

The Modernization Drive of the PLA and the New Defense White Paper

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On December 29, 2006 the Information Office of the State Council of the People's Republic of China (PRC) released a White Paper entitled "China's National Defense 2006." The preface of the White Paper reads: "China's national defense and military modernization, conducted on the basis of steady economic development, is the requirement of keeping up with new trends in the global revolution and development in military affairs, and of maintaining China's national security and development."² The White Paper further states in the second section, entitled "National Defense Policy," that "China pursues a three-step development strategy in modernizing its national defense and armed forces, in accordance with the state's overall plan to realize modernization."³ The Chinese government has always argued that its military modernization is intended to defend its national security, and to deter the "Taiwan independence" forces from splitting the country.⁴ Lieutenant-General Zhang Qinsheng, Deputy Chief of General Staff of the People's Liberation Army (PLA), maintains that, "the modernization of the Chinese armed forces aims to achieve the ability to defend national sovereignty, security and reunification of the country."⁵ However, looking at its recent modernization efforts, particularly its current defense budget and expenditures, another much larger question apart from Taiwan remains: what are the main motives and goals behind the modernization plans of the PLA? This paper deals with this fundamental

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¹ The full text of the White Paper titled "China's National Defense in 2006" is available at the Official Website of the Central People's Government of the People's Republic of China, <<http://english.gov.cn/>>.

² Refer to the preface of the White Paper.

³ See part II of the White Paper, at:

<www.china.org.cn/english/features/book/194485.htm> (March 1 2007).

⁴ Chapter II of the "National Defense Policy," China 2004 White Paper on National Defense, at <<http://www.fas.org/nuke/guide/china/doctrine/natdef2004.html#3>> (February 19 2007).

⁵ Sun Shangwu, "PLA not involved in arms race," *China Daily*, February 2 2007.

issue and tries to examine how the Chinese authorities argue and defend their defense modernization plan. Particular emphasis is given to the recently adopted 2006 defense White Paper.

The overall message from this White Paper is that the country must possess a military power commensurate with its fast-growing economic strength and be able to defend the territorial integrity of China, particularly regarding the “Taiwan issue.” In defending the modernization drive, the Paper states that China aims to lay “a solid foundation” by 2010, make “major progress” by 2020, and be “capable of winning informationized wars.” To achieve this, China seeks to both increase self-reliance and import sophisticated weaponry. Yet, the PLA maintains that self-sufficiency is the main strategy to achieve modern capability and this will serve as its overall guiding principle.⁶ This is seen in China’s continued heavy investments in the PLA, particularly in its strategic arsenal and power-projection capabilities. 2006 seems to be continuation of such a strategy.

Modernization Strategy and the 2006 *White Paper*

The main focus of the current strategy is to systematically upgrade and modernize outdated weapons and systems and try to increase the standard of the PLA to be on par with two major powers, namely, the U.S. and Russia. As stated in the White Paper, the intention is to “...deepen the adjustment and reform (...) as well as policies and systems (...) boost innovation in its military organizational structure and military management, and improve efficiency in its military modernization drive.”⁷ These slow but calculated and systematized transformations in the PLA from a large ground force to a multifaceted military capable of projecting its power beyond its national border and coastline raise concern about China’s future strategic ambitions.⁸ The real worries come from the comprehensiveness of the military transformation including virtually all aspects of the military establishment from weapons systems and operational doctrine to institution building and personnel training. This trend has been pushed systematically for three decades by political and defense officials.

According to the new White Paper, the PLA’s main task is to enhance the performance of the armed forces “with informationization as the major measuring criterion.” It reads: “the PLA, taking *mechanization* as the foundation and *informationization* as the driving force, promotes the

⁶ Bang Quan Zheng, “A Rising China: Catalysts for Chinese Military Modernization,” in ed. Sujian Guo, *China’s Peaceful Rise in the 21st Century* (Hampshire: Ashgate Publishing House, 2006), p.195.

⁷ *Ibid.*

⁸ Carin Zissis, “Modernizing People’s Liberation Army of China”, Backgrounder, Council on Foreign Relation <www.cfr.org>, December 5 2006.

composite development of *informationization* and *mechanization* to achieve overall capacity improvement in the fields of firepower, assault, mobility, protection and information” (italics added).

As noted above, the approach of China’s modernization strategy is based on the PLA’s simultaneous transformation through both mechanization and informationization. This doctrinal change indicates the PLA’s recognition of the “Revolution in Military Affairs” (RMA) and the use of this as a guiding principle in its military modernization.⁹ It is quite obvious that the main thrust of this new strategy is to emphasize improved training in order to help prepare for the modern, high-intensity, and information-dependant conflicts of the future.

As its military modernization program continues into 2007, Chinese military strategy seems to be focused mainly on the problematic issue of Taiwan. As a result, China’s attention is geared towards developing its naval capabilities, as it views a potential Taiwanese declaration of independence, with possible U.S. support, as the most immediate danger to Chinese sovereignty. Thus, China maintains most of its missiles in preparation for a confrontation with Taiwan.

Intentions Beyond Taiwan: Possible 2007 Attempts

Many recent statements and writings from Chinese military strategists suggest that China is considering the expansion of its military capabilities beyond the Taiwan issue. For example, General Wen Zongren, the former Political Commissar of the elite PLA Academy of Military Science, stated in March 2005 that solving the Taiwan issue is of “far reaching significance to breaking international forces blockade against China’s maritime security...only when we break this blockhead shall we able to talk about China’s rise.”¹⁰ Another expert, Yang Yi, also recently noted that: “[Although] China adopts a military strategy defensive in nature, that doesn’t mean the country cannot develop its military capability by taking a more proactive approach.”¹¹ Even if it is not entirely clear what this “proactive approach” refers to, it seems that China has adopted a doctrine where both a reactive and proactive military build-up is emphasized. Addressing a PLA delegation, Jiang Zemin was reported to have said that, “we should have a strong sense of crisis, because we cannot concentrate on economic development without a consolidated national defense and a powerful army (...).”¹² These

⁹ You Ji, “China’s Emerging National Defense Strategy,” *China Brief* 4, 23 (November 24, 2004).

¹⁰ Quoted statement from “Military Power of the People’s Republic of China 2006,” Annual Report to Congress, Office of the Secretary of Defense, 2006, pp.10-11.

¹¹ Excerpts from Yang Yi’s article in the People’s Daily overseas edition published as “Chinese Army Symbol of Peace and Justice,” *Beijing Review* 4 (January 25 2007).

¹² “Jiang Zemin Speaks on PLA Modernization at NPC,” *Xinhua*, March 9 2000.

statements suggest an ambitious PLA modernization program in which it has been engaged for many years.

According to the 2006 U.S. Quadrennial Defense Review (QDR) report, China is, in the near future, likely to continue to make large investments in high-end, asymmetric military capabilities, emphasizing electronic and cyber-warfare; counter-space operations; ballistic and cruise missiles; advanced integrated air defense systems; next-generation torpedoes; advanced submarines; strategic nuclear strike technologies from modern, sophisticated land- and sea-based systems; and theater unmanned aerial vehicles.¹³ It is expected that 2007 will bear witness to many developments, especially in joint operations; naval missile technologies and space technologies. An overview of China's expected modernization plans for 2007 include the following:¹⁴

- Joint Operations: The PLA is improving its joint operations capabilities by developing an integrated C4ISR network, a new command structure, and a joint logistics system;
- Air Operations: The PLA Air Force (PLAAF) is transforming from a defensive force to one with modern, offensive strike capabilities;
- Navy Sealift Capacity: The LPD (Landing Platform Dock) which is to be inaugurated in 2007-08 would provide a quantum jump to the PLA Navy's existing sealift and organic airlift capacities;
- Conventional Missile Operations: The PLA plans to improve quantitatively and qualitatively the capabilities of its conventionally armed Short Range Ballistic Missiles (SRBMs);
- C4ISR: The PLA plans to prepare a survivable, robust, reliable and sophisticated Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) system to harness battle space information;
- Counter Space Developments: China is expected to continue the involvement of its satellite tracking and identification networks;
- Nuclear Forces: China's strategic nuclear forces will likely comprise a combination of enhanced silo-based CSS-4 ICBMs; CSS-3 ICBMs; CSS-5 MRBMs; solid-fueled, DF-31A ICBMs (IOC 2007); and sea-based JL-1 and JL-2s SLBMs (IOC 2007-2020);
- Advanced Space Plan: China is working on a new version of its long-range rocket, which is expected to be ready by 2008;

¹³ "Military Power of the People's Republic of China 2006," Annual Report to Congress, Office of the Secretary of Defense, 2006, p.7.

¹⁴ Data collected from various sources: <<http://usinfo.state.gov/>>, <www.sinodefence.com>, <<http://www.thebulletin.org/>>, Military Power of the People's Republic of China 2006, Annual Report to Congress, Office of the Secretary of Defense, U.S..

- **Rockets and Satellites:** China is engaged in setting up an 80-hectare centre for developing rockets and satellites in South-West Shanghai.

Considering this comprehensive plan, it is clear that China is trying to narrow the gap between itself and other major powers with superior military capabilities. Another component of the White Paper proposes an increase in bilateral ties and joint-military operations with other countries. As stated in the White Paper, “China has established military ties with over 150 countries and military attaché offices in 107 countries (...) in the past two years, senior PLA delegations have visited more than 60 countries.” At the same time, the White Paper also focuses on the internal dimension of joint operational training “to improve the integrated joint operational capabilities of services and arms.”¹⁵

Defense Budget and Arms Purchase

To narrow the military gap, particularly between itself and the U.S., the Chinese government has continuously increased its annual defense spending. According to the new White Paper, between 1990 and 2005 the average annual expenditure on defense registered a 15.36 percent growth, which translates into nearly a 10 percent real annual average growth rate. As specified in the Chinese government budget report, China proposed a 12.6 percent increase in the defense budget for 2005.¹⁶ The main priority has been to focus on economic modernization and growth, which will generate the resource-base needed for investments in the defense sector. According to the 2006 White Paper: “China's defense expenditure in 2004 and 2005 was RMB220.001 billion [around US\$27.5 billion] and RMB247.496 billion [around US\$30 billion], respectively, with growth rates of 15.31 percent and 12.50 percent...Its defense budget for 2006 is RMB283.829 billion [around US\$35 billion].”¹⁷ Defending this budget, the White Paper highlights that China's defense expenditure “mainly comprises expenses for personnel, training and maintenance, and equipments,”¹⁸ all of which are important elements in sustaining a capable army fit for the challenges of the 21st century (refer to Graph-I).¹⁹

Graph 1: Composition of China's Defense Expenditure in 2005, RMB billion

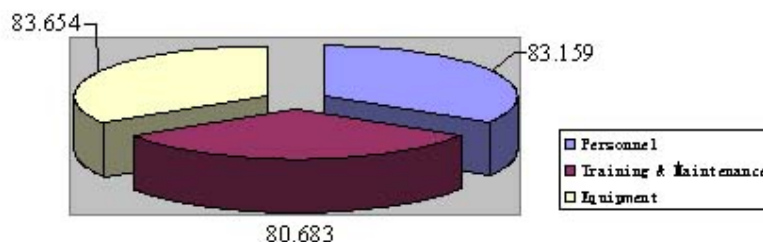
¹⁵ Refer to the White Paper's section on military training of the part IV “The People's Liberation Army.”

¹⁶ “China Proposes 12.6% defense budget increase,” *Xinhua*, March 5 2005.

¹⁷ Refer to the “IX- Defense Expenditure” part of the 2006 Chinese Defense White Paper.

¹⁸ *Ibid.*

¹⁹ “PLA devoted in full swing to military training,” *Xinhua*, August 1 2006.



Source: Chapter IX. Defense Expenditure, China's National Defense 2006²⁰

From a global perspective, China's defense spending is quite debatable in comparison to other major powers. *China Daily* reports that in 2005, China's defense expenditure equaled roughly 6 percent of that of the U.S., 53 percent of that of the United Kingdom, and 68 percent of that of Japan.²¹ If one looks at the 2006 increase in China's defense budget, it shows a trend that has persisted since the 1990s, that the growth of the Chinese defense budget exceeds that of economic growth. The 2005 report drafted by the Ministry of Finance also points out that defense expenditures will total around RMB245 billion (around US\$30 billion), 13 percent more than 2004.²² Jiang Enzhu, an NPC deputy, is of the opinion that "there is still a fairly small amount compared with (the military spending) of other major countries in the world, in terms of its proportion to total financial expenditures and gross national product."²³ However, the actual level of Chinese defense spending is greatly debated among world experts and estimations vary depending on the source. The major reason for the lack of a more accurate estimate of the Chinese defense budget is the purchasing power parity disparities between China and other western countries, especially the U.S. The lack of specificity from Chinese officials also contributes to the ambiguity and the difficulty in making meaningful international comparisons.

Although official Chinese reports suggest that modernization is the main reason for the increase in China's military budget, it should also be noted that some defense modernization spending occurs outside the PLA budget. For example, imported weapons systems which are financed by the State Council, are not accounted for in the PLA budget.²⁴

Political leaders have a great interest in purchasing weapons from other great powers, and it is expected that 2007 may see an increase in

²⁰ Available at <<http://www.china.org.cn/english/features/book/194470.htm>> (February 17 2007).

²¹ "Defense Spending at US\$35B for 2006," *China Daily*, December 29 2006.

²² "China proposes 12.6 % defense budget increase," *Xinhua*, March 5 2005.

²³ *Ibid.*

²⁴ Refer to the Military Section, "China's Defense Budget," at <www.GlobalSecurity.org> (January 30 2007).

purchases from Russia. Joint military training programs are also likely to figure into this calculation, especially under the auspices of the Shanghai Cooperation Organization.²⁵ Moreover, various Russian news agencies have reported that China intends to purchase Su-33 Naval Flanker ship-borne fighters from Russia.²⁶ At a recent air-show involving China and Russia at *Zhuhai* near Hong Kong, the head of the Russian delegation expressed that “[...] each party has the right to purchase what it needs to protect its national interests, and the Chinese side intends to buy Su-33 aircraft [...] Russia is ready to supply all armaments and hardware its enterprises are developing [...] if the Chinese side expresses such a wish.”²⁷

Although Chinese officials have repeatedly denied plans to purchase or build an aircraft-carrier with Russia, the former Soviet carrier *Varyag*, which was sold to China in the late 1990s, is considered by Chinese military experts to be a suitable model for China when designing its own aircraft carrier. China’s modernization program also extends to nuclear deterrence. With respect to this, China is qualitatively and quantitatively improving its long-range nuclear missile force. It is expected that by 2010, China’s strategic nuclear forces will likely comprise a combination of enhanced silo-based CSS-4 ICBM, CSS-3 ICBM, and CSS-5 MRBM ballistic missiles; solid-fueled and intercontinental-range ballistic missiles DF-31 and the extended-range DF-31A, as well as sea-based missiles JL-1 and JL-2s SLBM.²⁸

The beginning of 2007 saw the successful test of China’s first anti-satellite (ASAT) weapons test, highlighting China’s impressive achievement in space technology. On the naval front, many efforts are being undertaken by experts to modernize it. At a PLA Navy meeting, on December 27, 2006 Chinese President Hu Jintao said that “the navy force should be strengthened and modernized” and the navy should be prepared “at any time for military struggle.”²⁹ The latest White Paper also emphasizes the importance of developing a powerful navy.

Conclusions

It will only be at the end of this decade, if not later, that China’s military modernization program will be able to produce a modern force capable of facing hi-tech challenges. As a result, the current modernization of the PLA encompasses the transformation of virtually all aspects of the

²⁵ Sun Shangwu, “PLA not involved in arms race,” *China Daily*, February 2 2007.

²⁶ “China Intends to Buy Russia’s Su-33 Fighters,” *Ria Novosti*, November 1 2006.

²⁷ *Ibid.*

²⁸ “Military Power of the People’s Republic of China 2006,” Annual Report to Congress, p.27.

²⁹ “China Pursues Stronger Navy and seeks to Calm Fears of Arms Race,” *Power and Interest News Report*, January 8 2007.

military establishment, including weapons systems, operational doctrine, institution building, and personnel reforms. The speed and intensity of this ongoing modernization process is evidenced by the large quantity of electronics, computers, and advanced communications technologies made available by advances in China's economic development.³⁰ This transformation which is taking place in the PLA is systematically part of its "four modernizations" program, initiated by Deng Xiaoping long ago.

At present, the Chinese army is the world's largest military force, with almost 2.3 million soldiers in service.³¹ The Chinese leaders claim that due to an insufficient input over the past decades, its disparity with the developed military powers is widening. As such, the focus is on the "input in national defense and army building on the basis of increased national economic strength and has pressed ahead the military revolution with Chinese characteristics."³² There is a consensus among defense and security officials that much remains to be done and that the next challenge will be to build a Chinese army of an "advanced world standard" including equipment, personnel, and training as emphasized in the 2006 White Paper.

³⁰ Dennis J. Blasko, *The Chinese Army Today: Tradition and Transformation for the 21st Century* (London and New York: Routledge, 2006), p.13.

³¹ Refer to the 2006 White Paper (Section IV: The People's Liberation Army)

³² "Chinese Army Symbol of Peace and Justice," *Beijing Review* 4 (January 25 2007)