/departments have promulgated the first catalogue of disciplines and specialties of the PLA's colleges and schools, thus setting up a new system of disciplines and specialties. Deepening teaching reform with teaching content as the focal point, colleges and schools of the PLA have formulated a new teaching program, implemented a key teaching material development project, and perfected the teaching appraisal system. At the same time, informationization and networking of teaching have been promoted, and an information network platform for the armed forces' teaching and scientific research has been initially put in place, giving shape to a training information network linking PLA's colleges and schools and having nearly 100,000 websites and centers.

Political Work

The political work of the PLA is the ideological and organizational work of the CPC in the armed forces. It is the fundamental guarantee for the absolute leadership of the Party over the armed forces, and the assurance on maintaining and improving combat effectiveness of the troops. It is the lifeline of the PLA.

The PLA's political work implements the aim of serving the people wholeheartedly; guarantees the Party's absolute leadership over the armed forces; adheres to the principle of seeking unity between officers and men and between the military and the people, and demoralizing and disintegrating the enemy, with ideological-political education as the central link; operates a system featuring political democracy, economic democracy and military democracy; and enforces the Three Main Rules of Discipline and the Eight Points for Attention. The PLA's political work implements the Party committee (Party branch) system, political leader system and political organ system. The Party committee (Party branch) system stipulates that a Party committee shall be set up in a unit at or above the regiment level, a grass-roots Party committee in a unit at the battalion or corresponding level, and a Party branch in a unit at the company or corresponding level.

Party committees (Party branches) at various levels are the core of the centralized leadership and unity of the unit concerned. The system of leading cadres assuming separate responsibilities under the unified collective leadership of the Party committee (Party branch) is the fundamental system for Party leadership over the armed forces. The political leader system stipulates that a political commissar shall be appointed to a unit at or above the regiment level, a political director to a battalion, and a political instructor to a company. The political commissar, political director and political instructor, together with the chief military officers at the same level, are the chief leaders of their units, assuming joint responsibility for all work in their units under the leadership of the Party committees (Party branches) at the same level. The political commissar, political director and political instructor are organizers of the day-to-day work of the Party committees (Party branches) and leaders of political work. The political organ system stipulates that a political department (section) shall be set up in a unit at or above the regiment level, and a general political department for the PLA; and that the political organs are the leading body of the political work in a unit, responsible for administering Party work and organizing the implementation of the political work.

The political work of the PLA persists in advancing with the times, breaking new ground and making innovations, keeping pace with profound changes in the international situation and the military field, adapting itself to the rapid development of the socialist market economy, striving to provide strong spiritual motivation for winning future high-tech wars, and furnishing a reliable political guarantee for maintaining the nature, character and work style of the people's army. In recent years, the CPC Central Committee has promulgated the new *Regulations on the Political Work of the PLA*, the CMC has promulgated the *Outline for Armed Forces Construction at the Grass-Roots Level*, and the General Political Department has released *Decisions on Some Issues Concerning the PLA Ideological-Political Work Under the Conditions of the Reform and Opening-up and the Development of a Socialist Market Economy* and *Opinions on Strengthening and Improving Ideological-Political Education of the Army in the New Situation*. The PLA has actively studied and implemented the important thought of the "Three Represents," organized the rank and file to study the Constitution and other state laws, the Party's basic theories, and scientific and cultural knowledge, and conducted education in patriotism, collectivism and revolutionary heroism by establishing military history museums in units at and above the regiment level, and honor exhibition in companies. The PLA has issued an ethical code for servicemen, organized the composition of moral songs, set up a PLA-wide publicity, cultural and information network, improved cultural facilities in barracks, set up cultural clubs in companies, and established cultural centers in units at and above the regiment level. The PLA has carried out psychological education and legal consultation, and has established psychological education and legal consultation mechanisms that rely mainly on brigade or regiment political organs and grass-roots political officers and integrate the political work system with the related specialty system.

Logistical Support

The PLA strives actively to reform its logistical structure and system, construct a modern logistical support system and constantly enhance its logistical support capabilities.

The introduction of the joint logistics system is a major reform of the logistical support system of the PLA. The joint logistics system is based on military area commands. It

combines regional support with organic system support and general supply support with special supply support. Unified general-purpose material supply and service support are provided by military area commands, and special material supply and service support are provided by the services and arms through their organic channels. The General Logistics Department is in charge of the PLA's joint logistics work. The military area command's joint logistics department is in charge of the joint logistics work within a theater of war. And the joint logistics sub-department is mainly responsible for organizing and implementing the general-purpose support of the services and arms within its support area. After more than two years' practice of reform, the joint logistics system has been standardized gradually with notably improved efficiency. The system will be further developed into one that integrates the three armed services, unites the army with the people, and combines peacetime and wartime footing.

In order to streamline the logistical support organizations and improve the cost-effectiveness of defense expenditures, the PLA has carried out a reform featuring the socialization of logistical support in non-combat units at and above the corps level, and in military colleges and schools and hospitals in large and medium-sized cities. After nearly three years of effort, substantial progress has been achieved in this regard, including reform in food and commercial services, bar-racks, and the administration of civilian employees. Reform has also been carried out, on a trial basis, in non-military transportation, fuel supply and the monetized supply of clothing. So far, the PLA has already had more than 1,500 messes run by civilian services, more than 1,000 post exchanges integrated into civilian service systems, more than 1,800 barracks managed by real estate companies, approximately 300 support enterprises and farms transferred to central and local authorities, reducing a total number of more than 300,000 institutional and business employees. In order to promote the reform of socialization of military logistical support and to ensure the development of the reform, in September 2002, the State Council and the CMC issued an *Announcement Concerning the Issues of Advancing the Reform of Military Logistical Support*, and in October, the CMC approved and transmitted the General Logistics Department's *Opinions on Some Issues Concerning the Socialization of Military Logistical Support*.

In March 2001, the PLA began to reform the budgetary planning system. Drawing on the internationally adopted budgeting method, the PLA reformed its budgeting form, method and content extensively, with emphasis placed on implementation of the zero-base budget method, so as to give full play to the budget's macro-control role and gradually establish a new budgeting pattern featuring the concentration of financial power and resources, scientific distribution of military expenditures, concrete and transparent itemization, and tight supervision and control.

In January 2002, the PLA carried out an across-the-board reform of the procurement system, focusing mainly on concentrated procurement and procurement through public bidding, and set up a mechanism for sectional management, which features cooperation with proper division of labor and mutual restriction. High-value, large-quantity, general-purpose materials are procured in a concentrated way by relying mainly on the material procurement departments. Bulk materials with one-time procurement value exceeding RMB 500,000 yuan, and projects newly built, expanded, or revamped each involving an investment of over RMB 2 million yuan are undertaken through public bidding.

Currently, the method of combining military support with social support, government house with self-owned house, and supply in kind with supply in money is adopted for PLA officers' housing system. Officers of all ranks and all military branches are provided with appropriate housing support. Active-service officers live mainly in government houses. Retired officers are entitled mainly to purchase the houses they are living in or other affordable houses. Demobilized officers and noncommissioned officers transferred to civilian posts should be ensured of housing benefits mainly by subsidies and incorporation into the social security system.

The PLA constantly strengthens the development of its logistical equipment and upgrades its logistical support means. In 2001, it carried out coordinative experiments in the overall support capability of logistical equipment organically and systematically; developed logistical equipment in seven aspects — rapid maritime rescue and treatment of the wounded, shore party support, air field support, mobility support for missile units, air-dropped material support, individual support and field logistics command; and completed the demonstration, R&D and testing of 86 kinds of new equipment. In order to obtain and process information on the resources, requirements and conditions of logistical support real-time and in a precise and transparent way, the PLA is doing research on a video logistics system. In July 2002, the CMC promulgated the *Regulations on the Logistical Equipment of the PLA* to promote the regularized development of logistical equipment.

Weaponry and Equipment

In line with the needs of high-tech military developments and defense operations, the PLA conscientiously implements the principle of building a strong military through science and technology and giving first place to quality, so as to upgrade and accelerate the development of military equipment.

The weaponry and equipment management system and mechanism have further improved. Following the founding of the General Armaments Department in April 1998, the services and arms, military area commands and combat units at the corps, division and regiment levels have all set up their armaments departments (sections), and further strengthened unified leadership over weaponry and equipment development, and the across-the-board and life-cycle management of military equipment, thus effectively improving the overall efficiency. In December 2000, the CMC promulgated the first *Regulations on Armaments of the PLA*, which standardizes the organization and leadership, division of responsibilities and management procedures of the PLA's armament-related work. The CMC promulgated the *Regulations on the Armament Maintenance Work of the PLA* in June 2002, and the *Outline of Operational Equipment Support of the PLA* in October 2002. These rules and regulations concerning armament-related work have promoted the development of the work along scientific, regularized and legal lines.

The modernization level of weaponry and equipment has undergone constant improvement. The PLA persists in stressing self-reliance and independent innovation, and actively develops military equipment with advanced foreign technology. In compliance with the needs of future defense operations in high-tech conditions, the PLA mainly develops weaponry and equipment featuring new and high technology, while upgrading and modernizing current weaponry and equipment selectively, so as to accomplish the historical tasks of mechanization and IT-application of military

equipment. A Chinese-style weaponry and equipment system, with a relatively complete variety and a good structure, has thus come into shape.

Weaponry and equipment management capability has been notably enhanced. The PLA manages and uses existing weaponry and equipment conscientiously and in a proper way, and constantly enhances its ability to manage new-type weapons. The forces at and below the corps level have universally established and improved rules and regulations for weaponry management, exercised standardized management of equipment-related finance, and carried out examination and appraisal relating to the scientific, institutional and regular management of weaponry and equipment. At the same time, they have organized training courses in the use and management of new-type equipment, trained personnel in equipment management and technological support, improved the management of support facilities, and succeeded in developing the combat and support capabilities of military equipment organically and systematically.

The weapon and equipment procurement system is being gradually reformed. The PLA seeks actively to meet the requirements of the socialist market economy and improvement of weapons and equipment, and vigorously promotes the reform. The armament departments perform the functions of the principal responsible party in weapon and equipment ordering, and institutes contractual management in the re-search, procurement and maintenance of weapons and equipment in accordance with state and PLA regulations. In recent years, the PLA has persisted in introducing the mechanism of competition into its procurement process, gradually instituted a public bidding and tendering system, introduced and improved mechanisms of competition, appraisal, supervision and motivation, further strengthened the fostering of factory-based military representatives, and perfected the quality certification system, thereby improving the efficiency of the weapon and equipment expenditures, and the cost-effectiveness of weaponry research and production.

Cadre Training

The PLA persists in taking the training of high-quality military personnel of a new type as a fundamental measure for promoting a leapfrog development of the armed forces' modernization.

Cadres of the PLA include officers and non-ranking cadres. In recent years, the PLA has constantly raised the training level of officer candidates, adjusted the sources of officer candidates, and established a scientific and justified system for training such candidates, resulting in a marked improvement in the training level, quality and efficiency of military personnel. At present, more than 80% of the PLA's cadres have received junior college or higher education. More than 30,000 have doctor's or master's degrees, and many of them hold leading posts at the division or regiment level. At the same time, in order to draw on the useful armed forces building experiences of other countries, particularly developed countries, the PLA has since 1996 sent nearly 1,000 servicemen to study in over 20 countries, a considerable number of them being commanding or technical officers at the division or regiment level.

Both the *Law of the PRC on Officers in Active Service* passed by the Standing Committee of the NPC in December 2000 and the *Regulations on Non-Ranking Officers of the PLA* issued by the CMC in June 1999 explicitly stipulate that commanding officers and non-ranking officers without technical specialty, as well as ranking officers with technical specialty and non-ranking officers with technical specialty should receive training at

relevant colleges and schools or other training institutions before their promotion; and that cadres in leading organs should have undergone training at appropriate colleges or schools. Cadre's on-the-job training is gradually undergoing a change from academic credentials education to all-round continuing education. Except for a small number of cadres who have to take academic credentials education, the overwhelming majority of cadres would update their knowledge mainly through short-term training.

In May 2000, the State Council and the CMC promulgated the *Decision on Establishing a System for Training Military Cadres by Reliance on Regular Institutions of Higher Learning*, clearly stressing the role of regular higher education in the modernization of national defense and the armed forces, so as to widen the channel for the selection and training of high-caliber personnel for the military. So far, more than 50 institutions of higher learning, including Peking University and Tsinghua University, have undertaken the task of training personnel for the armed forces, providing a large batch of outstanding personnel for the PLA each year.

To meet the requirement of building a strong military through science and technology, the PLA pays great attention to the training of high-level personnel. In the past two years, the PLA's mobile post-doctoral stations and doctor's or master's degree authorization centers have increased by large margins, the academic degree authorization system has been improved gradually, and the training scale has been enlarged substantially. In May 2002, the Academic Degree Commission under the State Council examined and approved the *Plan of Setting Up Specialties for the Master Degree of Military Science*, and decided on the setting up of specialties for the master degree of military science as an experiment, marking a new stage in the training of high-level professionals for the armed forces.

The PLA regards the exchange of cadres as an important channel for training and tempering them and raising their quality. The *Law of the PRC on Officers in Active Service* further clarifies and standardizes the exchange of officers. The *Regulations on the Appointment and Removal of the PLA Officers in Active Service* promulgated by the CMC in January 2002 lays down concrete stipulations on the condition, scope, organization and implementation of officer exchange. In accordance with the *Interim Provisions on the Rotation of Cadres of the PLA Garrison in Hong Kong* promulgated in December 1998, a regular rotation system has been instituted for all cadres of the garrison force in Hong Kong, and three batches of cadres have so far been rotated. A rotation system of this kind has also been instituted for the PLA Garrison in Macao.

Chapter 6

International security cooperation is playing an increasingly important role in maintaining world and regional peace and stability. The Chinese government pays great attention to and actively participates in international security cooperation, and advocates the development of international security cooperation on the basis of the UN Charter, the Five Principles of Peaceful Coexistence, and other universally recognized norms of international relations.

Regional Security Cooperation

Conducting dialogue and cooperation with Asia-Pacific countries is an important content of China's policy concerning Asia-Pacific security, and a component part of its policy of good-neighborliness and friend-ship. China persists in building a good-neighborly relationship and partnership with its neighbors and strengthens regional cooperation

constantly. Over the past two years, China has worked hard to boost the formation and development of the Shanghai Cooperation Organization (SCO), and continued to support and participate in the ASEAN Regional Forum (ARF), Conference on Interaction and Confidence-Building Measures in Asia (CICA), Council on Security Cooperation in the Asia-Pacific Region (CSCAP), Northeast Asia Cooperation Dialogue (NEACD) and other activities for multilateral security dialogue and cooperation, thus playing a positive role in deepening regional security cooperation with Asian characteristics.

In June 2001, China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan founded the SCO. This organization is a regional multilateral cooperation body established on the basis of the “Shanghai Five.” Since its founding, it has signed and published in succession the *Shang-hai Convention on Combating Terrorism, Separatism and Extremism*, the joint communiqué of the defense ministers, the statement of the prime ministers, the statement of leaders of the law-enforcement and security departments, and the joint statement of the foreign ministers. At the SCO St. Petersburg Summit held in June 2002, the heads of state of the six countries signed three important legal and political documents — the *Charter of the SCO*, the *Agreement on a Regional Anti-Terrorist Agency* and the *Declaration of the Heads of State of the SCO Member Countries*. The SCO has initiated a new security concept, a new pattern for regional cooperation, and state-to-state relations of a new type, strengthened trust and cooperation in the military field, beefed up substantive cooperation in the fight against terrorism, separatism and extremism, and reached a consensus on mutual assistance in preventing and peacefully solving international conflicts. The SCO propagates the “Shanghai Spirit” that features mutual trust, mutual benefit, equality, consultation, respect for diverse civilizations and seeking common development, and actively promotes the establishment of a fair and rational new international political and economic order, thus advancing regional security and stability.

China endorses the CICA aim and principle of strengthening trust and cooperation and safeguarding regional security, and has developed constructive and friendly cooperation with all its member countries. In June 2002, the first CICA summit meeting passed the *Alma-Ata Document* and the *Declaration on Eliminating Terrorism and Promoting Dialogue Among Civilizations*. The CICA has scored important achievements in its activities.

China supports the ARF in its continuous advance toward its set goal. China has consistently taken an active part in the ARF foreign ministers’ meetings, senior officials’ meetings and unofficial meetings. China has undertaken the project of the ARF ocean information web-site and formally opened it to service; attended the ARF experts’ group meeting on confidence-building measures against transnational crimes; submitted a country report on the question of transnational crimes; and regularly submitted annual security prospect reports to the ARF. At the Eighth ARF Foreign Ministers’ Conference, held in 2001, China declared its readiness to support the ARF’s efforts to gradually develop dialogue and cooperation in non-traditional security fields, and reiterated its proposal on reporting on, and sending personnel to observe, multilateral joint military exercises. In May 2002, China submitted to the ARF Senior Officials’ Conference the *Document Concerning China’s Stand in Strengthening Cooperation in Non-Traditional Security Fields*. At the Ninth ARF Foreign Ministers’ Conference, held in July 2002, China submitted the *Document Concerning China’s Stand in Regard to the New Security*

Concept, emphasizing the need to jointly cultivate a new security concept, enhance trust through dialogue, and promote security through cooperation. The *Joint Declaration of ASEAN and China on Cooperation in the Field of Non-Traditional Security Issues* released in November 2002, initiated full cooperation between ASEAN and China in the field of non-traditional security issues. In September 2002, China held the ARF seminar on military logistics outsourcing support in Beijing.

Cooperation between ASEAN and China, Japan and the Republic of Korea (10+3) is an important channel for East Asian leaders to exchange views on strengthening cooperation in the region, and is conducive to enhancing mutual understanding, trust and mutually beneficial cooperation among East Asian countries. China values and actively participates in this cooperation. It advocates that it should be expanded into all-directional cooperation on the existing basis, that dialogue and cooperation in the political and security fields be gradually developed on the principles of achieving unity through consultation and making steady advance, and that this cooperation be started with cooperation in the non-traditional fields of security. After more than four years' development, this cooperation has made marked progress.

The Chinese armed forces have participated in security dialogue and cooperation in the Asia-Pacific region. In January 2002, Chinese officers observed the naval mine clearance exercise sponsored by Singapore in the West Pacific region. In April 2002, Chinese officers observed the submarine search and rescue exercise sponsored by Japan in the West Pacific region. In May 2002, China sent officers to observe the "Cobra Gold" joint military exercises staged by the United States, Thailand and Singapore. China intends to selectively and gradually participate in more multilateral joint military exercises in the non-traditional fields of security in the future.

Anti-Terrorism Cooperation

In recent years, terrorist activities have notably increased, and constitute a real threat to world peace and development. The "September 11" terrorist attack, which caused a great loss of lives and property, has aroused the universal concern of the international community. China, too, is a victim of terrorism. The "East Turkestan" terrorist forces are a serious threat to the security of the lives and property of the people of all China's ethnic groups, as well as to the country's social stability. On September 11, 2002, the UN Security Council, in response to a common demand from China, the United States, Afghanistan and Kyrgyzstan, formally included the "East Turkestan Islamic Movement" on its list of terrorist organizations. The Chinese government has always resolutely opposed and condemned all forms of terrorism, and has actively adopted effective measures to fight against terrorist activities.

The Chinese government is of the view that the international community should strengthen dialogue and consultation and develop cooperation, join hands in preventing and fighting against international terrorist activities, and make efforts to eradicate the root cause of terrorism. The fight against terrorism requires conclusive evidence, clear targets and conformity with the purpose and principles of the UN Charter, and the universally acknowledged norms of international laws. In this regard, the leading role of the UN and its Security Council should be brought into full play, and all actions taken should be conducive to the long-term interest of preserving regional and world peace. Terrorism should not be confused with a specific nation or religion, neither should dual standards be adopted in the fight against terrorism. The international community should make

common efforts to resolutely condemn and attack terrorism whenever and wherever it occurs, whoever it is directed against and in whatever form it appears. In fighting terrorism, it is necessary to address both its symptoms and root cause, and adopt comprehensive measures, especially in solving the question of development, narrowing the North-South gap, and ending regional conflicts.

China supports and has conscientiously implemented a series of resolutions on the anti-terrorism issue passed by the United Nations and its Security Council, and has submitted to the Security Council Anti-Terrorism Commission a report on the implementation of Security Council Resolution No. 1373. China has acceded to the *International Convention on Stopping Terrorist Explosions*, and signed the *International Convention on Severing Financial Aid to Terrorism*. China has acceded to 10 and signed another one of the 12 international anti-terrorism conventions. China has also held anti-terrorism consultations respectively with the USA, Russia, UK, France, Pakistan and India, and has taken an active part in the work of the Security Council Anti-Terrorism Commission. China actively helped the Shanghai Conference of APEC Leaders in bringing about the anti-terrorism statement, motivated the heads of government, defense ministers, leaders of law-enforcement and security departments, and foreign ministers of the SCO member nations in issuing a common statement, and actively supported the SCO in establishing a permanent regional anti-terrorist organization. China and Kyrgyzstan conducted a joint anti-terrorism military exercise in October 2002. China pays great attention to international anti-terrorist cooperation in the financial field. Although China is not a member of the ad hoc working group for combating the financial action of money laundering, it consistently supports the group's work. China has given the group a full introduction of its measures for anti-terrorism in the financial field.

Participation in UN Peace-keeping Operations

As a permanent member of the UN Security Council, China has always valued and supported the UN in its efforts to play a positive role in safeguarding international peace and security under the guidance of the purpose and principles of the UN Charter. China adopts an active attitude toward the reform of peace-keeping operations, and hopes that further efforts will be made to strengthen the role of the UN in peace-keeping operations and to make these operations more efficient. China supports the active measures taken by the UN Secretariat in this regard, and welcomes the progress made by the UN General Assembly and the Security Council in deliberating the *Prasmy's Report on Re-forming the UN's Peace-keeping Operations*.

Since its first dispatch of military observers to the UN peacekeeping activities in 1990, the PLA of China has successively taken part in 10 UN peace-keeping operations. So far it has sent more than 650 military observers, liaison officers, advisors or staff officers and 800 (in two batches) engineering officers and men to the UN peacekeeping operations. At present, 53 Chinese military observers are still serving in 6 regions, and 2 staff officers working in the UN peacekeeping department. Four Chinese servicemen have laid down their lives, and dozens have been wounded in UN peace-keeping operations.

After its first dispatch of 15 policemen to UN peace-keeping operations in January 2000, the Chinese government has sent in succession 198 civilian policemen to serve with UNTAET and UNMIBH.

In May 1997, the Chinese government decided, in principle, to take part in the UN's stand-by arrangements for its peace-keeping operations. In January 2002, China formally

participated in the Class-A stand-by arrangements mechanism for the UN peace-keeping operations, and it is ready to provide the UN peace-keeping operations with engineering, medical, transportation and other logistical support teams at appropriate times. China is able to provide these operations with 1 UN standard engineering battalion, 1 UN standard medical team and 2 UN standard transportation companies.

Military Exchanges and Cooperation

The PLA has actively conducted military exchanges and cooperation with other countries. The areas of its external contacts are being gradually expanded, with the content of the contacts increasingly richer and forms more flexible and diversified.

China has established military relations with more than 100 countries, and over 100 military attaché's offices in Chinese embassies abroad. Meanwhile, more than 70 countries have set up military attaché's offices in China. Over the past two years, the PLA has carried out over 130 important exchange projects, sent high-level delegations to over 60 countries, and hosted over 90 important military leaders' delegations from some 60 countries. From May to September 2002, Chinese naval ships undertook their first round-the-world navigation, visiting 10 countries, covering a total of over 30,000 nautical miles. The PLA's foreign military academic exchanges and technical cooperation have also constantly developed in breadth and depth. It has conducted ex-change visits of more than 100 delegations or groups of military experts with several dozen countries, and the scale of exchanges of military students has expanded step by step. Between October and November 2001, China held the Third Symposium on International Issues at the National Defense University, with officers from 18 countries participating. In October 2002, the Fourth Symposium was held at the National Defense University, with officers from 31 countries participating.

China actively promotes military relations with countries around the world. The relations between the armed forces of China and Russia, under the guidance of the *Sino-Russian Treaty of Good Neighborliness, Friendship and Cooperation*, have been strengthened and developed continuously, and high-level contacts between the armed forces of the two sides have maintained their momentum. In September 2001, the special meeting of the China-US Military Maritime Consultation Agreement was held in Guam, which led to the thawing of the once suspended Sino-US military relations. In October 2002, it was agreed between the heads of state of both countries that the military ex-changes should be resumed. Sino-Japanese military ties were resumed at the end of 2001. Meanwhile, China-EU military relations have developed smoothly. Chinese military delegations at various levels have made successful military visits on invitation to many countries in Northeast, Southeast, South and Central Asia regions. China's frontier commands have exchanged visits with their counterparts in neighboring countries. China continues to provide a number of developing countries with aid in personnel training, equipment, logistical materials and medical care, and will seek to widen the scope of contacts in the future. It has also intensified its efforts for contacts with West Asian and African countries, and sustained military contacts with Latin American countries.

The PLA has repeatedly sent personnel to attend the multilateral security conferences in the Asia-Pacific region, the Asia-Pacific Region Defense Authority Officials Forum, the NEACD, the ARF, the West Pacific Naval Forum, and other activities for multilateral security. The PLA has also held security consultations and meetings with the defense or other military departments of countries such as Australia, France, Germany, India, Japan,

Kazakhstan, Kyrgyzstan, Pakistan, Russia, Thailand, UK and USA, thereby enhancing mutual trust and understanding with them.

Chapter 7

After the end of the Cold War, a series of achievements were made in the field of international arms control, disarmament and non-proliferation. However, this momentum has been hampered by a host of negative developments in recent years. In the current situation, it is vitally important to maintain the global strategic balance and stability and the legal system governing international arms control and disarmament. The existing legal system is an important component of the global collective security framework centered around the United Nations. The Chinese government is willing, together with the international community, to contribute to the maintenance of the legal system for international arms control and disarmament, and the advancement of the process of arms control, disarmament and non-proliferation.

Nuclear Disarmament

China has consistently advocated the complete prohibition and thorough destruction of nuclear weapons. On the very first day it came into possession of nuclear weapons, China solemnly declared that at no time and under no circumstances would it be the first to use such weapons. Later, China undertook unconditionally not to use or threaten to use nuclear weapons against non-nuclear-weapon states or nuclear-weapon-free zones, and has consistently urged all nuclear-weapon states to enshrine these commitments in a legal form. China has always exercised utmost restraint on the development of nuclear weapons, and its nuclear arsenal is kept at the lowest level necessary for self-defense only. China holds that countries having the largest nuclear arsenals bear a special and primary responsibility toward nuclear disarmament, and that they should take the lead in drastically reducing their nuclear arsenals and destroy the reduced nuclear weapons. China welcomes the new treaty signed by the US and Russia on the reduction of their offensive strategic weapons, and hopes that these two countries will adopt effective measures to ensure the “verifiability” and “irreversibility” of nuclear disarmament, and continue to further the process of nuclear disarmament, so as to genuinely promote world peace and stability.

The *Comprehensive Nuclear Test Ban Treaty* (CTBT) is an important step taken in the process of nuclear disarmament. As one of the first countries to sign the Treaty, China has always actively participated in the work of the Preparatory Commission of the Treaty Organization, and earnestly carried out the preparatory work for the implementation of the Treaty in China. The Chinese government has submitted the Treaty to the NPC Standing Committee for examination and approval. Together with the international community, China is ready to work for the early entry into force of the Treaty. China maintains that the conclusion of a *Fissile Material Cut-off Treaty* (FMCT) will help to accelerate the process of nuclear disarmament and nuclear non-proliferation, and supports an early start of the negotiations on such a Treaty on the basis of a comprehensive and balanced work plan of the Conference on Disarmament (CD).

Chemical and Biological Disarmament

China has consistently advocated the complete prohibition and thorough destruction of chemical weapons. As a State Party to the *Chemical Weapons Convention* (CWC), China actively supports its purposes and objectives and has conscientiously and strictly fulfilled

all its obligations under the Convention. China has set up a national authority for the implementation of the Convention, and submitted its initial declaration and all sorts of annual declarations in time. So far, China has accepted 55 inspections by the Organization for the Prohibition of Chemical Weapons (OPCW), and has co-sponsored, together with the OPCW, several training courses and symposiums for inspectors.

Today, large quantities of chemical weapons abandoned by the Japanese invaders still remain on Chinese soil. China urges Japan to earnestly implement the obligations under the CWC for the destruction of these weapons, and expedite the pace of the relevant work in accordance with the *Memorandum on the Destruction of Japanese Abandoned Chemical Weapons in China* between the governments of China and Japan, so as to commence as soon as possible the substantive part of the destruction process.

China has always stood for the complete prohibition and thorough destruction of biological weapons. China acceded to the *Biological Weapons Convention* (BWC) in 1984, and has fully and conscientiously fulfilled its obligations under the Convention. Since 1987, China has, on an annual basis, provided the UN with information on confidence-building measures, in accordance with the decisions of the Review Conferences of the Convention.

China supports the enhancement of the effectiveness of the BWC in a comprehensive manner, and has actively participated in the work of the ad hoc group of the states parties to the Convention set up for the negotiation of a BWC protocol. China regrets that the protocol has not been reached as scheduled and that the Fifth Review Conference of the Convention has had to adjourn. China holds that the conclusion of a protocol with balanced contents and effective measures through multi-lateral negotiations remains the best way to enhance the effectiveness of the BWC. China is willing, together with all other parties concerned, to continue to explore measures along this line on the basis of the universal participation of all countries and within a multilateral framework.

Missile Defense and Prevention of an Arms Race in Outer Space

China's stand on the issue of missile defense is consistent and clear-cut. China understands the relevant countries' concern over the proliferation of weapons of mass destruction (WMD) and their means of delivery. But, like many other countries, China holds that this issue should be resolved through political and diplomatic means, with the common efforts of the international community.

China regrets the abrogation of the *Anti-Ballistic Missile Treaty* (ABM). It is China's consistent view that maintaining the global strategic stability and the international system of arms control, disarmament and non-proliferation is vitally important and in conformity with the fundamental interests of all countries. China hopes that the relevant countries will heed the opinions of the international community, and act prudently on the issue of missile defense. At the same time, China is willing to conduct constructive dialogue with all the parties involved, and make joint efforts to safeguard international peace and security.

China is concerned about certain countries' joint research and development of theater missile defense (TMD) systems with a view to their deployment in the Northeast Asian region. This will lead to the proliferation of advanced missile technology and be detrimental to peace and stability in the Asia-Pacific region. China resolutely opposes any country which provides Taiwan with TMD assistance or protection in any form.

Outer space belongs to all mankind, and the peaceful use of outer space is the common aspiration of all humanity. At present, outer space is faced with the danger of weaponization, and protection of outer space from weaponization and an arms race has become a very urgent and realistic issue. The international community should negotiate and conclude the necessary legal instrument as soon as possible to prohibit the deployment of weapons in outer space and the use or threat of use of force against objects in outer space, so as to ensure peace and tranquility therein. China holds that the Conference on Disarmament in Geneva is the suitable place for negotiations on this matter. China has submitted several working papers to the Conference, putting forward its suggestions on the main points of a future international legal instrument. In June 2002, China, Russia and some other countries jointly submitted to the Conference a working paper titled *Possible Elements for a Future International Legal Agreement on the Prevention of the Deployment of Weapons in Outer Space, the Threat or Use of Force Against Outer Space Objects* (Draft), setting forth their concept on the general structure and concrete contents of such a document. The above-mentioned working paper has received favor-able responses from many countries. China hopes that the Conference will carry out substantive work on this issue at an early date, and start negotiating an international legal instrument, thus making positive efforts for the prevention of the weaponization of outer space and an arms race therein.

Non-Proliferation of Weapons of Mass Destruction and Their Means of Delivery

China has always been opposed to the proliferation of WMD and their means of delivery. It supports the international community's active efforts of non-proliferation, and has made its own contributions in this area. China maintains that the efforts of non-proliferation should not be confined to non-proliferation itself and should also include the identification and resolution of its root causes. Establishing a fair and rational new international order and realizing the universal improvement of international relations are the fundamental way to eliminate the threat of WMD. Preventing terrorist organizations and other non-state entities from obtaining WMD is a common task confronting the international community. China is willing, together with the inter-national community, to make common efforts for the establishment of a fair, rational and effective multilateral non-proliferation regime based on the participation of all countries.

China is a State Party to the *Treaty on the Non-Proliferation of Nuclear Weapons* (NPT). It has always abided by its obligations under the Treaty, and pursues a policy of not advocating, not encouraging and not engaging in the proliferation of nuclear weapons, and not helping other countries to develop nuclear weapons. China has also formulated three principles governing its nuclear exports: guarantees for peaceful use only, acceptance of the safeguards of the International Atomic Energy Agency (IAEA), and no re-transfer to the third country without prior approval of China. In order to strengthen its nuclear ex-port control mechanism, China joined the Zangger Committee in 1997, and has established and improved on its relevant domestic legal sys-tem. China promulgated, respectively in September 1997 and June 1998, the *Regulations on the Control of Nuclear Export* and *Regulations on the Control of Nuclear Dual-Use Items and Related Technologies Export*, under which China exercises control over the export of materials and technologies included in the list of the Zangger Committee and the list of nuclear dual-use items and technologies currently in use internationally. These regulations stipulate that China's nuclear exports shall be done exclusively by specialized companies

designated by the government, that a licensing system shall be instituted for nuclear export, and that China shall not provide any assistance to any nuclear facility which is not under the IAEA safeguards. In order to strengthen the effectiveness of the IAEA safeguard system and fulfill its own non-proliferation obligations, China formally notified the IAEA on March 28, 2002 that it had completed the domestic legal procedures necessary for the entry into force of the *Protocol Additional to the Agreement Between China and IAEA for the Application of Safeguards in China*, and that the *Protocol* became effective for China on the same day. China was the first of the nuclear-weapon states to complete the above-mentioned procedures.

China is in favor of IAEA making its contributions to the protection against potential nuclear terrorist activities in accordance with purposes and principles of its Statute, and will provide appropriate assistance to the anti-terrorism activities of the Agency. Strengthening the physical protection of nuclear facilities and material is conducive to nuclear non-proliferation and prevention of nuclear terrorism. China has actively participated in the revision of the *Convention on the Physical Protection of Nuclear Material*, and is ready to make every effort to facilitate this process.

China strictly adheres to its obligations under the CWC and BWC, and will not in any way help or encourage any country to obtain chemical or biological weapons. China has consistently adopted a prudent and responsible attitude toward the export of chemicals or biological agents, as well as related production equipment and technologies. To ensure that exports of such material from China are not used for manufacturing chemical or biological weapons, the Chinese government has promulgated and implemented the *Regulations of the PRC on the Administration of the Controlled Chemicals*, and the detailed rules for its implementation, thereby placing the export of related material under stringent control. The *Amendments to the Criminal Law of the PRC* promulgated in December 2001 designates as criminal offenses such acts of endangering public security as using, illegally manufacturing, trafficking, transporting and stockpiling radioactive substances, toxic materials or infectious disease pathogens, and stipulates corresponding penalties for these acts. In order to further strengthen the export control of the chemicals and dual-use biological products and related technologies and equipment, the Chinese government promulgated in October 2002 the *Measures on Export Control of Certain Chemicals and Related Equipment and Technologies* (including its control list), the *Regulations of the PRC on the Export Control of Dual-Use Biological Agents and Related Equipment and Technologies* (including its control list), and the newly revised *Regulations of the PRC on the Administration of Arms Export*.

In recent years, the question of missile proliferation has aroused extensive concern in the international community. China also attaches great importance to this issue. The international community should, on the basis of such principles as non-discrimination and undiminished security for all countries, seek a solution to this issue through dialogue and cooperation, including exploring the possibility of establishing a new multilateral mechanism. China supports the United Nations in its efforts to play an important role in this field, and has actively participated in the UN Group of Governmental Experts on Missiles. China adopts an open attitude toward the new proposals made by countries concerned, and has, with a constructive stance, participated in inter-national discussions on the *International Code of Conduct Against Ballistic Missile Proliferation* and the *Proposal on a Global System for Non-proliferation of Missile Technologies*. With respect

to the prevention of missile proliferation, the Chinese government has always adopted a serious, conscientious and responsible attitude, has not helped any country to develop ballistic missiles that can be used to deliver nuclear weapons, and has exercised strict control over the export of missiles and related material and technologies. In August 2002, the Chinese government formally promulgated the *Regulations on the Export Control of Missiles and Missile-Related Items and Technologies* and its control list. This is a major measure taken by the Chinese government to implement its policy of missile non-proliferation, further tightening control over the export of missiles and related material and technologies, and strengthening the administration of exports on a legal basis. In the future, China will, based on its own export control practice, continue to improve its legal system of export control. It is also willing to enhance exchanges and cooperation with all countries in this respect, actively participate in the discussions concerning the international non-proliferation mechanisms, and work for the final establishment of a fair, rational and effective international non-proliferation regime.

Small Arms and Anti-Personnel Landmines

China has always treated seriously the issue of illicit trafficking and excessive accumulation of small arms, and consistently taken a responsible attitude toward the manufacture and transfer of such arms. China has also actively participated in the endeavors of the international community in this regard. With a constructive attitude, China attended the UN Conference on the Illicit Trade in Small Arms and Light Weapons in All Its Aspects in July 2001, and is taking actions to implement the *Program of Action* adopted at the Conference. China has actively participated in the negotiations of the *Firearms Protocol* to the *UN Convention Against Transnational Organized Crimes*, making its contributions to the conclusion of the *Protocol*. China is positively considering signing the *Protocol*. Both the *Law of the PRC on the Control of Firearms* and the *Regulations of the PRC on the Administration of Arms Export* have contained detailed stipulations on the manufacture, transportation, sales, equipment, and entry and exit control of firearms and ammunition, put in place strict controls over the export of small arms and other military items, and laid out severe penalties for violations. In 2001, China launched a nationwide campaign to eliminate illegal firearms, in the course of which large quantities of illegal firearms were confiscated and destroyed.

Since its ratification of the *Amended Protocol II* to the *Convention on Certain Conventional Weapons* in 1998, China has continued to carry out its commitment not to export anti-personnel landmines (APL) that are not in conformity with the standards set out in the *Protocol*, and has made considerable progress in other aspects of the implementation of the *Protocol*. The PLA has held a number of training courses on the *Protocol*. Relevant departments are now formulating a series of rules and standards in accordance with the provisions of the *Protocol*, including the state military standards related to the technical performance of APLs and marking of minefields.

China continues to promote domestic and international mine clearance efforts. China is now basically safe from landmine hazards on its own territory. In 2001, China donated large quantities of demining equipment to Cambodia, Ethiopia, Eritrea, Mozambique, Rwanda, Namibia and Angola. In 2002, it contributed more than US\$ 3 million for international mine clearance cooperation, mainly in aid to the demining operations in Eritrea and Lebanon. Apart from providing the two countries with demining equipment, China has sent a group of mine clearance experts to Eritrea to give on-the-spot guidance.

