

**Prepared Statement of
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Mr. Chairman, thank you for the opportunity to participate in today's hearing on a topic that is important to U.S. interests in peace and stability in the Asia-Pacific region. It is an honor to testify here today.

Like other countries, the People's Republic of China (PRC) uses strategic communication as a means of shaping perceptions and persuading foreign audiences to accept or even promote its policies or actions. The PRC stresses a number of themes in public statements and publications, such as the People's Liberation Army (PLA) Defense White Paper, including the peaceful nature of its military development, modest defense goals, and importance of mutual trust and cooperation. The highest priority is protection of national sovereignty, security, territorial integrity, and support for national development. Within this framework, influencing foreign perceptions of PRC military capabilities and garnering support for policies on key issues are critical. Channels include media outlets, formal military-to-military relations, academic exchanges and semi-formal dialogues, and leveraging of business interests, just to name a few.

As a preface, three points are in order. First, all governments attempt to shape public perception and present a positive image to international audiences. The difference, of course, is that democracies have built-in inefficiencies that place them at a disadvantage when compared to single party, authoritarian states like the PRC.

Secondly, Beijing's ability to mobilize resources and centrally control themes, linked with a strategic tradition that values perception management, enhances the PRC's effectiveness in influencing targeted foreign audiences. Repeated diplomatic mantras and leveraging pre-dispositions of interest groups abroad are effective tools to reinforce perception management themes.

Finally, distinguishing between purposeful influence operations and statements made by individuals with loose government affiliation is sometimes difficult. The opacity of Beijing's decision making complicates distinctions. For example, academics or representatives from

interest groups may offer personal views that sometimes may be interpreted as formal statements of policy. Likewise, disclosures in the media may be planned, unintentional, or reflective of internal debate or bureaucratic competition.

With the foregoing in mind, strategic goals guide perception management campaigns, and the PRC's Taiwan policy may serve as an illustrative example. Able to mobilize resources and centrally control messages, the PRC actively seeks to shape perceptions of opinion leaders in the United States in order to influence change in U.S. policy with regards to Taiwan. Beijing's goal is the political isolation of the Republic of China (ROC) on Taiwan in order to coerce the ROC's democratically-elected leadership into a political settlement on terms favorable to Beijing. An interim objective is amendment, if not repeal of U.S. public law enacted by Congress in 1979 – the Taiwan Relations Act (TRA).

The TRA highlights the U.S. expectation that Taiwan's future will be determined by peaceful means, considers non-peaceful solutions a challenge to regional peace and security; provides the legal basis for U.S. provision of arms of defensive character; and the need to maintain the capacity of the United States to resist any resort to force or other forms of coercion that jeopardize the security, or social or economic system of Taiwan. Examples of PRC perception management themes directed against U.S. audiences include:

- ***The legitimacy of PRC policy positions with regards to Taiwan.*** In the military sphere, Beijing's public diplomacy has sought to legitimize military coercion as a means of resolving cross-Strait political disagreements. Beijing views Taiwan as an internal or domestic issue. While it has *acknowledged* the PRC's position that Taiwan is part of China, the U.S. has not adopted that position. U.S. policymakers have taken no stance on the question of Taiwan's sovereignty, only that the matter should be resolved through peaceful means. Beijing's definition of "One China," inclusive of Taiwan, remains an issue of subjective interpretation.
- ***Failure of the U.S. to honor commitments under the Three Joint Communiqués – especially the 1982 Shanghai Communiqué.*** Relations between the U.S. and PRC are indeed founded upon understandings outlined in the Communiqués. However, an important yet often overlooked aspect of these understandings is a U.S. assumption of Beijing's commitment to a peaceful approach to resolving its political differences with Taiwan. Fundamental differences exist over what constitutes a peaceful approach. Beijing views its military posture as ensuring a peaceful approach in part by deterring what it perceives as potential moves on Taiwan toward *de jure* independence. However, successive U.S. administrations have defined a peaceful approach in terms of the nature of the PRC military posture arrayed against Taiwan. As a result, U.S. sales of defense

articles and services, in accordance with the TRA, are driven by the nature of the military challenge that the PLA poses to Taiwan.

- ***U.S. policies, guided by the TRA, obstruct the peaceful development of cross-Strait relations.*** On the contrary, U.S. support for Taiwan has enabled it to withstand PRC coercion, foster democratic institutions, and given people and their elected officials on Taiwan the confidence needed for the deepening and broadening of cross-Strait economic and cultural interactions. In short, there is no logical disconnect between efforts to improve cross-Strait economic and political relations, Taiwan's desire for a strong defense, and procurement of defense articles from the United States.
- ***The overriding strategic importance of China and its relationship with the United States, including military-to-military relations.*** Beijing presents a narrative that U.S. policy toward Taiwan is an obstacle to closer cooperation on a range of global security issues, such as North Korea, Iran, and global climate change. However, the PRC has important interests with regards to each of these respective issues, and will pursue those interests irrespective of Taiwan. Furthermore, policy dialogue between defense establishments in the United States and China is important. While highlighting the value of military to military relations, however, the PRC narrative posits that the U.S. side must bear all responsibility for creating conditions necessary for ties to improve. From Beijing's perspective, arms sales to Taiwan are a key impediment. Also highlighted is the negative impact of restrictions placed on the military relationship, such as those included in the National Defense Authorization Act of 2000.
- ***Asymmetry of interests between the PRC and the United States.*** Beijing's narrative is that Taiwan is core national security interest, and only peripheral to the United States. To the contrary, Taiwan is a core U.S. interest. For the PRC, use of the term "core interest" is intended to convey the perception that an issue is off-limits for compromise or criticism. As a credible symbol of U.S. commitment to regional security and promotion of democratic ideals, the TRA is no less significant than formal defense treaties with Japan and South Korea. Furthermore, PRC representatives often portray Taiwan as a survival issue for the Chinese Communist Party, and therefore little room exists for flexible or creative political solutions acceptable to people on Taiwan and the ROC's democratically-elected leadership. The objective reality is that the Taiwan exists as an equal sovereign state.
- ***Ulterior motives of those who support policies viewed as contrary to Chinese interests, including arms sales.*** For example, the Bush administration decision in 1992 to release F-16 fighters to Taiwan was written off as pure electioneering, rather than influenced at least in part by PRC force modernization.

China uses multiple channels to convey or reinforce these themes. The PRC appears to leverage differences between opinion leaders and interest groups in the United States, offering subtle or explicit rewards for parties who appear sympathetic or may advocate on Beijing's behalf. Threats of sanctions against U.S. companies supporting Foreign Military Sales programs to Taiwan likely are intended to generate domestic political pressure within the U.S. against arms sales. Chinese government-affiliated institutions seek to cultivate close personal relations with former senior U.S. civilian and military officials with business interests in China and connections to serving U.S. policymakers and senior military officers. While modest in comparison with other countries, the PRC also retains public relations or lobbying firms as agents of influence. In exchanges with the academic community or U.S. private sector representatives, institutions and individuals who adopt public positions that do not contradict Beijing's policies, or may be in a position to influence U.S. policymakers or members of Congress, are granted preferential treatment.

A key element of the PRC's Taiwan-related perception management strategy also includes military capabilities. Manipulation of threat perceptions appears to present a dilemma. On the one hand, the PLA must present an image that it is capable of using decisive military force against Taiwan, as well as at least complicating U.S. intervention. Yet on the other, the PLA seeks to minimize threat perceptions in the U.S. and elsewhere in the region. To manage this contradiction, the PRC appears to value ambiguity, mixed with occasional planned disclosures of evolving capabilities. Weapon system tests are routine and an essential aspect of any defense establishment's acquisition process. Yet tests and force demonstrations also can serve as useful tools in managing foreign perceptions of China's evolving military capabilities, and have the potential to influence force modernization decisions in Taiwan and elsewhere in the region.

Between 1991 and 2005, a Taiwan scenario served as the principle driver behind PLA force modernization. Projecting an image that it is looking beyond Taiwan, the PLA has adopted "new historic missions" since the end of 2004. Incorporating a more diverse set of strategic requirements that may transcend a cross-Strait scenario, these missions appear to include disaster response, counter-terrorism, international peacekeeping, and other forms of power projection.

Beijing also is sensitive to foreign perceptions of its level of defense spending. PRC defense spending is increasing, with reporting of growth rates varying year by year. Because defense expenditures are a metric of intent and subject to creative accounting, annual announcements of growth rates may be at least in part intended to manipulate public perception. While the PLA deserves credit for greater transparency, key areas of defense expenditure, such as research and development, remain opaque.

In summary, the PRC and its defense establishment value perception management as an instrument of policy. With resolution of political differences with Taiwan on its terms as a principle strategic goal, Beijing has become increasingly capable of gaining or consolidating foreign support for its policy positions at little cost. Media outlets, formal military-to-military relations, academic exchanges and semi-formal dialogues, and leveraging of U.S. private sector interests have been effective channels for influencing U.S. domestic policies regarding Taiwan and core interests in regional peace and security.