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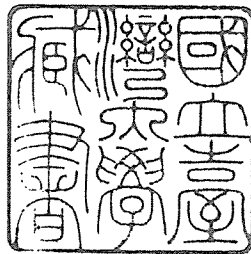


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2004

NATIONAL DEFENSE REPORT

REPUBLIC OF CHINA



MINISTRY OF NATIONAL DEFENSE, ROC

2364380

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Presidential Remarks

Political changes in the international arena lead to changes in global and regional security, and in turn to changes in the nature of conflicts and forms of threats. To respond to emerging threats and changes on the global stage, world powers have actively adjusted their strategic deployment and expedited reforms in their military forces. Caught in this new strategic scenario, Taiwan must redefine threats as well as defense and security. At the same time, we should factor into our consideration Taiwan's international obligations, and play a more proactive role as a security contributor instead of as a security dependent.

China, without renouncing the use of force against Taiwan, has been endeavoring to compress the international space of this nation, which constitutes the most formidable threat to our security. The People's Liberation Army (PLA) has been studying the U.S. military's modes of operations in recent years, and has also managed to contrive and reinvent military strategies or tactics against this island. By committing massive capital, material and human resources to their military procurement, development, and production of necessary equipments and gears, the PLA has considerably augmented its general combat capability. Thus, an imminent military threat against Taiwan is now gaining momentum across the Taiwan Strait. We support world peace and strive to maintain it, but at the same time, Taiwan needs sufficient forces for self-defense, as well as for the pursuit of peace.

With this imminent security threat looming large against Taiwan, our traditional military-building models and doctrines must be adjusted accordingly. It is our conviction that only a swift "revolution in military affairs" (RMA) —its structure, doctrines, trainings and equipments — can transform the ROC Armed Forces into a knowledge-based power of the next generation, converting knowledge to military capability in order to effectively counter impending threats.

Military reforms and modernization cannot rely on new weaponry or equipment alone. Quality human resources are indeed the core defense assets. It is thus imperative to give top priority to policy and management reforms in the military, and to assemble a genuinely professional force. For this, soldiers must maintain a sense of dignity, the military must be highly professional, and the government should provide better protection and welfare to our servicemen and their families. The transfer of power between political parties (in 2000) effectuated the nationalization of the armed forces. This not only marks an important achievement in Taiwan's democratic progression —one that is affirmed by the people of Taiwan —but also elevates the dig-

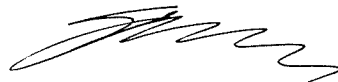
nity of the military and keeps the military free from political interference. The government has promulgated a "three assurances" policy for the armed forces: assuring safety for the troops, assuring the welfare of all military dependents, and assuring that our servicemen and their families may have peace of mind as our armed forces devote fully to their professional development.

While strengthening our defense capability in the face of serious military threats from the other side of the Taiwan Strait, we must also strive for peaceful development in cross-strait relations. This does not mean we put our security at the mercy of the other side, though we are willing to employ new considerations to improve cross-strait relations through dialogues to promote mutual trust and prevent armed conflicts. Only with increasing exchanges and wider communications can we foster a safe environment for the two sides and the Asia-Pacific region. With this in mind, we have put forth concrete suggestions that the two sides establish military confidence-building measures — namely, no development or deployment of weapons of mass destruction, designation of a military buffer zone and establishment of a military security consultation mechanism. These initiatives can gradually develop into the "code of conduct" for the two sides of the Strait.

The publication of a National Defense Report helps to explain to the public the threats directly confronting our nation, as well as the changing world situation. Barring any concern for military intelligence or security breach, the government is obliged to make transparent the military affairs to educate the general public about national defense needs and to solicit public support. Only when there is public support for defense building can there be real security for the nation.

Finally, credits for the publication of this report should go to all the authors and those who have made this publication possible. On behalf of the nation, I would also like to pay special tribute to our servicemen in the armed forces for their efforts and contributions to this country and to express my profound appreciation for their families' support. It is my sincere wish that citizens of this nation continue to heed national defense issues and to lend support to our military building, so as to solidify the foundation for the sustainable development of Taiwan.

President



Chen Shui-bian

December 2004

Minister's Remarks

One of the major yardsticks of a nation's levels of democracy and rule of law is the transparency of the administration. On national defense, the transparency of military affairs can be illustrated by the publication of a national defense report. Such a report helps make the armed forces fully nationalized, satisfies the people's right to know, and boosts the people's confidence in national security. Additionally, a publication like this can contribute significantly to other countries' awareness of, and confidence in, this nation.

The *2004 National Defense Report* has been compiled under the aegis of the Ministry of National Defense, by a pool of talented experts and scholars of political science, economics, and military affairs. In line with the principles of accountability, objectivity, accuracy, readability, and prudence, this publication has come into being through months of intensive research to faithfully present the results of policy implementation and future defense plans. This publication is of high quality and readability and offers valuable insights.

History testifies that war is an aberration of human behavior, and always leaves an indelible scar on freedom, democracy, and human rights in the process of evolution, irrespective of the various seemingly justifiable causes for engaging in war. In short, war must be avoided and prevented. Therefore, for the ROC Armed Forces, the No. 1 mission and responsibility is to prevent a war from happening, and to ensure the sustainability and development of the nation as a whole, and the safety and security of people specifically. The paramount threat to our national survival and development is China, which has not renounced the use of force in resolving the Taiwan issue. The President, on various occasions, has called for Beijing to recognize the existence of the Republic of China. In order to foster rapprochement, cooperation, and peace between the two sides, the President stressed "five nos" in his inaugural speech of 2000. In 2004, the President went a step further to call for the end of hostility between the two sides, and propose negotiations and consultations to establish military confidence-building measures (CBMs) and a code of conduct. It is hoped that our bona fide pragmatic moves can reduce the possibility of cross-strait military confrontation, and develop a peaceful environment for co-existence and mutual prosperity.

The absence of war is a universal value, but to maintain peace is a more challenging task. Without solid capability and strong determination in self-defense, our security will lack buttresses or last resorts and the peace in the Taiwan Strait will not be secured, despite the repeated good will from this side. For the purposes of safeguarding peace

in the Strait and our national security, a military buildup is a required investment and an important policy in the government's administration.

After the terrorist attacks on September 11, 2001 in the United States, the definition of national threat has been expanded. For Taiwan, a security threat is not necessarily military from China — it might be resultant from disasters, major accidents, serious epidemics, or terrorist attacks, or anything possible that could greatly impact the people's security and safety. Entrusted to protect the nation and people, the ROC servicemen are always prepared to come to the rescue in time of need, be it natural disaster or emergencies. The Armed Forces have been thus adjusting in both structure and equipment for disaster relief and anti-terrorist contingencies to meet the needs of national security in peacetime — a major step to becoming a fully modernized military force.

Modern national defense aims to achieve an all-out defense with natures of all-dimensional development, participation of the people, integrated defense and being trusted by the people. Only with a national consensus on all-out defense can the Armed Forces' total military capability be solidified and come into full play to protect the nation.

This publication features a comprehensive report on the defense policies and the future military buildup as well as the military's experiences from missions in support of the administration's crisis management and damage control. It is hoped that the general public can understand military affairs and the current threats to our national safety by reading this report, and further support the military buildup, join in military construction and strive hand-in-hand with the Armed Forces for national security and development.



Lee Jye

Minister of National Defense

December 2004

Introduction

Pursuant to the "National Defense Act," the Ministry of National Defense (referred to as the Ministry, or MND, hereafter) shall publish the National Defense Report on a regular basis to inform the general public about defense affairs, which shall cover the current national security situation, defense policies, and policy implementation. The *2004 National Defense Report* (referred to as the *Report* hereafter), compiled in a transparent process and published as the seventh in this kind, consists of eight parts: "The Security Environment and the Military Situation," "Defense Policy and Military Strategy," "Defense Organization and the ROC Armed Forces," "Defense Resources and Management," and four parts under "Major Defense Policy Implementation," (I) Legal Affairs, (II) Readiness, (III) Safety and Services, and (IV) Relations between the Military and the Public. Summaries of each part follow:

Part 1 — The Security Environment and the Military Situation: This part outlines global security, international strategic development and the Asian-Pacific military situation. The focus is on China's military policies and buildup, and specifically on the security issues and threats facing the ROC. The intent is to call for greater vigilance among the general public and to develop a consensus for the nation.

Part 2 — Defense Policy and Military Strategy: In line with national interests, security objectives, and defense goals, the ROC defense policies and implementation guidance are mapped out to direct the drafting of the military strategies, military planning, force planning, and future defense vision.

Part 3 — Defense Organization and the ROC Armed Forces: This part details the defense organizational structure and military readiness, including defense systems and responsibility, the Ministry's policies, armament and command systems, the mission and organization of active and reserve forces, and major weapons systems and their deployment. For the first time, this Report includes in two regular forces — the missile and IO/EW forces — and four reserve forces.

Part 4 — Defense Resources and Management: This part covers the planning, management, and use of human, financial, material, and technological resources for national defense at present and in the future with a goal of maximizing the effectiveness of available resources for a military buildup and readiness.

Parts 5 – 8 discuss "Major Defense Policy Implementation" from four areas, "Legal Affairs" (Part 5), "Readiness" (Part 6), "Safety and Services" (Part 7), and "Relations between the Military and the Public" (Part 8). These four parts explain the Ministry's major implementations over the past two years, including revisions of the national

defense laws and regulations, all-out defense mobilization, military education, combat training, logistics, communications, electronics and information, welfare of servicemen and their dependents and military-civilian relations.

The ROC Constitution stipulates that the ROC national defense aims to defend the nation's security and safeguard world peace. Under this, the nation's defense concepts, military strategies, military buildup, and objectives are formulated to prevent conflict. The current international situation and changes to the possible threat to the ROC are also taken into consideration in the making of defense policies at the current stage. The basic objectives are "preventing war," "defending the homeland," and "countering terrorism and responding to contingencies." The higher strategic goal is "effective deterrence, resolute defense" with the establishment of a quality self-defensive force capable of counterattack.

China, though calling for reunification, has never renounced the use of force against Taiwan. It has not only deployed an increasing number of ballistic missiles aimed at Taiwan but also staged large-scale military exercises with an overt saber-rattling intent to destabilize Taiwan politically and economically. Moreover, its robust economic expansion in recent years has fueled its defense spending for greater military muscle. In order to maintain Cross-Strait stability and avoid a military imbalance in the Taiwan Strait, the ROC government is calling for the establishment of confidence-building measures (CBMs) and a code of conduct on the one hand, and, on the other hand, has been constructing basic defense forces and counterattack capability to safeguard the territory without engaging in an arms race with the other side.

Regarding the military buildup, the major emphases are on the development of the C⁴ISR system — command, control, communications, computer, intelligence, surveillance, and reconnaissance—missile defense, command of the air and command of the sea. On military procurement, the top three items on the procurement list — PAC-3 system, diesel-electric submarines, and fixed-wing ASW aircraft — have been approved by the Legislative Yuan through a special budget appropriation in installments. These three are expected to tremendously elevate the armed forces' anti-blockade capability in active defense, expand deployment flexibility, and serve as a strategic deterrent.

The policy on military manpower will be oriented toward a combination of enlistment and conscription systems, featuring "regular forces from enlistment and reserve forces from conscription." For the military budget, the Ministry will follow the principles of "thriftiness and prudence" to rationally economize financial resources in line with the defense priority and operational readiness. As for defense materiel, the Ministry's principle is to integrate defense and industrial production by availing itself

of the private sector's technological strength for defense uses to achieve the goal of a self-reliant national defense.

Above all the military building is to develop a consensus for an all-out participatory defense from every citizen. To allow the nation's military power to come into full play requires the mobilization of all civilians to support the "all-out defense." Only by consolidating national willpower —military and civilian alike —to protect the safety and security of the family, property and country can we guarantee national security, survival, and development.

Moreover, the Ministry has included disaster relief as a part of its operational missions, and reorganized its forces and equipment accordingly to create a disaster relief mechanism. With statutory authorization, the ROC Armed Forces can act on orders to carry out immediate rescue missions to save lives and property. This can achieve a sense of oneness between the military and the civilian population.

In recent years, the MND, considering domestic and global situations, has endeavored to reorganization in line with necessary adjustments in national security strategy, and based upon public opinion to become more professional. Also, taking into consideration the enemy's threat, operational requirements, resource limitations, and the promotion of the efficacy of joint operations, the Ministry has strictly carried out a revolution in military affairs (RMA). The ultimate goal is to establish an accountable, professional, and highly efficient military unit that can accomplish its mission and the meet the people's expectations.

Prologue

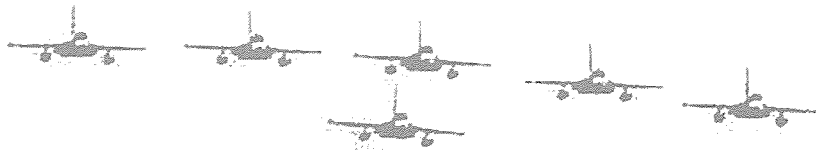
The Republic of China (ROC), a free and democratic country in East Asia, is committed to the principle "government of the people, by the people, and for the people." To follow these principles and carry out its mission under the Constitution, the ROC Armed Forces has continuously strengthened its capability to ensure national survival and development, maintain the security and well-being of its people, and safeguard the country's democratic systems and basic human rights.

In view of the coexistence of two political entities on the two sides of the Taiwan Strait, and the constant military threat from China, the ROC Armed Forces must take to heart its missions and beef up its combat readiness in order to effectively support the nation's sustainability. With this mission in mind, the ROC Armed Forces, following its outstanding tradition and spirit since its establishment, has carefully established long-term strategic objectives and endeavored to carry out military planning and restructuring to build a high-quality modern military force through incremental step-by-step implementation.

In recent years, the emergence of a new international order, changes in the global strategic environment, and the more pervasive revolution in military affairs (RMA) have combined to propel the Ministry to focus on the revision of defense laws, restructuring of the military organization, the establishment of priority of military programs, and improving military strategy and tactics. Responding to public opinion, the Ministry has strived to improve military administration with an objective to build a lean, high-quality and powerful force for national defense.

The armed forces must serve the country. As a whole, the ROC Armed Forces shall abide by the Constitution, serve the government in policy implementation, and defend the security of the nation. On an individual level, every serviceman in the Armed Forces shall swear allegiance to the nation, the Constitution, the people, and the military tradition of honor. A serviceman or service woman shall maintain high standards of responsibility, a strong sense of honor, and strict discipline, and fulfill his or her obligations to faithfully serve the nation and the people.

Above all, national security is the foundation of national development, permitting no laxness. The ROC Armed Forces will stand firm for its mission and position, fight for the country and the people with a strong sense of patriotism, and act as strong deterrent army without fear in the face of any kind of threat. The Armed Forces will safeguard national interests, assure the safety and welfare of the people, and guarantee the stability, progress and sustainability of society.



Security Environment and
Military Situation

1

■ Summary

1. The global strategic situation has witnessed a major change following the terrorist attacks on September 11, 2001, after which the United States made anti-terrorism a top strategic priority. Washington has drastically readjusted its military presence on a global context, reinforced military cooperation with other countries, and maintained regional security and a global military balance.
2. In the Asia-Pacific region, which has been regarded with the highest number of flash points, the United States has become more involved in regional affairs, making swift adjustments in its deployment since overthrowing the Saddam Hussein regime. In the region, North Korea's nuclear threat remains, the People's Republic of China (PRC) has continued its military buildup, and disputes in the South China Sea persist. These, combined with factors such as changes in military developments in a number of countries, are expected to have a far-reaching impact on the Taiwan Strait and the ROC.
3. China has adjusted its military strategic focus on the situation in the Taiwan Strait and the South China Sea. It has formulated a new military strategy of "active defense in the new period" and has implemented a "revolution in military affairs with Chinese characteristics." Focusing on compound changes of mechanized forces and information warfare, the People's Liberation Army (PLA) hopes to leapfrog in its military modernization. Under its strategic guidance of "winning a campaign in remote area quickly, and winning the first campaign decisively," the PLA has emphasized the principles of "building a strong military through science and technology" and "improving military training through science and technology" to ensure victory in local wars as its No. 1 strategic target.
4. Should China invade Taiwan, a surprise blitzkrieg could be its best choice, a military operation of "less damage, high effectiveness, rapid strike, and decisive action." The three likely tactics of the PLA are a coercive control of islets, a sudden attack with high-density ballistic missiles for long-range precision strikes, and long-term maritime and air blockades. In recent years, the PRC has launched non-military warfare tactics, the so-called "three warfares," (media warfare, psychological warfare and legal warfare) against Taiwan with an attempt to manipulate Taiwan people's willpower, break down their psychological defense, justify its actions against Taiwan, and prepare for a military invasion. These require top vigilance on this island.

Chapter 1

■ International Security Situation

Globalization has led to a more complicated international security situation in the 21st Century. After the 9/11 terrorist attacks in the United States, many countries clearly recognized that only military force could maintain national security. The aggressive military buildup in many countries poses serious challenges to the international security environment. Ethnic and religious conflicts, territorial disputes, regional conflicts resulting from fights for natural resources, growing terrorist activities, proliferation of dangerous military technologies, transnational economic crimes, and drug-trafficking, among others, are looming large as security threats as well.

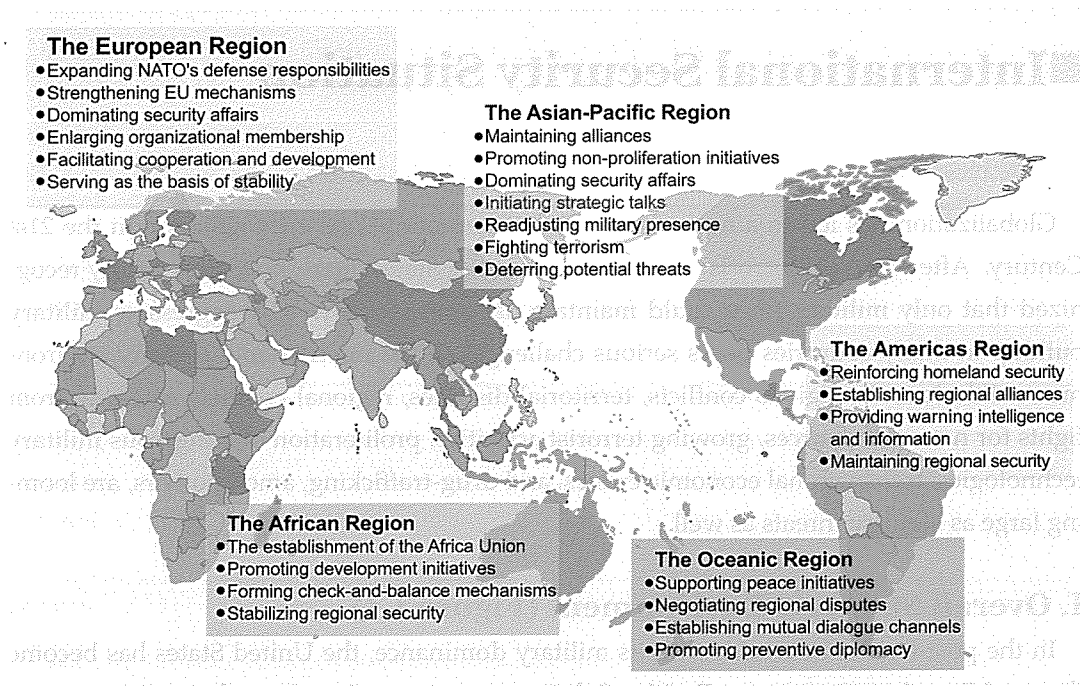
I. Overall Strategic Environment (Figure 1-1)

In the post-Cold War world, with its military dominance, the United States has become the world's only superpower. Besides fighting terrorism and curbing the proliferation of weapons of mass destruction (WMD), Washington is readjusting its global military deployment and is improving its military cooperation with other countries to maintain regional security and a global military balance. In the Asia-Pacific region, the situation is temporarily stable, as the PRC is devoted to "peaceful rising" with economic growth the No. 1 priority. Despite its overthrow of the regime of Saddam Hussein in Iraq, the United States failed to effectively deter the anti-American rebels there, resulting in a more complicated Middle East, where tensions between Palestine and Israel keep escalating. In Europe, the North Atlantic Treaty Organization (NATO) and the European Union (EU), after their enlargement, will be able to have a greater say in regional security affairs and will be able to maintain regional stability. Their closer political, economic, and military relations with Russia and mutual confidence-building measures can contribute to regional peace. In Africa, the establishment of the African Union (AU) can help resolve factional insurgences and promote the "New Partnership for Africa's Development" (NEPAD) program. The AU has further established various check-and-balance mechanisms for macroeconomic reforms involving all of Africa, with the long-term goals of reducing poverty, HIV/AIDS, and ethnic and religious conflicts.

1. The American Region

Since the 9/11 terrorist attacks, the United States has made anti-terrorism its No.1 global strategic priority. The Bush administration created the Department of Homeland

Figure 1-1 Current Global Security Environment



Security (DHS) to oversee affairs of national security, justice, prosecution, investigation, intelligence, military, police, and the private sector. The United States has cooperated with Canada and Mexico in intelligence exchange, pre-warnings, and joint actions to fight against terrorism, transnational economic crimes, drug trafficking, and armed insurgencies by Latin America groups. Under a new strategy of "preemptive attack," the United States has readjusted its military deployment to strengthen homeland security, security with its neighbors, and regional security that includes Latin America.

2. The Asian Region

(1) The United States has kept long-standing alliances vis-à-vis with Japan, South Korea, Australia, and Southeast Asian nations. Through anti-terrorism cooperation and the "Proliferation Security Initiative" (PSI) mechanism, these countries are committed to containing terrorist organizations and preventing the proliferation and transport of WMD in the region. China, using its critical roles in the Iraq War, the North Korean nuclear issue, the South China Sea situation, and its advantages in space technology, has secured its position as a regional power in Asia. China has been seeking a larger strategic role to steer or balance regional affairs.

The U.S. is wooing the support of China and Russia in global anti-terrorism and non-proliferation operations. To maintain its military superiority and flexibility in the Asia-Pacific region, Washington has begun to reconstruct and redeploy its forces in Asia.

The U.S. armed forces in Japan and South Korea have reinforced their mobile strike capability and crisis warning mechanisms to prevent any crisis from happening. Regarding the cross-straits situation, Washington believes a peaceful Taiwan Strait is in its best interest. The United States has a consistent policy in supporting Taiwan's democratic progress and opposing China's military threat. Washington has also adopted a parallel engagement policy vis-à-vis Beijing and Taipei to prevent any crisis in the Taiwan Strait. Meanwhile, Washington has strengthened military cooperation with the Philippines and Thailand as non-NATO Allies. The United States and Singapore started negotiation under Strategic Cooperation Relationship Framework. U.S.-Australia relations have been strengthened, with Australia having a bigger burden-sharing defense responsibility. In all, the United States has gone through political, economic and military cooperation to network the forces of various nations to buttress regional security and to sustain its global strategy.

The PRC has actively improved relations with India in recent years. The two have set aside border disputes and expanded economic and military exchanges and cooperation. India-Pakistan relations are thawing, though the Kashmir issue remains pending.

(2) Vladimir Putin was reelected the Russian president in 2004 with a landslide victory, and his high popularity may be the power base for his political and economic reforms. Akhmad Kadyrov, president of Chechnya, was assassinated on May 9, 2004. A hostage incident occurred at a school in North Ossetia on September 1. The two incidents changed the international community's attitude toward Chechen independence to opposition to any form of terrorism. Chechnya's road to independence is thus increasingly thorny, and domestic turmoil will not abate in the near future. Facing the NATO enlargement, Russia eagerly wants to use the "Shanghai Cooperation Organization" (SCO) and the "The Russia-China Friendship and Cooperation Treaty" to strengthen its strategic standing. Russia has stood against Washington's military unilateralism, withdrawal from the Anti-Ballistic Missile Treaty (ABM Treaty), support for NATO expansion without consultation, and the long-term military presence in Central Asia on the pretense of an anti-terrorism campaign. Russia has established military bases in Kyrgyzstan and Tajikistan to counterbalance the U.S presence, joined the Central Asian Cooperation Organization in October 2004, and promoted rapprochement with China and India. Russia still hopes to reclaim its status as a superpower.

(3) With the demise of the Taliban regime in Afghanistan and the Saddam Hussein regime in Iraq, the United States originally hoped to help foster democratic regimes in these places to eradicate terrorism in the Middle East and solidify regional security. However, lingering anti-American forces and guerrillas in the two countries, in collaboration with Al-Qaeda, still pose threats to regional security. Following media's exposure of soldiers of the U.S.-British coalition forces tortured Iraqi prisoners, more conflicts erupted in the Iraqi area. The United States transferred all authority to the Iraqi Interim

Government on June 28, 2004, but the situation is still volatile. The Middle East peace "roadmap" proposed by the U.S. was recognized by the international community, but its implementation has been far from smooth due to the retaliation between Israel and Palestine. The death of Palestinian leader Yasser Arafat added another uncertainty to the Middle East situation.

3. The European Region

In support of Washington's global anti-terrorism strategic arrangement, NATO has taken over the International Security Assistance Forces (ISAF) in Afghanistan and expanded its role in the country. In March 2004, NATO welcomed seven new members — Lithuania, Estonia, Latvia, Bulgaria, Romania, Slovakia, and Slovenia — bringing the total membership to 26. The EU has signed its new charter, which includes an EU Common Defense Initiative, to carry out self-defense and peacekeeping missions, humanitarian assistance, and crisis settlement. In May 2004, the EU welcomed ten new members — Lithuania, Estonia, Latvia, Hungary, Czech Republic, Poland, Slovakia, Slovenia, South Cyprus [Greek], and Malta, bringing the total to 25. Enlargement of the EU and NATO will become platforms for European countries to develop closer political, economic, and military ties.

4. The African Region

Since its birth in July 2002, the African Union (AU) has risen to be a regional organization assuming the responsibility for preventing and dealing with regional armed conflicts and terrorism, improving social stability, exploring natural resources, and promoting a political and economic commonality. Namely, the AU is charged with leading the region toward economic development. The AU adopted the "New Partnership for Africa's Development" initiative as a guideline for political, economic, and social development. In July 2003, the AU held its second summit with state heads and government leaders in Mozambique. The agenda focused on curbing regional armed conflicts and implementing the "New Partnership for Africa's Development" with a view to providing new opportunities for the continent.

In July 2004, United Nations Secretary-General Kofi Annan held a summit with 13 leaders of African countries in Ghana to address regional problems and seek peaceful solutions in Africa, particularly the humanitarian crises in Liberia, the République de Côte d'Ivoire (Ivory Coast), and Sudan in the wake of wars. African countries have already developed an effective peacekeeping mechanism for settling internal insurgences through years of efforts. However, it needs greater efforts from members of the AU to make it an effective arbitral and mediating organization, to effectively mitigate ethnic, religious, and civil conflicts in the region, and to improve security on the continent.

II. Primary Flash Points

Military confrontations may erupt in a number of areas due to sovereignty, ethnic, religious, or terrorist factors. The flash points are the Korean Peninsula, the Taiwan Strait (see Chapter 4), the South China Sea, Southeast and South Asia, and the Middle East.

1. Korean Peninsula

The Korean Peninsula is full of uncertainties, and is the most explosive flash point in Asia-Pacific region. In October 2002, North Korea announced reopening its nuclear program. This prompted Washington to go through military coercion, dialogues and diplomatic consultations to urge North Korea to give up this program. The U.S., North Korea, and China conducted tri-party talks in April 2003. Three rounds of six-party talks (the U.S., Japan, South Korea, the PRC, North Korea, and Russia) were conducted in August 2003 and February and June 2004, and all failed to reach a solid agreement. The only consensus reached was to set up a working group as the negotiation mechanism to solve the North Korean nuclear issue. The international community is expected to conduct diplomatic maneuver and dialogues to narrow the confidence gap between the United States and North Korea, with a hope for a peaceful settlement of the Korean Peninsula issue.

2. Southeast Asia

Southeast Asia's vast area, frequent exchanges, and diversified religious backgrounds have created an ideal breeding ground for terrorist organizations, such as Jemaah Islamiyah (JI), the Moro Islamic Liberation Front (MILF), and the Abu Sayyaf Group (ASG). Most of these groups have links with Al-Qaeda. In the wake of the 9/11 terrorist attacks, international terrorist cells have been relocated from the Middle East to the Southeast Asian region, launching fatal serious attacks in Indonesia and the Philippines. Bombings in October 2002, August 2003, and September 2004 in Bali, Indonesia, the Marriott Hotel, and Australian Embassy in Indonesia resulted in serious casualties. The terrorist targets, which used to be military bases and embassies, are now financial institutions, utility infrastructure, and even tourist resorts, making it more difficult to prevent such attacks.

Furthermore, the absence of police in some sea lines of communication (SLOCs) in the Strait of Malacca has created a haven for maritime piracy, with rampant ship hijacking, smuggling, and drug trafficking. This has not only threatened transportation safety, but also provided a stage for terrorists to obtain financial resources and carry out operations. On July 20, 2004, Singapore, Malaysia, and Indonesia signed an agreement in Batam, Indonesia, to join security patrols in the Strait of Malacca. The joint agreement calls for coordinated actions against piracy and terrorism to protect the security of the sea lines transportation in the Malacca waters.

3. South Asia

In South Asia, India and Pakistan have been at odds for a long time over religious, ter-

ritorial, and anti-terrorism issues. Since leaders of the two countries met at the 12th South Asian Summit in January 2004, India-Pakistan relations have improved. China has had territorial disputes with India but friendly relations with Pakistan. After China and India signed the "Declaration on Principles for Relations and Comprehensive Cooperation," Beijing-Delhi relations have quickly been thawing. The two then developed extensive military exchanges. The PLA Navy and the Indian Navy staged a joint military exercise. China even allowed an Indian Army delegation to visit Tibet. It is expected that a friendly atmosphere between China, India, and Pakistan will improve stability and peace in South Asia.

4. The Middle East

The Palestine autonomous region issue has been a fundamental and lasting dispute between Israel and Arab countries. Despite the fact that Washington has proposed The Middle East "roadmap" as a blueprint for peaceful co-existence for Palestine and Israel, frequent armed conflicts between Hamas extremist groups and Israeli forces have forestalled any peace progress.

The U.S. originally hoped the collapse of the Saddam Hussein regime would contribute to security, political reform and human rights in the Middle East. But anti-American rebels have constantly harassed coalition forces in Iraq despite the end of the Iraq War, with the number of casualties growing. Scandals involving coalition forces in the torture of Iraqi soldiers and local militias' kidnapping of persons of different nationalities have further escalated tensions. Spain's withdrawal from the coalition forces after suffering terrorist bombings has dampened other countries' willingness to join the coalition. Therefore, Washington has no choice but to increase its troops there and revise contingent initiatives to stabilize security in Iraq. A comparative minor territorial dispute on three small islands between Iran and the United Arabian Emirates (UAE) is unlikely to develop into a military conflict.

5. The South China Sea



Itu Aba Island (Taiping Dao) of the ROC

The islands of the South China Sea are important not only strategically for being the linchpin of the Indian and Pacific Oceans but also economically for its rich reserves of oil, natural gas, minerals, and fishing resources, as maritime exploration techniques have been increasingly available for those coveting countries. For decades, long-standing disputes in the waters and claims of sovereignty over these islands have become the primary reason for regional conflicts. There are 192 islands and reefs in the South China Sea. The Itu Aba Island (also called Taiping Dao) and Pratas Island belong to the ROC. Other players with disputed claims of sovereignty over these islands and reefs are China (7 islands), Vietnam (27 islands), the Philippines (9 islands), Malaysia (5 islands), and Brunei (claims Louisa reef) (see Table 1-1 for details).

III. Future Security Challenges

The present global military situation may be affected by regional conflicts, arms proliferation and transfer, rapid technological developments, different patterns of war, and the epidemic outbreaks. In this elusive international environment, future security challenges can be classified into:

1. Political: Ethnic and religious confrontations persist. Separatism and territorial disputes, regional conflicts, sovereignty disputes, and overlapping territorial waters pose potential threats to security.

2. Military: The proliferation of weapons of mass destruction remains the most serious challenge to global security. Washington's new defense strategy of "preemptive attack" could trigger a worldwide arms race. Countries may have different definitions of national security and vary by their degree and modes of intervention, and any resulting conflict could lead to various threats to international security. China's recent successful launch of the "Shenzhou V" spacecraft has caused great concerns regarding military interests in space, which is likely to become explosive among powers.

3. Economic: The widening gap between the rich and the poor as a byproduct of globalization has triggered waves of anti-globalization campaigns. If not handled properly, these, together with other issues, such as transnational crime, notably in the financial sector, have the potential to threaten global political, economic, and social development.

4. Anti-Terrorist: International terrorist organizations, particularly religious extremist groups, pose a serious security threat, but have been increasingly contained by U.S.-led anti-terrorist operations. Chances for terrorists to launch large-scale attacks are on the decline, but terrorism will be very difficult to eradicate. Therefore, terrorism is still the most serious security threat facing us.

5. Epidemic outbreak: World-wide outbreaks of epidemics, such as Severe Acute Respiratory Syndrome (SARS) and Avian Influenza (Bird Flu), and other unpredictable epi-

Table 1-1 Territorial Claims of the Spratly Islands

Country	The ROC	The PRC	Vietnam	The Philippines	Malaysia
Islands claimed	Itu Aba Island (Taiping Dao)	Fiery Cross Reef (N.W. Investigator Reef) , Cuarteron Reef, Johnson Reef, Gaven Reef, Subi Reef, Hughes Reef, Mischief Reef	South West Cay (Pugad Island), Sand Cay, Namyit Island, Sin Cowe Island, Storm Island (Spratly Island, Lagos Island), Amboyna Cay, Grierson Reef, Central Reef, Pearson Island, Barque Canada Reef (Mascardo Reef) , West Reef, Ladd Reef, Discovery Great Reef, Tennet Reef, East Reef, Alison Reef (De Jesus Reef), Cornwallis Reef, South Reef, South Reef, Petley Reef, Collins Reef, Landsowne Reef, Prince of Wales Bank, Bombay Castle, Vanguard Bank, Prince Consort Bank, Grainger Bank, Alexandra Bank	Nashan Island, Flat Island, Thitu Island, Loaita Island (South Island, Horsbung Island), North East Cay (Parola Cay, Parola Island, Parry Shoal), West York Island, Panata Island, Commodore Reef, Reed Bank	Swallow Reef, Ardasier Reef, Marivels Reef, Investigation Shoal, Erica Reef
Total	1	7	27	9	5
Military presence	approx. 200	approx. 600	approx. 2,000	approx. 100	approx. 90
Notes	Brunei has claimed sovereignty over Louisa Reef in the southern area of the Spratly Islands and strengthened this claim by increasing military procurement and building tourist facilities. No military deployment, though.				

demics caused by environmental pollution, climatic changes, and ecological hazards, are another potential threat to global security and stability.

In conclusion, current major international security threats include ethnic, religious, and regional sovereignty disputes, international terrorism, proliferation of dangerous military technology, transnational economic crime, and illegal drug trafficking. These disputes of a highly explosive nature could erupt into regional military confrontations. The flash points are the Korean Peninsula, the Taiwan Strait, the South China Sea, Southeast, South Asia, and the Middle East. In such a sensitive milieu, the ROC should remain cautious and pragmatic in international affairs, react to possible challenges with a pro-active attitude, and safeguard the security and sustainability of the country.

Chapter 2

■ Asian-Pacific Military Situation

In the Asia-Pacific region, the PRC's growing military expansion has deepened dependence of other nations on the United States. Washington has reacted to post-Iraq War reconstruction, the North Korean nuclear issue, terrorist activities in Southeast Asia, territorial disputes in the South China Sea, the India-Pakistan confrontation, and China's military buildup by actively readjusting its deployment in Northeast Asia and beefing up its forces in Guam. Through the U.S.-Japan Security Treaty, U.S.-Korea and the U.S.-Australia Mutual Defense Treaties and the Taiwan Relations Act (TRA), the U.S. further strengthened its relations vis-à-vis these countries to maintain security and stability in the West Pacific region.

I. Asian-Pacific Strategic Environment

The Asia-Pacific region generally covers Mainland China, Northeast Asia, Southeast Asia, and islands around the Pacific Ocean. In this pluralistic region, countries, separated by waters, vary by ethnicity, culture, political development, religion, and custom. Most of these countries are oriented toward economic development to ensure national development and security. As for the military, each country has followed a different development track.

1. The U.S. Posture in the Pacific

(1) Asia-Pacific Security Strategy

The Bush administration has directed its military strategy of "preemptive attack" to meet threats from prevalent terrorist activities and regional contingencies. By using its military predominance, Washington aims at securing its security and strategic interests in this region through the following means:

- a. Maintaining stability and military balance among regional powers,
- b. Ensuring the safety of the sea lines of communication (SLOCs) in the Asia-Pacific region,
- c. Guaranteeing U.S. leadership in international and regional organizations,
- d. Supporting the peaceful solution of the Taiwan Strait and Korean Peninsula issues,
- e. Controlling the proliferation of weapons of mass destruction,
- f. Maintaining the security of the Indochina Peninsula, Central Asia and South

Asia, and

g. Curbing terrorists and their national sponsors,

(2) Asia-Pacific Military Situation

In the Asia-Pacific region, China's growing military strength has tilted the military balance in this region. This change directly affected Washington's national interests here, and pushed this region higher on U.S. strategic agenda. Washington has changed its strategic emphasis from Europe to Asia and is gradually adjusting its global presence to ensure its regional dominance. The 9/11 terrorist attacks made Washington quickly identify terrorism the No. 1 threat to national security. Its wars in Afghanistan and Iraq were waged with the hope of eradicating the origins of the terrorist threat. In the Korean Peninsula, the six-party talks temporarily diluted the tension through diplomatic efforts, but Pyongyang's nuclear posture remains a major concern to Washington.

(3) Strategic Importance of Guam, Hawaii, New Zealand, and Australia

Guam, of the second island chain,¹ and Hawaii are two major U.S. military bases with strategic importance in the Pacific Ocean. In order to counterbalance China's expansion and secure its strategic interests in the region, Washington has readjusted its air and naval force deployment in Guam and renovated its aircraft carrier base in Hawaii in November 2003, affording the two greater strategic significance. Moreover, New Zealand and Australia have become active in international affairs, responding to the requests of the U.S. and U.N. to participate in peacekeeping missions in East Timor and Iraq. They have provided financial assistance to several Pacific countries in the hope of playing a greater role in regional affairs, further upgrading their international status.

2. The Situation in Northeast Asia

(1) Military Situation

Considering a smaller military presence in the Asia-Pacific region, the U.S. supports Japan's military buildup and constitutional revisions to respond to UN peacekeeping missions. Washington continues to strengthen its security alliance with Japan. The military face-off on the Korean Peninsula remains. South Korea continues to modernize and develop weapons and equipment for military readiness. North Korea has continued its missile test firing and has not given up its WMD programs. The nuclear issue in the Korean Peninsula remains a potential military flash point.

(2) Potential Crises

Japan and Russia did not sign a peace treaty after the end of World War II due to the long-standing dispute over the "Northern Territories" (Russian named "Southern Kurile Islands"). Japan once called for setting aside this sovereignty issue, and joining in economic development, to which Russia refused. Little progress has been made on the Japan-Russia dispute. In the East China Sea, North Korea, South Korea, and China have a three-

side border dispute for overlapping exclusive economic zones (EEZ), which relates to economic interests and the livelihood of fishermen. Tensions erupted due to illegal trespassing fishing boats, without developing into major conflicts due to the restraints exercised by the three sides. Recently, China and Japan brawled over exploration of natural gas in the East China Sea, resulting in an unresolved problem with the potential to flare up. Japan's other territorial issue is with South Korea over the Tokdo Islets (Japanese named Takeshima) with no solution at hand. South Korea, currently administering these islets, has built docks, deployed police patrols and asserted its de jure sovereignty over the islets through a strong publicity campaign. The ROC has the Diaoyu Islands within its territory, which sovereignty is claimed also by China and Japan. China has conducted oceanographic surveys and continental shelf studies around the Diaoyu Islands, and Japan leased these islands to civilian organizations and included them in its 200 nautical miles (NM) Exclusive Economic Zone. Sovereignty dispute over Diaoyu Islands is becoming increasingly complicated.

3. The Situation in Southeast Asia

(1) Military Situation

a. Southeast Asian countries have given priority to combating terrorist and separatist organizations. The Association of Southeast Asian Nations (ASEAN) established a Counter-Terror Center Southeast Asia in Malaysia to show their anti-terrorism resolve. During the Ninth ASEAN Summit in October 2003, China signed the "Treaty of Amity and Cooperation" (TAC) with ASEAN. They agreed to convene a Security Policy Meeting with the participation of military officers. They also joined in issuing Declaration on the China-ASEAN Strategic Partnership for Peace and Prosperity. These moves were aimed at alleviating concerns about the "China threat." Following suit, India and Japan also signed the Treaty of Amity and Cooperation with ASEAN respectively. These developments contribute to regional security as well as indicate the increasing significance of Southeast Asia.

b. The South China Sea issue is both complex and volatile. Vietnam has the most troops of about 2,000 in the area, followed by the PRC's 600 troops (see Table 1-1). On the South China Sea territorial dispute, concerned countries have followed the principles in the Declaration on the Conduct of Parties in the South China Sea to seek confidence-building measures (CBMs), which laid a favorable environment for a peaceful resolution of these disputes.

(2) Potential Crises

In Southeast Asia, most countries are politically stable and face no imminent threats, though disputes still exist among some countries, such as Singapore-Malaysia sovereignty dispute over Pedra Branca Island (Pulau Batu Putih) and the fresh water supply. Nonetheless, these countries have exerted self-constraint under the ASEAN aegis without

resorting to force. The Vietnamese government organized a tourist group to visit the Spratly Islands in April 2004. Shortly after, the Vietnamese military decided to rebuild an airstrip on Storm Island. This move triggered protests from the ROC, PRC, and the Philippines, and added explosives to the peace in the South China Sea.

4. The Situation in Central Asia

(1) Military Situation

Situated in the center of the Euro-Asia continent, Central Asia bridges Europe and Asia and has an impact on the security of China's west border and Russia's south border. Central Asia's critical geopolitical position and rich oil reserves make it a contended battleground among the powers. During the fight against terrorism, the United States, Russia, and China have strengthened military and security relations with countries in this region and engaged in local affairs with an overt intent to expand their spheres of influence. Contention among powers for their respective interests will result in greater volatility in the security of Central Asia.

(2) Potential Crises

The growing military presence of the U.S. in Central Asia poses a direct and serious threat to Russia and the PRC. Russia, to control a strategic space and protect its own security, has redeployed its military forces here to counter U.S. expansion. China, in order to solidify its influence over the region, has become active in the Shanghai Cooperation Organization (SCO) over the past two years, and joined SCO members in anti-terrorism military exercises to expand anti-terrorist exchanges. In the future, China is likely to use this platform to conduct regional military exercises and become more involved in military exchanges. Other religious, ethnic, and territorial conflicts, such as the Kazakhstan-Russia border dispute and the Tajikistan-PRC border dispute, will affect regional security too.

5. The Situation in South Asia

(1) Military Situation

India and Pakistan have clashed over the sovereignty of the Kashmir region for a long time and the two countries are engaged in a nuclear arms race. The stability of South Asia is essential to the security of the Asia-Pacific region. The PRC has played a critical role here. In October 2003, the PRC Navy and Pakistan Navy held a joint exercise off Shanghai for the first time. The following month, the PLA Navy held exercises with the Indian Navy in the same area. These exercises showed Beijing's intent to bridge India-Pakistan military cooperation. The Indian military's strong "anti-Chinese" attitude has shown an obvious change, no longer using China as an enemy in war games. China-India military exchanges have been, and will continue to be, on the rise, contributing to the stability of South Asia.

(2) Potential Crises

a. China-India border disputes: The PRC and India share a border of more than 2,000 kilometers. Though both countries have established a working group on the issue and have exchanged maps of the central border section, no progress has been made on the disputes over the west and east sections. Since October 2003, the PRC and India have held two negotiations over border issues. Despite failing to make a major breakthrough, such consultations will help the eventual and peaceful resolution of these issues.

b. India-Pakistan clashes: In April 2003, India proposed normalizing relations with Pakistan, leading to great improvement in bilateral ties. In October, India further proposed a "12-point peace package" to increase people-to-people exchanges between the two countries, winning a favorable response from the Pakistan government. In November, the foreign ministries of both countries made a joint announcement of a cease-fire in the Kashmir region. In January 2004, Indian Prime Minister Atal Bihari Vajpaee and Pakistani President Pervez Musharraf met at the South Asia Summit in Istanbul and reached an agreement to embark on a full-scale dialogue to discuss the Kashmir and other major bilateral issues. In meetings in May and June, the two countries exchanged views on the principle and dialogue of establishing confidence-building measures related to nuclear weapons, which will benefit the final resolution of the Kashmir problem and of the arms race.

II. Military Developments of Countries in the Region

The Asia-Pacific region is regarded as having more global flashpoints than other regions in the world. Since overthrowing Saddam Hussein's regime, Washington has turned its focus and readjusted its military presence in this region. On August 16, 2004, U.S. President George Bush announced that the U.S. armed forces in Europe and Asia would be readjusted in structure and reassignment in deployment in the next decade. The American strategic focus will be shifted from the European Continent to the Asia-Pacific region in a move to use alliances and partnerships to curb regional conflicts. While China's military buildup has posed an increasing threat to Taiwan, the military maneuvers of the U.S., Japan, and South Korea in this region will affect the situation in the Taiwan Strait as well and have a far-reaching influence on the ROC.

1. The U.S.

(1) U.S. Force in Asia-Pacific

a. U.S. forces in Japan: The U.S. has some 40,000 troops in Japan and 17 major surface ships (11 warships in Yokosuka and 6 amphibious ships in Sasebo). It has 8 bases, including Yokota and Okinawa; major forces are in Yokosuka and Sasebo. The U.S. deploys some 350 military aircraft in Japan, including F-15s, F-16s, C-130s and others. U.S. ground forces include 20,000 U.S. Marines in the Ryukyu Islands, and 38 military training and logistic facilities. Washington has shifted some 3,600 Marines from the Ryukyu Islands

to Iraq since April 2004 to support peacekeeping missions in the Middle East.

b. U.S. Forces in South Korea: The U.S. armed forces total 30,000 in South Korea with some 150 aircraft, including F-15s, F-16s, A-10s, among others. The ground forces have more than 350 tanks and armored fighting vehicles, including M1A1s, M-2s, and M-3s, and 84 M-109 heavy artillery pieces. These forces are stationed in eight bases in Seoul, Panmunjom, and other Korean areas. Washington has been readjusting this deployment, sending some troops from the 2nd Infantry Division to Iraq, and pulling a few units out of the DMZ north of the Han River to Osan and Pyongtaek bases since 2004.

c. U.S. Forces in New Zealand and Australia: The U.S. has hundreds of U.S. soldiers and early warning satellite ground stations in Australia. In cooperation with the U.S. military restructuring in the Asia-Pacific region, Australia has allowed the U.S. to use its training facilities.

(2) Military Developments

a. Northeast Asia: The Japanese Air Self-Defense Force headquarters was moved to Yokota, close to the Headquarters of U.S. Forces, Japan (HQ USFJ), to strengthen military interaction. In November 2003, the Intelligence Center of the PACOM Fleet Reconnaissance Group was reallocated to Misawa Air Force Base. Some U.S. Marine units stationed in Okinawa will be relocated to Australia. In South Korea, American troops on the DMZ will be moved south in two phases. In general, U.S. armed forces in South Korea will be strengthened, adding Apache attack helicopters, F-117 fighters, a PAC-3 missile, runways at Osan Air Force Base, and 100 additional tanks and armored fighting vehicles for the heavy armored brigade. Washington will invest US\$11 billion to improve military intelligence capabilities here in the next four years.

b. Southeast Asia: Major moves include the expansion of the Changi Naval Base in Singapore and the establishment of floating maritime facilities and logistical support and maintenance bases in the Gulf of Siam in Thailand and the Natuna Islands of Indonesia. The U.S. is considering leasing Thailand's Utapao Air Base and Sattahip Naval Base, and Indonesia's Morotai Island and Biak Island. Washington has contacted Vietnam and India to seek establishing military bases in these two countries. The U.S. has actively embarked on negotiations with Singapore under the Strategic Cooperation Relationship Framework for future strategic deployment and military adjustment.

c. South Asia: U.S. troops are stationed in the Bagram and Kandahar Air Bases in Afghanistan. The U.S. also obtained user rights at a few airports and ports in India and Pakistan.

d. Central Asia: The U.S. is trying to rent three airfields from Uzbekistan and Tajikistan, and to expand the Manas International Airport in Kyrgyzstan.

e. The West Pacific Region: The U.S. has renovated the Andersen Air Force Base in

Guam for long-range bombers and the placement of air-launched cruise missiles. It is expanding the Apra Harbor for use by nuclear submarines to enhance its striking capability over the Pacific area. It is planning to add one more branch of aircraft carrier battle group to be based in either Guam or Hawaii.

2. The Northeast Asian Region (see Table 1-2 The military posture of Northeast Asian countries)

(1) Japan

a. Military Posture: The Japan Self-Defense Forces total 239,000, including a 148,000-man Ground Self-Defense Force (GSDF) equipped with 1,020 tanks and 750 artillery pieces; a 45,000-strong Maritime Self-Defense Force (MSDF) equipped with 54 battle ships, 16 submarines, 80 aircraft and 102 armed helicopters; and a 46,000-member Air Self-Defense Force (ASDF) with 270 various types of fighter aircraft.

b. Military Development: Japan has dispatched troops overseas and amended its Constitution to support the U.S. in post-Iraq War reconstruction, attempting to enhance the U.S.-Japan alliance and Japan's international status. Japan has revised its National Defense Program Outline to change its defense policy and upgrade the status of the Self-Defense

Table 1-2 The Military Posture of Northeast Asian Countries (unit: 1,000 persons)

Country	Total Number of Forces	Ground Forces		Naval Forces		Air Forces	
		Strength	Major Equipment	Strength	Major Equipment	Strength	Major Equipment
Japan	239	148	1,020(+) MBTs 750 (+) artillery	45	54 ships 16 submarines 80 fighters 102 armed helicopters	46	270 fighters
South Korea	686	560	2,300(+) MBTs 6,400 (+) artillery 110(+) attack helicopters	63	39 ships 20 submarines 16 fighters 43 CV	63	530(+) fighters
North Korea	1,082	950	3,500 (+) MBTs 20,000(+) artillery 10,000(+) missiles	46	3 ships 92 submarines	86	600 (+) fighters 24 armed helicopters
Russia	960.6	321	21,870 (+) MBTs 20,746 (+)artillery 2,870 (+) missiles	155	1 aircraft carrier 53 Submarines 31 ships 88 patrol vessels 217 fighters	184.6	1,984 fighters 700 armed helicopters 2,678 logistic support aircraft
		100,000 (+) strategic forces 738 ICBMs 100 (+) ABMs			200,000 (+) force in direct subordinates (including peacekeeping forces and foreign presence)		

Source: *The Military Balance 2003-2004*, IISS

Forces into a regular military to have the legality to react in contingencies and to defend its national security. By doing so, Japan hopes to break away from the constraints imposed after World War II, paving the way to wider participation in international affairs and becoming a military power.

(2) South Korea

a. Military Posture: South Korean forces total 686,000. This includes 560,000 in the Army, equipped with 2,300 main battle tanks (MBTs), 6,400 artillery pieces, and 110 attack helicopters. The Navy has 63,000 sailors with 39 main battle ships, 20 submarines, 16 fighters, and 43 armed helicopters. Its 63,000-strong Air Force has some 530 fighter aircraft.

b. Military Development: Facing the threat of North Korea's weapons of mass destruction, South Korea has augmented its defense budget, accelerated arms procurement, and focused on the research, development, and improvement of future core capabilities. South Korea, while improving political relations with North Korea, has demonstrated its preparation for war. In order to maintain the military alliance with Washington, Seoul has spared no efforts in downplaying anti-American sentiment for fear of affecting this alliance and their coordination in case of armed conflict.

(3) North Korea

a. Military Posture: The total forces of North Korea number about 1.082 million, including: 950,000 soldiers in the Army equipped with 3,500 main battle tanks, some 20,000 artillery pieces, and over 10,000 ballistic missiles of various types (Scud, Nudong and Daepodong missiles). Its Navy numbers 46,000, with three battle ships, and 92 submarines of various types. Its Air Force has 86,000 airmen, 600-strong fighters of various types, and 24 armed helicopters.

b. Military Development: Kim Jong Il controls both the political leadership and military command structure, and the military always comes first. North Korea has aggressively stockpiled its missile and nuclear weaponry, using it as a leverage to gain a higher world status and more international assistance.

(4) Russia

a. Military Posture: The Russian armed forces total some 960,000 personnel, including: an Army of 321,000 equipped with 21,870 main battle tanks, 20,746 artillery pieces, and 2,870 missiles. The Russian Navy has 155,000 sailors, 1 aircraft carrier, 53 submarines, 31 battle ships, 88 patrol boats of various types, and 217 fighter aircraft. The Russian Air Force has 184,600 airmen, 1,984 fighters, 700 armed helicopters, and 2,678 logistical support aircraft. It also has a strategic force of more than 100,000 men with 738 intercontinental ballistic missiles (ICBMs) and 100 antiballistic missiles (ABMs). Furthermore, the Russian military has more than 200,000 men in direct subordinate units (for peacekeeping and overseas mission.)

b. Military Development: For economic reasons, Russia continues to export weapons and military equipment to the PRC and the Third World. Moscow is using the gains from arms sales to help sustaining its domestic economic growth, developing its defense industry, beefing up military capabilities, and promoting military reforms to transform the forces to be a professional, mobile, and rapid response force with military superiority. By introducing a mid-term military modernization strategy, President Putin hopes the Russian armed forces can reach a national security strategy by 2010 to be able to "have a strong military capability of identifying threats, securing traditional sphere of dominance, maintaining national security and stability, and ensuring economic development unaffected."

3. The Southeast Asian Region (see Table 1-3 The military posture of Southeast Asian countries)

Table 1-3 The Military Posture of Southeast Asian Countries (unit: 1,000 persons)

Country	Total Number of Forces	Ground Forces		Naval Forces		Air Forces	
		Strength	Major Equipment	Strength	Major Equipment	Strength	Major Equipment
Indonesia	302	230	305 light tanks 49 helicopters	45	2 submarines 17 FFGs 36 PCE/PCs 26 helicopters	27	90 fighters 38 helicopters
The Philippines	106	66	65 light tanks	24	1 FFG 58 PCE/PCs 4 helicopters	16	44 fighters 87 armed helicopters
Singapore	72.5	50	80 MBTs 350 light tanks	9	2 submarines 24 PCE/PCs	13.5	126 fighters 28 armed helicopters
Malaysia	104	80	26 light tanks 9 helicopters	14	4 FFGs 41 PCE/PCs 6 helicopters	10	95 fighters 48 helicopters
Thailand	314.2	190	50 MBTs 154 light tanks 203 helicopters	79.2	1 CV 12 FFGs 115 PCE/PCs 44 fighters 8 armed helicopters	45	194 fighters 34 helicopters
Brunei	7	4.9	20 light tanks	1	6 PCE/PCs	1.1	5 armed helicopters
Laos	29.7	25.6	25 MBTs 10 light tanks	0.6	16 PCE/PCs	3.5	24 fighters 27 helicopters
Vietnam	484	412	45 MBTs 300 light tanks	42	2 submarines 6 FFGs 42 PCE/PCs	30	189 fighters 26 armed helicopters
Cambodia	80	75	100 MBTs 20 light tanks	3	4 PCE/PCs	2	24 fighters 16 helicopters
Myanmar	381	350	100 MBTs 105 light tanks	16	75 PCE/PCs	15	123 fighters 66 helicopters

Source: *The Military Balance 2003-2004*, IISS

(1) **Military Posture:** In Southeast Asia, the armed forces of Indonesia, the Philippines, Singapore, Malaysia, Thailand, Brunei, Laos, Vietnam, Cambodia, and Myanmar total 1.88 million. Some countries, though aspiring to promote their military capabilities, are still recovering from the Asian financial crisis. Only Singapore and Malaysia have maintained considerable military forces, while others have shown little expansion.

(2) **Military Development:** The Philippines and Indonesia have devoted massive troops to fight domestic terrorist and separatist activities. While China is emerging as a regional power posing a security concern to ASEAN members, Beijing has put forth a new policy to "befriend, pacify and benefit neighbors." China joined the "Treaty of Amity and Cooperation" in Southeast Asia, and established a strategic partnership with ASEAN to dilute worries about the "China threat" and expand its sphere of influence.

After the 9/11 terrorist attacks in the United States, terrorists began to surge back into the Asia-Pacific region. For anti-terrorist operations, Washington has enhanced its military cooperation with some Southeast Asian countries, classifying the Philippines and Thailand as major non-NATO allies (MNNA). Washington started negotiations with Singapore on the Strategic Cooperation Relationship Framework. With these ties, the U.S. has started its global readjustment on the one hand and, on the other hand, tried to neutralize China's penetration in this area through the Treaty of Amity and Cooperation. Russia's withdrawal from Cam Ranh Bay in Vietnam left it no foothold and influence in Southeast Asia. With its military influence on the decline, Russia is trying to maintain military cooperation through arms sales to some countries.

4. Central Asian Region (see Table 1-4 The military posture of Central Asian countries)

(1) **Military Posture:** In Central Asia, the combined forces of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan have reached 160,000, including an army of 126,000 with 2,227 battle tanks. The combined naval forces include 1,000 sailors and 5 vessels. The air forces of the five countries total some 35,000, with 428 fighter aircraft and some 80 armed helicopters.

(2) **Military Development:** Facing a common threat from drug trafficking, religious extremists and terrorist groups, the five countries are pushing for integration under the framework of the Independent Union Collective Security Treaty (Russia, Belarus, Kazakhstan, Kyrgyzstan, Tajikistan, and Armenia). In October 2002, members of the treaty adopted a military organization charter. They established a collective rapid reaction force in late April 2003, and held the "Commonwealth Southern Shield-2003" anti-terrorism exercise at the end of the year. Under the "Shanghai Cooperation Organization" (SCO), the six members — PRC, Russia, Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan — held joint military exercises in October 2002 and August 2003.

5. The South Asian Region (see Table 1-5 The Military Posture of South Asian Countries)

(1) India

a. Military Posture: India's armed forces total 1.325 million, including an Army of 1.1 million, equipped with 3,988 battle tanks and some 2,050 surface-to-air missiles (SAMs). Its Navy has 55,000 sailors with 1 aircraft carrier, 16 submarines, 8 missile destroyers, 11 frigates, 7 destroyer escorts, and 39 coastal patrol escorts. Its Air Force has 170,000 airmen with 665 fighters, and 326 transport aircraft. Two strategic missile regiments have 75 Prithvi, and 20 Agni I and II missiles.

b. Military Development: India regards itself as a "world power." Its military strategy is to build a force capable of supporting its national objectives and develop a "three-in-one" nuclear force. India successively held large joint exercises with Russia, the U.S., and the PRC in May, October, and November 2003, underlining its ambition to be a predominant naval power in the Indian Ocean.

Table 1-4 The Military Posture of Central Asian Countries (unit: 1,000 persons)

Country	Total Number of Forces	Ground Forces		Naval Forces		Air Forces	
		Strength	Major Equipment	Strength	Major Equipment	Strength	Major Equipment
Kazakhstan	65.8	46.8	930 MBTs	0	0	19	152 fighters 2 armed helicopters
Kyrgyzstan	10.9	8.5	215 MBTs	0	0	2.4	52 fighters 32 armed helicopters
Tajikistan	6.8	6	40 MBTs	0	0	0.8	4-5 armed helicopters
Turkmenistan	29	25	702 MBTs	1	5 vessels	3	89 fighters
Uzbekistan	50-55	40	340 MBTs	0	0	10-15	135 fighters 42 helicopters

Source: *The Military Balance 2003-2004*, IISS

Table 1-5 The Military Posture of South Asian Countries (unit: 1,000 persons)

Country	Total Number of Forces	Ground Forces		Naval Forces		Air Forces		Strategic Forces	
		Strength	Major Equipment	Strength	Major Equipment	Strength	Major Equipment	Strength	Major Equipment
India	1,325	1,100	3,988 MBTs 2,050 SAMs	55	1 CV 16 submarines 8 DDGs 11 Frigates 7 FPGs 39 PCE/PCs	170	665 fighters 326 helicopters	2 strategic missile regiments	75 Prithvi 20 Agni I, II surface to surface missiles
Pakistan	620	550	2,368 MBTs	25	8 frigates 10 submarines	45	374 fighters	Attached to the Ground Forces	160(+) various types of surface to surface missiles

Source: *The Military Balance 2003-2004*, IISS

(2) Pakistan

a. Military Posture: Pakistan has a military force of 620,000. Its Army has 550,000 soldiers (including strategic missile forces), with 2,368 main battle tanks, and some 160 surface-to-surface missiles. Its Navy has 25,000 sailors with 8 battle ships and 10 submarines. Its Air Force has 45,000 personnel with 374 fighter aircraft.

b. Military Development: Pakistan's military strategy features the development and use of nuclear weapons to safeguard its national security. In order to maintain a military balance with India, Pakistan has aggressively developed missiles. In October 2003, it successfully test-fired Haft-III and Haft IV surface-to-surface ballistic missiles, which can have nuclear warheads and reach a range of up to 700 kilometers. Pakistan has vowed to develop missiles of longer range, underscoring its ambition to counter India. In late October 2003, the Pakistani Navy and the PLA Navy held a joint rescue exercise in waters near Shanghai, code-named "Dolphin 0310," the first between the two countries.

III. The Impact on Regional Security

The Asia-Pacific region has more flash points than other region in the world. China's military expansion has fueled worries about a "China threat" among countries in the region. Considering the reconstruction of Iraq, the North Korean nuclear issue, the cross-strait situation, the India-Pakistan conflict, and the PRC's military expansion, Washington has adopted a "preemptive attack" military strategy. It has adjusted its military presence in the Asia-Pacific region and enforced its defense mechanism with major allies and friendly countries to maintain regional peace and stability.

The U.S. global readjustment will affect the overall Asia-Pacific strategic milieu, which, in turn, will affect these countries' military development. The PRC's growing strength in every aspect has caused great concern in the world. Washington and Beijing, vying for their respective interests in the region, will keep competing against each other, having a great influence in this region specifically, and the world as a whole.

Taiwan Island, standing at the hub of the first island chain² and at gateway of China's eastward expansion, serves as a military balancer and buffer for the region. The ROC's effective use of its geographic advantage will contribute to national security, survival and development. In the best interests of the ROC's security, its pivotal position in the West Pacific should be fully strengthened through a quick revolution of military affairs and force transformation and strategic partnerships with allies in the region. The ROC will follow the principles of "preventing war, defending the homeland, countering terrorism and responding to contingencies" to maintain regional stability, secure national security, and cope with the changes in the West Pacific region.

Chapter 3

■ Defense Policy and Military Movement of the PRC

Due to the robust economic growth over the past few years, the PRC has ballooned its defense expenditures and drastically elevated its military capability, showing its posture as a great power. Already a regional military power, the PRC has expanded its military, economic, and political influence stretching from Central Asia to the South Pacific islands. Moreover, it has strengthened military alliances with Pakistan, Myanmar, and North Korea, and drawn close with Cambodia, Laos, Malaysia, and Thailand in Southeast Asia in an attempt to extend its sphere of influence to every corner of the Asia-Pacific region. In pursuit of improving its armed forces to realize its strategic objective of "winning local wars under high-tech conditions," the People's Liberation Army (PLA) has continued to streamline its armed forces in accordance with a force reduction policy. In January 2004, the PLA highlighted "operation and training reforms under information warfare conditions" as the guide for R&D and validation. It is actively developing its naval, air, and joint operational capabilities. These moves pose a surging formidable threat to the security of the Taiwan Strait.

I. PRC Defense Policy

The PRC formulated its defense policy in its national interests. Its *China's National Defense in 2002* clearly stipulates the major defense objectives:

1. Focusing on economic development to elevate overall national strength; insisting on and improving the socialist system; maintaining and promoting social stability and unity; striving for an international environment and a favorable region for lasting peace; and safeguarding sovereignty unity and territorial integrity.
2. Consolidating national defense, preventing and resisting aggression; stopping separation and realizing reunification; stopping armed subversion and safeguarding social stability; accelerating defense development and achieving military modernization; supporting world peace and opposing aggression and expansion.

II. Military Strategy

In response to the global military changes and its national strategic requirements, the PRC has pushed forward full-scale defense modernization on the basis of economic development. Under this principle, Beijing formulated a new military strategic guideline to

achieve a "revolution in military affairs with Chinese characteristics." Focusing on the compound changes of mechanization and information warfare, the PLA hopes to leapfrog in military modernization. Calling its military strategy "active defense," the PRC uses this vague term to conceal its security base line — it does not start wars or invade, but it will take action on issues related to national sovereignty or territorial integrity, or strike back under attack. When hostility is confirmed, it will strike. Strategically speaking, this is "active defense." But, in actual operations, the PRC will be active and offensive in nature. Therefore, its military strategy features prompt reaction to threats and the use of coercive force as a deterrent to guarantee a strategically secure environment and prevent enemies from damaging its interests through any means. Its strategy can be highlighted as follows:

(1) Shifting strategic focuses to the cross-strait situation and the South China Sea, highlighting "active defense," formulating a military strategic guideline of "active defense in the new period." Under the guideline of military buildup through science and technology, the PLA has accelerated its R&D in weaponry and equipment, groomed high-quality military personnel, established a scientific organizational structure, developed military combat theories with Chinese characteristics, and strengthened its capability for joint, mobile and multi-task operations.

(2) Learning from the two wars in Iraq, the PRC is pushing a full-scale revolution in military affairs. It has formulated a strategic guidance of "winning a campaign in a remote area quickly, and winning the first campaign decisively," emphasizing the policy of "building a strong military through science and technology, and improving military training through science and technology." Focusing on quality and lean military buildup, the PLA is developing automation and computerization for "winning local wars through information warfare." Its tactics and engagement models have been changed from an annihilation war of "destroying the enemy's entire viability" and "taking full control of the battle space" to a war winning political objectives by the use of limited forces. The PRC's new doctrine is to achieve oppressive "coercion" instead of "annihilation" through military and non-military means.

(3) Its coercive force means strategic and tactical missiles and naval and air dominance. Its goals can be accomplished by military, super-military, and non-military means. The PLA development focuses on the Second Artillery, navy and air force. For ground force, the two priorities are developing an all mechanized force and contingent mobile forces. As for renewing weaponry, the PLA is moving on two parallel tracks: indigenous R&D and foreign procurement to boost its overall capabilities.

(4) Learning from recent U.S. military operations, the PLA has revised its strategy of "active defense" to "better defensive operational capability under high-tech conditions." It wants to build up capability for asymmetric warfare, such as "acupuncture warfare"

(dian'xue zhan) and "paralyzation warfare." Since 2004, the PLA has given top priority to operations under information warfare, and endeavored to "neutralize the U.S (influence) while seizing Taiwan."

III. PRC Defense Budget

For a decade, the PRC has witnessed double-digit growth in its defense budget, primarily for personnel costs, welfare systems for servicemen, and maintenance outlays. However, due to changes in the international environment, its objective of maintaining national security and sovereign integrity, the need for additional expenditures for high-tech war capability, and outlays to add equipment and facilities, the PRC also has a large hidden budget under non-defense sectors and categories. The PRC's defense expenditures are the highest in Asia, and the third highest in the world, only next to the United States and Russia.

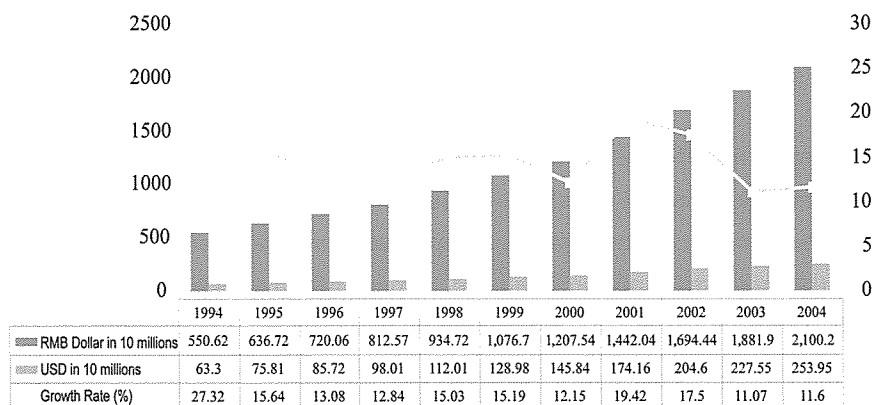
1. Military Budget Overview

Beijing's official statistics show the PRC's 2004 defense budget amounted to RMB 210 billion (US\$25.395 billion), up 11.6% from 2003 (RMB 188.1 billion), and accounting for 1.68% of its GDP and 7.85% of its total government budget. The major increase is for servicemen's welfare, improvement of defense capability to cope with the changing international situation, fees for the repositioning, retirement, and pension of the 200,000 soldiers to be deactivated by 2005. (Official statistics on defense spending of the PRC are shown in Figure 1-2).

2. Budgetary Structural Analysis

PRC defense spending covers three categories: personnel expenses (salaries, food, and uniforms for officers, NCOs and organic employees), maintenance fees (operational main-

Figure 1-2 The Official Statistics for Defense Spending of the PRC



tenance, training, facility maintenance, regular expenses, and utilities), and equipment (military investment in R&D, testing, procurement, maintenance, transport and storage). Each category represents 1/3 of the total.

3. Hidden Budget — Estimates

The official defense budget, as made public by the PRC government, accounts for parts of its overall defense spending. Careful examination of actual military spending previously shows that some outlays were channeled through some 10 non-military sectors, including the Commission of Science, Technology, and Industry for National Defense (COSTIND) and nuclear engineering. Hidden expenses are also appropriated under non-military categories, such as outlays for cultural-educational programs and scientific research. Payment for military procurement is sometimes itemized through "central government appropriations," "defense industry revenue," and "arms sales proceeds." Therefore, conservative estimates put the PRC's actual defense spending at three to five times its official figure, ranging between RMB 500 billion to 630 billion (US\$65-76 billion).

4. Future Budgetary Plans

According to the State Council's 2004 fiscal report, the PRC budget deficit and foreign and domestic debt amounted to RMB 702.2 billion (US\$91.2 billion), compared to its foreign reserves of US\$460 billion. So, Beijing has a deep pocket for defense spending. Its 2004 defense budget shows a double-digit growth, possibly for the following three reasons:

(1) Robust economic growth: Riding on average economic growth of 8% strong per annum in past years, China registered an impressive 9.1% growth in 2003. Economic expansions allowed the PRC to significantly expand its defense budget to achieve the objective of "improving defense operational capability under high-tech conditions."

(2) Salary increases for military personnel: The PRC has made three salary increases for servicemen in two years to upgrade their living standards. Beijing gave a salary increase to government employees in January 2004, which raises the expectation that a similar raise for servicemen will follow.

(3) Appropriations for personnel downsizing: The PLA plans to cut 200,000 military personnel by 2005. Funds to pay deactivated servicemen must be appropriated in advance.

The PRC's widening defense expenditures, together with its higher military capability, have heightened the potential threat to regional security and global peace. Its recently procured new generation weapons have been deployed in southeastern coastal provinces, seriously tilting the cross-strait military balance. If permitted by its fiscal and economic situation, the PRC is likely to keep adding money its defense sector for military modernization and revolution of military affairs, which will enable it to leapfrog in military capability.

IV. PRC Armed Forces

Since the PRC rezoned its military from 11 to 7 Military Regions (MRs) in 1985, the PLA armed forces have been maintained at a level roughly below the 2.5 million mark. In 2003, the PLA acted in line with its policy of cutting 200,000 military personnel. Modeling on RMA and force restructuring in western countries, the PLA has continued shrinking its troops to make units smaller and rationalize the force structure. Currently, the cuts happened primarily in the closing of agencies and schools. Group forces will be shrunk, and group armies will be reduced. For its Navy and Air Force, some bases will be closed down and the rank of corps will be abolished to create a more flattened structure, leaner forces, greater maneuvering flexibility and command efficiency. Aging ships will be decommissioned, and new fighters will be added, leading to a superior combat alignment for high-tech operations. The PRC armed forces now consist of three categories — the PLA, the People's Armed Police Force, and the reserve force and militia.

1. The PLA

The PLA numbers about 2.23 million personnel, including the Second Artillery Force (6%), ground forces (64%), the PLA Navy (PLAN) (14%), and the PLA Air Force (PLAAF) (16%) (see Figure 1-3 The Overall Force Structure of the PLA; Figure 1-4 The Disposition of the PLA Forces).

(1) The Second Artillery Force

a. Disposition: The Second Artillery Force has 130,000 personnel, divided into the missile force, technology and equipment force, engineer corps, chemical decontamination force, training units and logistical support units. It commands several corps-equivalent units and more than 20 ballistic missile brigades, equipped with more than 780 strategic

Figure 1-3 The Overall Force Structure of the PLA

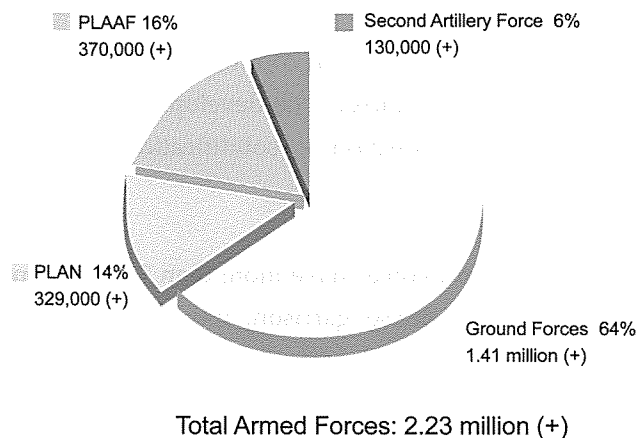
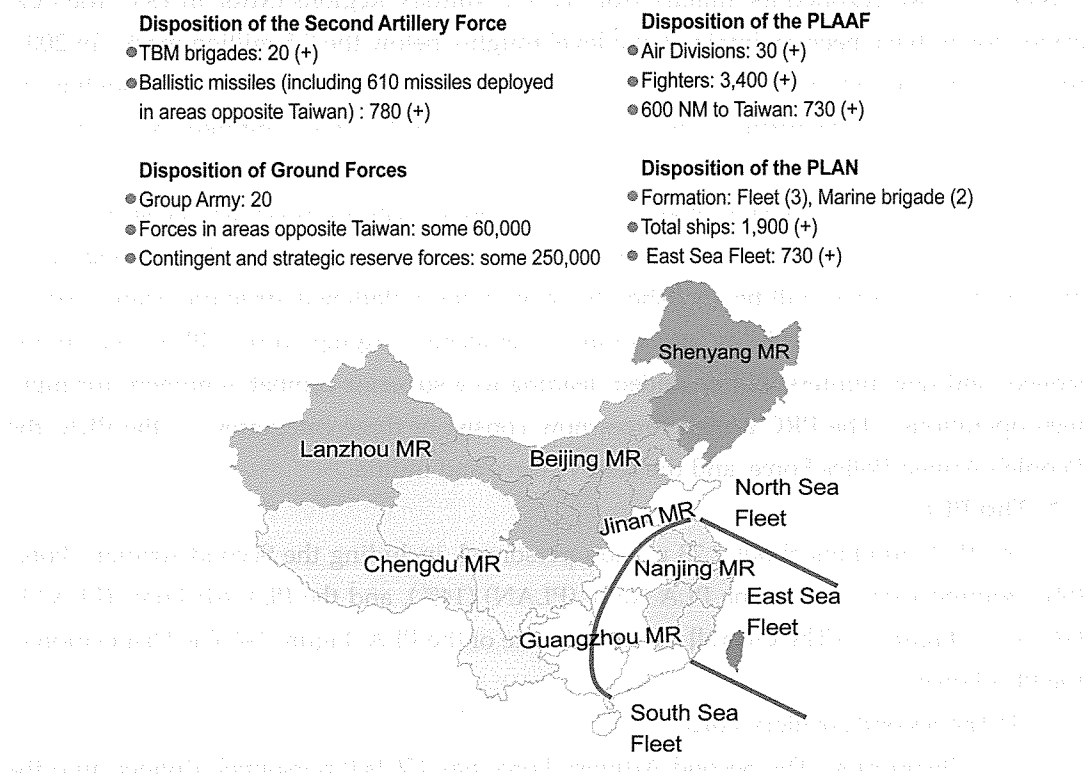


Figure 1-4 The Disposition of the PLA Forces

and tactical ballistic missiles at more than 100 emplacements. Among these missiles, 610 are deployed directly opposite Taiwan. It is adding satellite guidance systems to increase their striking accuracy and precision. The DF-15s (CSS-6) and its modified variants are deployed in Jiangxi province, DF-11 (CSS-7) and its modified variants are deployed in Fujian province; these two missiles have a striking range to encompass all critical military and political targets in Taiwan proper. (see Figure 1-6, p. 50)

b. Future development: The PRC will continue increasing the number of ballistic missiles in the southeast coastal provinces. The development of its strategic and tactical missiles will gradually follow the direction of "solidification, miniaturization, and mobilization."

(2) The Ground Forces

a. Disposition: The Ground Forces have more than 1.41 million personnel, divided into infantry, armor, artillery, air defense, garrison, and other specialized units. They are aligned to 20 group armies and 50 divisions or equivalent units, stationing in the 7 MRs —Nanjing, Guangzhou, Shenyang, Beijing, Lanzhou, Chengdu, and Jinan. The deployment in Fujian province, opposite Taiwan, is almost 60,000 and under the command of the

Nanjing MR. In invasion of Taiwan, more than 250,000 troops of the contingent mobile forces and strategic reserve forces of the Jinan and Guangzhou MRs can be mobilized quickly.

b. Future Development: The PLA Ground Forces are combining group armies, beefing up mechanized divisions (brigades), replacing the 3rd generation armored carriers, and strengthening contingent mobile capabilities. Priorities are on establishing information warfare capabilities and computerized command systems for general operational capability.

(3) The People's Liberation Army Navy (PLAN)

a. Disposition: The PLAN has more than 329,000 men, divided into fleet forces, shore-based forces, Marine Corps, the Coast Guard, logistical support forces, military institutes and naval aviation forces. The Navy commands the North, East, and South Sea Fleets, Naval Aviation Forces, and 2 Marine Brigades with 1,900 ships. The East Sea Fleet, commanding 730 various battle ships and submarines, will be the major force in operation in the Taiwan Strait with the capability of blockading, interdiction and sea control operations.

b. Future Development: The PLAN is streamlining its chain of command, enhancing rapid response and mobility forces, and strengthening its overall sea control capabilities. Other focuses are on acquiring and developing new weapon systems, improving weaponry functions, and speeding up military constructions in the South China Sea to increase dominance there and the threat to Taiwan, having better warfare techniques against Taiwan, and strengthening landing and sea control capabilities.

(4) The People's Liberation Army Air Force (PLAAF)

a. Disposition: The PLAAF consists of a force of 370,000 airmen, divided into aviation forces, radar forces, air defense forces, airborne forces, and other specialized forces. There are 30 air divisions and regiments, equipped with 3,400 fighter aircraft of various types. There are about 100 dual-purpose airports on the mainland within 600 nautical miles from Taiwan. Among them, about 20 airports are deployed with 730 fighters and bombers. The PLAAF airlift force can transport 2 airborne regiments for operations a time. More than 1,000 fighters can be mobilized from airports outside range of 600 nautical-miles as reinforcement in operation against Taiwan in just 1 to 3 days.

b. Future Development: The readiness goals of the PLAAF are joint operations, rapid mobilization, and precision strikes. Other goals include quick integration of a new generation weapon systems, better aerial long-range precision striking capability, new warfare techniques, stronger airborne capabilities, and a combined ISR system.

2. The People's Armed Police Force

The People's Armed Police Force (aka the "Armed Police") has about 930,000 persons,

and adding the addition of those frontier police force and fire brigades, about 1.5 million. Technically, the Armed Police belongs to the law-enforcing police system. However, it is under the dual command of the Central Military Commission (CMC) and the Ministry of Public Security (MPC) of the State Council. Namely, its organization and responsibilities are from the MPC, but its training and oversight is from the CMC General Staff Headquarters.

(1) Mission: In peacetime, the Armed Police is responsible for safeguarding security of major government agencies and officials, maintaining social order, handling incidents, and protecting forests, mineral sites and other facilities of strategic resources. In wartime, its command reverts to the military command system for maintaining battlefield order, executing anti-infiltration, surveillance, logistics, and security missions, and assisting the regular forces in battle. Due to increasing concern about terrorist attacks, the Armed Police is further authorized to take responsibility for "anti-terrorist" missions. The PRC Armed Police Force doubles as a law-enforcement and military branch.

(2) Organization: The People's Armed Police Force is under the General Headquarters, under which are the Political Department, the Logistics Department, specialized mobile division, the internal security forces, the forestry general headquarters, the water and electricity headquarters, the gold mine headquarters, the transportation headquarters, and other specialized units. Each department or division commands a number of detachments, groups, squadrons, teams, and squads.

(3) Future Development: The Armed Police is moving to establish anti-terrorist squads, reorganize into a lean structure with higher quality, procure anti-terrorism equipment and non-lethal weapons, and strengthen anti-riot and anti-terrorism trainings. It has actively held joint anti-terrorism exercises with neighboring countries with a goal of suppressing domestic insurgencies from terrorists, ethnic separatists, and religious extremists through international cooperation. It hopes to effectively deal with major criminal activities and large-scale riots as well. In addition, specialized units on forestry, transportation, water resources and power plants are responsible for enforcing conservation and supporting the government's macroeconomic development policy to develop the western region. The Armed Police has carried a significant weight in the PRC's security affairs.

3. The Reserve Force and the Militia

(1) Reserve Force: some 600,000 men (200,000 active duty)

a. Mission: The reserve force consists of reserve officers and soldiers to be mobilized in wartime as supplementary or assigned to active operations. They function primarily as garrison forces for homeland defense, air defense, and logistical support, as a major pool of the PRC forces.

b. Organization: The structure follows the principle that "a province builds a divi-

sion, a region builds a regiment, a county builds a battalion, and a township/town builds a company." There are 50 divisions (or brigades), including infantry, anti-aircraft artillery (AAA), field artillery divisions, and logistics support forces. Reserve infantry divisions are based in every province. Reserve AAA divisions are concentrated in municipalities and coastal provinces. Reserve field artillery divisions are stationed in northern China.

(2) Militia: about 100 million people (10% of China's population)

a. Mission: The militia is an armed organization "combining peacetime and wartime footing, and integrating both military and labor missions." In peacetime, militia forces engage in production and receive military training. During wartime, they are responsible for assisting regular forces in "defensive" operations.

b. Organization: The militia has two categories: the Ordinary Militia and the Primary Militia. Militiamen are organized into regiments, battalions, companies, platoons and squads, and are placed under direct command of the local People's Army Department. The Ordinary Militia is organized by townships, towns, administrative villages, factories and mine sites. The Primary Militia, having a structure of its own, receives military training in bases in counties or other administrative districts. They are structured into AAA detachments, and portable air defense missiles, ground artillery, communications, chemical defense, engineering, reconnaissance and other detachments.

(3) Future Development: The reserve force and militia will be given advanced training in tactics practices and rapid mobilization for combat, and assigned to military exercises together with regular forces. They are required to serve in "local wars under high-tech conditions." In 2004, the PLA promulgated the new "Militia Codes" to deal with the Taiwan Strait situation and advance the readiness training. These moves signal the PRC's preparation for mobilization to carry out reunification through non-peaceful means.

V. Military Exercises

The PLA has increased its military exercises in recent years, and the only exception is 2003, when SARS, or the severe acute respiratory syndrome, swept through China. Though most military exercises are annual routines, the joint landing exercises held in the Nanjing MR and Guangzhou MR were staged with a specific target in mind. In these exercises, the PLA stressed "high and new technology, weapons, mission, and scenario simulation." With newly developed warfare theories and tactics being put into drills, the PLA wanted to go from "practice into penetration, penetration into breakthroughs," by step-by-step drills of greater difficulties and intensities. The PLA has designed various specific, force-on-force, interoperability training systems.

1. Improving Joint Military Exercises

(1) The Second Artillery Force: Drills by this force focus on examination, test firing,

and familiarization training with short-range, medium-range, and intercontinental ballistic missiles. The number of short-range missile test firings in 2003 increased 15% from 2002. The 2004 witnessed a number of missile test firings of various types. This indicates that the force has spared no effort to improve its missile striking capability.

(2) Ground Forces: The ground forces in coastal provinces have drills focusing on shore training for landing operations. An amphibious mechanized force was established to specifically deal with the geographic features of Taiwan. Ground forces in inland areas are drilled for embarkation/disembarkation in real-scale mockups near their bases. Joint landing exercises in southeastern coastal regions in recent years featured integrated command procedures, beach assaults, and on-shore battles in landing operations.

(3) The PLAN: Its exercises focus on interoperability of different forces and units and a shorter combat-ready span, specifically on joint landing operations, missile firings, force-on-force fighting, and tests of new weapons and equipment to gain sea dominance.

(4) The PLAAF: Its primary mission is to take part in joint military exercises. The Air Force in each military region has practiced long distance flights for cross-regional reinforcement, alternate base training, night flights, and multiple-fighter interceptions. It supports the army in air-ground drills to practice different combat tactics. The pilots are given intensive training in simulated wars for better ability to fight in joint operations, inspect ground crew's logistic and maintenance conditions, and develop all-weather support and reinforcement capabilities.

2. Combined Anti-terrorism Military Exercises

The Armed Police in Beijing, Shenyang, Jiangxi, Anhui, Heilongjiang, Xinjiang, Sichuan, and Shanxi held combined anti-terrorism exercises with a scenario planning of recent terrorists attacks in major cities in the world. In the past two years, the Armed Police in Xinjiang was assigned to join regular forces to take part in combined anti-terrorism/military exercises under the Shanghai Cooperation Organization. In 2003, when the Boao Forum for Asia (BFA) Annual Conference was held in Hainan Island, the Armed Police there was assigned an anti-terrorism security mission. Since the beginning of 2004, six large-scale combined anti-terrorism military exercises, called operation "Taishan 2004", have been staged in Hunan, Hubei, Gansu, and Xinjiang provinces. Increasing numbers of such exercises are aimed at highlighting the PRC's anti-terrorism doctrines – prevention, rescue, and crackdown.

3. Strengthen the "New Three Attacks and Three Defenses" Training³

(1) The Second Artillery Force: It is trained in the use of smoke screen, camouflage, and automobile mockup to counter hostile reconnaissance and surveillance. Additional exercises include safeguards against precision strikes and electronic jamming to keep combat capability intact.

(2) Ground Forces: Drills are for better use of natural camouflage to counter hostile reconnaissance and surveillance, counter precision strikes and electronic jamming by engineer detachments, and electronic jamming and counter-jamming by signal detachments. Drills for the anti-aircraft artillery force focus on counter cruise missiles. Those for the artillery forces focus on fighting armed helicopters. More trainings are for anti-tactical ballistic missiles and anti-air raid live-shot.

(3) The PLAN: Major drills for the Navy include the use of beyond-vision-range (BVR) guided missile, datalink, and electronic counter-operability.

(4) The PLAAF: Its drills feature its capability in joint counter operations. For the Air Force, drills are on the air-ground joint exercises, force-on-force operations, and unwarned air battle, featuring their capability-building "from point to surface, from single fight to teamwork, from close chase to real fight, and from day to day-night operations." The Air Force undergoes intensive training against air strikes, improve the coordination of air defense missiles and artillery in joint operation, and combine its capabilities of high-, medium-, and low-altitude joint air defense strikes. It hopes to effectively execute the new "three attacks" capability.

VI. Scientific Research and Development

Committed to R&D in advanced defense technology, the PRC focuses on two areas — new concept weaponry and aerospace technology. It believes that the new weapons developed through new and advanced technologies will change the future patterns of war, and thus named this "new concept weaponry." In aerospace development, China successfully launched a manned spacecraft in October 2003, earning itself membership in the "Space Club."

1. New Concept Weaponry

(1) Directed Energy Weapons: The "Shenguang" super laser output device was used to develop high-energy laser weapons for air defense, anti-missile defense, and anti-satellite (ASAT) defense to interdict satellite reconnaissance and imaging.

(2) Electro-magnetic Pulse (EMP) Weapons: Bombs equipped with electro-magnetic pulse heads can be used to paralyze radar, high-power communications equipment, and digital wire switchboards to disable the enemy's command, control, communications, computers, intelligence, and surveillance and reconnaissance (C4ISR) systems.

(3) Nano Weapons: Nano technology is used to make electronic devices smaller, more accurate and flexible. Current weapons systems can thus be miniaturized in size and weight like super-mini robots, miniature precision munitions, and parasite satellites.⁴

(4) Computer Chip Weapons: This is an artificial intelligence weapon featuring large

memory and high arithlog computing speed. Land-based cruise missiles, unmanned aerial vehicles and other weapons can be added with such chips, in which the flight route can be preprogrammed to pinpoint an impact area. Such chips can be further designed and embedded into the enemy's command and communications system, capable of paralyzing the enemy's C3I systems during wartime.

2. Aerospace Development

Aerospace technology is the jumping board for the PRC to become a space power. It has more than 10 satellites for communications, meteorology, positioning, navigation, remote sensing, oceanography, and intelligence functions. In 2004, the PRC plans to launch 10 more satellites, with functions of remote sensing, communications, and meteorology, creating a global footprint with surveillance capability of no intermission.

(1) The PLA General Armament Department commands three satellite launch centers — Taiyuan Base in Kelan, Shanxi province, Xichang Base in Sichuan province, and Jiuquan Base in Gansu province. The Taiyuan and Jiuquan Bases are for the launch of low-orbit satellites, while the Xichang Base is for high-orbit satellites. The PRC plans to construct its fourth high-orbit satellite launch site on Hainan Island in the next 5 to 10 years.

(2) The PRC has 14 Long March (Changzheng) series space rockets, all using liquid propellants. The rocket can carry a payload of up to 9.2 tons for low-orbit satellites or 5 tons for high-orbit satellites. Its new rockets use solid propellants to carry low-orbit satellites. The PRC is developing another new and large rocket with a maximum payload of 25 tons for low-orbit satellites or 14 tons for high-orbit satellites.

(3) The PRC is hoping to deploy an increasing number of remote-sensing reconnaissance/imaging satellites of its Ziyuan (Resource) series, communications satellites of its the Zhongxing (ChinaSat) series, meteorological satellites of its Fengyun (Wind and Cloud) series, electronic reconnaissance satellites, long-range infrared early warning satellites, and navigation/positioning satellites of its Beidou (Big Dipper) series. These will be developed into a space military information system, or a five-dimensional C3ISR network, covering the air, land, sea, outer space, and electron (electronic warfare) networks. This will greatly improve the PRC's early warning and joint operations capabilities, and the precision guidance abilities for stand-off and direct attack weapons.

(4) On October 15, 2003, the PRC Shenzhou V Spacecraft successfully accomplished its first manned space flight. In 2005, the PRC plans to launch "Shenzhou VI" spacecraft with more than 2 astronauts for a one-week space flight. When the PRC completes its space experiments, it will be able to develop a solid foundation of establishing a "Heaven Army" (tian jun), or a space army, that can enhance its space reconnaissance and surveillance capabilities.

VII. PRC Mobilization System

In view of future wars featuring "high technological level, short duration, and huge attrition", Chinese leaders introduced a proposal at the 16th Party Congress to modify its defense mobilization by reforming its national mobilization systems in the first two decades of the century. In line with the policy of "uniting the army with the people, combining peacetime footing with wartime footing, and pooling a reserve from the people," the PRC will make or revise laws to build up "fewer forces in peacetime but a large mobilization capacity in wartime" in a quick and strong mobilization system.

1. National Mobilization System

To have a swift transfer of manpower between peacetime and wartime, the PRC includes mobilization readiness in its macro-development plans. Its defense mobilization is separated into militia armament, air defense, economic resources, transportation, technology, information, reserves, and political mobilizations. The State National Defense Mobilization Commission has been set up to coordinate defense mobilization. The Commission has a chairman, served by the head of the State Council, and a vice chairman, served by the head of the CMC. The Commission is responsible for implementing strategic guidance of active defense, carrying out national mobilizations, and coordinating levels of mobilization systems. Lower government levels have their respective mobilization commissions to form an integrated mobilization network.

2. Manpower Mobilization

The militia and reserve forces are the major pool in defense mobilization. The PRC's military service system integrates militia and reserve forces, organizing reserve forces and "unified labor-military" militia forces. To enhance their professional skills, the militia has been trained together with regular forces to strengthen their comprehensive operations. In war conditions, the militia and reserve forces will be called to serve as paramilitary troops in support of the PLA regular forces. Their mobilization capacity is critical and deserves attention.

3. Materiel Mobilization

To rid itself of irrational and uneconomic material mobilization, the PRC has incorporated defense mobilization system reforms into its macro-economic reforms and administrative reforms. In October 2003, the PRC promulgated the first "Civilian Materiel Mobilization for National Defense Purposes Regulations," which took effect in 2004. This regulation stipulates that in case of war or special conditions in peacetime, civilian manpower and materiel can be mobilized in line with demands for defense mobilization. This marks a major improvement in its mobilization organization and capability.

VIII. Military Exchanges

The PRC has highlighted military exchanges with other countries as a defense policy priority. To be free from "China threat" and create a friendly image, the PRC has actively promoted political, economic, military and people-to-people exchanges and cooperation under its foreign policy calling for "long-term stability, future development, friendship with neighbors, and full-scale cooperation." The PLA has sent many top ranking officers to visit other countries, invited representatives to observe its military exercises, and dispatched troops to participate in UN peacekeeping missions. These help boost the PRC's influence in international affairs.

1. Exchange Strategy

The PRC has been very active in promoting military diplomacy, arms sales, military personnel training, and joint research projects with other countries. It hopes to use military exchanges to strengthen bilateral ties, its international standing, and assistance in Third World countries' military development. Learning modern force-building concepts from the United States, Russia, Europe and other advanced countries, the PRC hopes to become a regional power. Beijing hopes to build on these military exchanges to develop strategic partnership with other countries to balance Washington's indirect containment.

2. High-Level Visits

(1) High-level Government and Party Visits: More than 150 delegations, led by Hu Jintao, Jiang Zemin and 70 other state and CCP leaders, made more than 300 visits to some 120 countries. Most visits were to the United States, followed by Japan and Russia.

(2) High-level Military Visits: Some 50 military leaders, including Cao Gangchuan and Xu Caihou, led more than 40 military delegations to visit more than 90 countries, including the United States, Russia, United Kingdom, France, Germany, Japan, and South Korea.

3. Foreign Visits

(1) Party and Political Leadership: Nearly 50 delegations from over 30 countries have visited China. Among them, the U.S. has sent the most delegations, followed by Russia.

(2) Foreign Military Leadership: More than 110 delegations from over 70 countries have visited China. Vietnam sent the highest number of delegations, followed by Pakistan, Thailand, and France.

(3) Military Exercise Observations: In August 2003, the PRC allowed visits by foreigners to its Inner Mongolian combined tactical training base for the first time, with military observers from the United States, Russia, and eight other countries to see its armor force-on-force exercise.

4. Exchanges of Port Calls

(1) Fleet Overseas Visits: The PLA Navy's port calls to other countries serve as an opportunity to increase its high sea long-distance navigation experiences, learn foreign

military affairs, and achieve united front warfare, which contributes to the development of its maritime strategy. In 2002, PLAN embarked on its first round-the-world visit to three oceans for a five-month cruise. The fleet visited South Korea and ten other countries. In 2003, the PLA fleet visited Guam, Brunei, and Singapore, and participated in the Singapore-sponsored 2003 Asian Maritime Exhibition, the Western Pacific Naval Symposium (WPNS), and a minesweeping exercise. There was one fleet visit in 2004. Since its first port call in 1985, PLA fleets have made 20 port calls to 40 countries and regions.

(2) Foreign Port Calls: In 2002, over 20 naval ships from France, Germany, and other countries paid 10 visits to Qingdao, Shanghai, Hong Kong, and Zhanjiang. In 2003, about 20 naval vessels from the U.S., Spain, and other countries visited China. The PLAN held joint maritime rescue exercises with Pakistani and Indian navies respectively. In 2004, more than 10 foreign fleets from the U.S., the United Kingdom, and other countries paid 10 visits to Hong Kong, Shanghai, and other ports. The PLAN staged maritime rescue exercises with French, British, and Australian fleets.

5. Peacekeeping Missions

With changes in its foreign policy, the PRC has increased its involvement in UN affairs. In 1992, the PRC began to send forces abroad to join U.N. peacekeeping missions. In 2001, the PRC Ministry of National Defense established the Office of Peacekeeping Affairs to administer the PLA's participation in UN peacekeeping missions. In the following year, the PRC formally participated in the Class-A stand-by arrangements mechanism for UN peacekeeping operations, and organized one UN-standard engineering battalion (some 500 men), one UN-standard medical team (some 30 men) and two UN-standard transportation companies (about 60 men). In the meantime, the PRC has more than 50 military observers, 80 civil affairs policemen, 100 engineers, and 40 medical experts taking part in some 10 UN peacekeeping missions. In the peacemaking division in U.N. headquarters, the PRC has two staff members.

In 2003, the PRC sent an organic peacekeeping engineer company (about 100 men) to the Democratic Republic of the Congo and Cambodia on U.N. peacekeeping missions. In October 2004, it sent organic peacekeeping engineer forces to Liberia and an anti-riot police force (about 120 men) to Haiti.

6. Foreign Arms Sales

In recent years, the PRC has sold weapons and equipment to more than 20 countries in Southeast Asia, the Middle East, and Africa. These sales include JT-8 fighter trainers, Y-8 transport aircraft, Z-9 helicopters, infantry fighting vehicles, anti-tank guided missiles, targeting radars, flak jackets, various components, firearms, and ammunition. These sales of a variety of types with advanced functions help the PRC to increase its regional influence.

IX. PRC's Influence in the Asia-Pacific Region

The PRC's *National Defense in 2002* gave three major missions for the 21st century: "to continue modernization, to achieve national reunification of the motherland, and to safeguard world peace and promote common development." According to its Constitution and laws on national defense, the PLA has a responsibility for "consolidating national defense, resisting aggression, achieving defense modernization, preventing separation and realizing complete reunification of the motherland." To modernize its defense forces, the PLA has put together a huge budget to build a high-tech force and acquire new high-performance weapons. Beijing's clear intent for military expansion has caused concern in many countries, which deem it as the major threat in the Asia-Pacific region.

1. The Impact of the PRC's Military Buildup on Neighboring Countries

In its defense modernization, the PLA has improved the capabilities of its Air Force, Navy and Second Artillery Force, and organized rapid reaction forces for better long-distance combat capability. In the past several years, the PLA's military exercises in surrounding waters deepened suspicion and worries among neighboring countries, which, in turn, began to increase their defense spending and acquired weaponry to shore up their defense capabilities. Washington still regards the PRC as its primary "strategic competitor." Japan has readjusted its major defense line from north to west in response to the PRC's military expansion, and it considered starting an aircraft carrier development project. Southeast Asian countries have gone through the ASEAN Regional Forum (ARF), other security measures, and multilateral talks to counterbalance the PRC. Facing these worries about the "China threat", the PRC has strengthened economic cooperation and military exchanges with countries in this region. The Asia-Pacific region appears to have a peaceful surface, but troubled waters run deep.

2. The Impact of the PRC's Military Buildup on the Security of the Taiwan Strait

In the "16th CCP Congress," the PRC, for the first time, introduced a "one China, three new sentences"⁵ to be the newest interpretation for its "one China principle." This new wording emphasizes that "Mainland China and Taiwan both belong to China." Nevertheless, the reality is that the PRC has added its missile deployment in areas opposite Taiwan as a military threat to the island. Beijing leaders, reiterating that the Taiwan issue cannot drag on indefinitely, made a point that "to resolve the Taiwan issue, war could be the last resort." These clearly revealed its two-pronged "carrot and stick" tactics and its ambition to "corner Taiwan into reunification."

Poor personnel quality, insufficient training, difficult weaponry integration and the lack of experience in conducting joint operations have circumscribed the PRC military modernization progress. The United States Department of Defense said in the 2004 Annual Report on the Military Power of the People's Republic of China that the PRC's actual defense

budget is much higher than its official statistics by 3-5 times. With this huge amount of spending, the PRC will be able to develop and procure various new weapons systems, improve performance of existing weapons, and accelerate personnel training and force integration. Its combat capability has increased significantly. The PLA has focused on technology in its training and emphasized joint operations with the goal of "winning a campaign in a remote area quickly, and winning the first campaign decisively." Its threat to Taiwan has shifted from quantitative superiority to qualitative and quantitative competition. The PRC's increasing military power and sense of urgency to solve the Taiwan issue constitute the greatest threat to Taiwan Strait, which deserves high vigilance.

Under its central leadership, the PRC has been increasingly active in military and technological exchanges with other countries, international peacekeeping operations, anti-terrorism and maritime rescue exercises, and overseas visits to observe joint military exercises. Moreover, it has assisted countries in Southeast Asia and the Third World in military development, and learned modern force-building concepts from advanced countries such as the U.S., Russia and European countries with a clear ambition to ascend to a regional power. Beijing has been more active than usual in promoting military exchanges with Washington to develop a "constructive cooperation" so as to co-promote political, military, and economic interests of the Asia-Pacific region. However, the PRC has not renounced the use of force against Taiwan, while the U.S. has insisted on upholding its arms sales agreements with Taiwan. Furthermore, the U.S. has maintained a skeptical attitude toward the PRC's strategic intentions. Future development in Beijing-Washington military ties deserves close attention.

Chapter 4

■ Military Situation and National Security

Taiwan stands at the center of an Asia-Pacific defense island chain, and controls the strategic pivotal position of a maritime crescent curve off the Asia continent. Taiwan is the window to monitor Mainland China's southeast coastal areas, or a jumping board for the PRC to break through the First Island defense chain to reach the Pacific Ocean in its maritime strategy. Taiwan is also the strategic outpost of Japan's maritime defense line in the south. Therefore, Taiwan is in the maritime interests of Washington as well as Tokyo (see Figure 1-5 Situation in the Taiwan Strait). Taiwan's geographic advantage makes it a strategically convenient projecting center to surrounding waters, which can stop the PRC from accessing the Pacific Ocean. It can serve as a buffer of the strategic interests and interplay among the U.S., Japan, and the PRC in the West Pacific region, and a leverage point for the stability and development of the Asia-Pacific region.

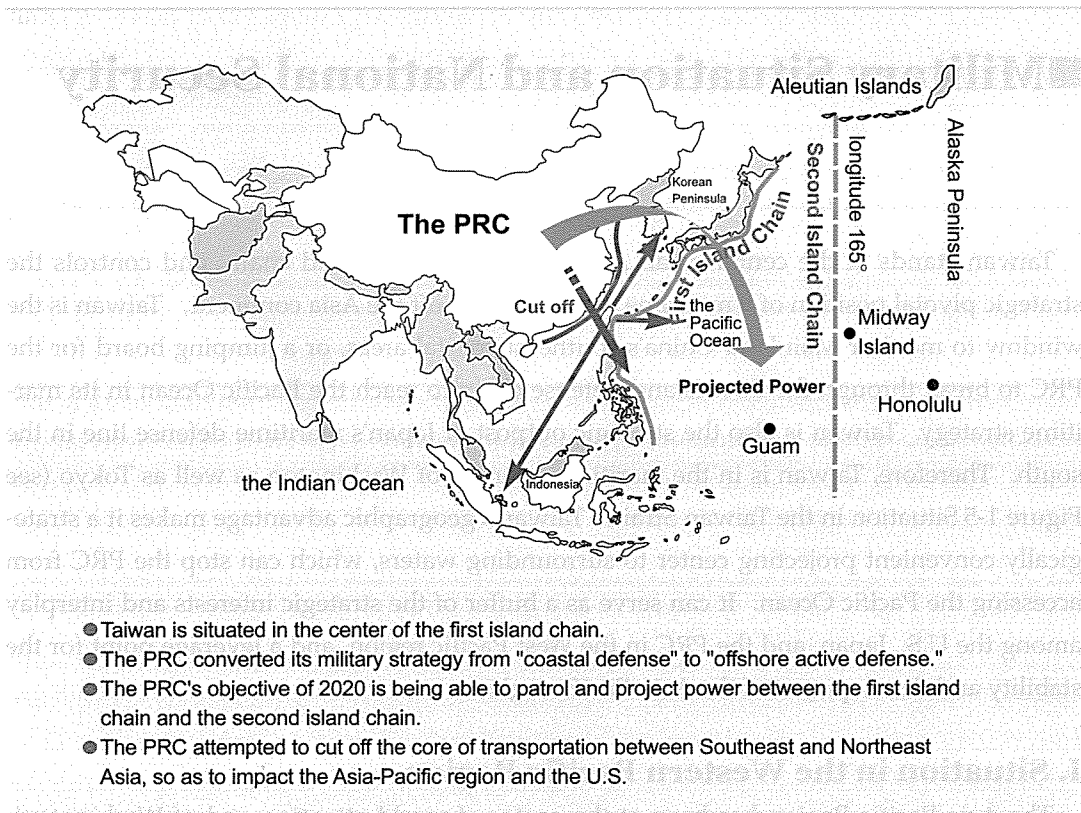
I. Situation in the Western Pacific Region

The Asia-Pacific Region has been at the center of world attention and of Washington's global strategy. Because of the political differences and a military detente between the two sides of the Taiwan Straits, Taiwan Strait security will affect the entire Western Pacific development.

1. Cross-Strait Situation

Jiang Zemin handed over his position to Hu Jintao at the "16th CCP Congress," and resigned the position of chairman of the CMC afterwards. Hu Jintao now controls the party, the military and the administration. It is expected that his centralized power will give him full control over policy-making in the future.

After Taiwan's presidential election, the PRC sent many delegations led by high-ranking military and party leaders to visit other countries and asked them to publicly state their support of "one China." It has created an atmosphere of "peaceful rising" while squeezing Taiwan's diplomatic space. Beijing also adopted retaliatory measures in response to visits to Taiwan by Singaporean leaders. Moreover, to achieve the goal to "intervene against independence in peacetime and achieve eventual unification over the long term," the PRC has continued military preparation, and highlighted training and methods in non-military warfares, the so-called "three warfares" (namely "media, psychological and legal warfare").

Figure 1-5 Situation in the Taiwan Strait

On another front, Chinese government officials have found fault with pro-Taiwanese businessmen in Mainland China and have used official, non-official, and semi-official media to spread disinformation to undercut the morale of people and the military in Taiwan.

The PLA has held an increasing number of joint exercises in the southeast coastal regions directly opposite Taiwan in the past few years. Its fleets and motorized fishing vessels were pushing closer to and trespassing Taiwan waters in an attempt to squeeze the island's early warning depth. In the absence of confidence-building measures (CBMs), military conflicts could erupt due to miscalculations, misunderstandings, or overreactions. Taiwan citizens must remain vigilant in peacetime and develop a consensus on protecting our national security.

2. Relationship among the U.S., the PRC, and Taiwan

Major changes have emerged in the Taipei-Washington-Beijing relationship due to the changing political situation in Taiwan, adjustments in Washington-Taipei military exchanges and arms sales, and the inclusion of Taiwan into the contingent areas under "Guidelines for Japan-U.S. Defense Cooperation." The PRC has listed in *The One China Principle and the Taiwan Issue* the "three ifs" of using force against Taiwan: (1) if any event

happens that leads to Taiwan's separation from China in any name, (2) if foreign forces invade and occupy Taiwan, or (3) if the Taiwan authorities refuse, sine die, cross-strait negotiations. Beijing deems any of the three hypotheses an intervention in its domestic affairs. It is accelerating its moves to unify Taiwan and the mainland, posing serious challenges to the island's survival and security.

Since Taiwan's presidential election, Beijing and Washington have had very close high-level interactions. The PRC has repeatedly asked the U.S. to stop arms sales to Taiwan and not to send wrong signals to Taiwan. In July, when U.S. National Security Advisor Condoleezza Rice and Admiral Thomas Fargo, commander-in-chief of the US Pacific Command, visited Beijing, PRC leaders expressed strong dissatisfaction over cross-strait issues and U.S. arms sales to Taiwan. In early August, Hu Jintao, receiving visiting U.S. senators, called for the nullification of the Taiwan Relation Act (TRA). U.S. Secretary of State Colin Powell's statement in late October about Taiwan during his visit to China may also impacted the situation across the Taiwan Strait.

II. Cross-Strait Development

Political differences between Taiwan and Mainland China resulting from separated governances for more than 50 years, and Beijing's refusal to renounce the use of force against Taiwan are the primary obstacle in the normalization of bilateral relations.

1. Cross-Strait Status

On May 17, 2004, three days before the inauguration of the eleventh-term of office of the president of the Republic of China, the PRC issued a statement on cross-strait relations, highlighting the "five nevers," and the "two roads."⁶ In fact, Beijing's two-pronged strategy and insistence on "one China" policy are not conducive to cross-strait exchanges or the resumption of dialogue.

To pursue "anti-independence and pro-reunification," and garner Taiwan people's support, the PRC has actively invited Taiwan representatives of the private sector, organizations, and enterprises to visit China. It also is expanding contacts with native-Taiwanese to improve its image and break down the people's psychological defense. Using the "Cross-Strait Relationship and Economic Exchange Forum," Beijing invited Taiwan business leaders to promote cross-strait economic exchanges and a quick realization of the "three links." Through these channels, the PRC repeatedly vowed to safeguard its sovereignty over Taiwan and its determination to achieve unification.

Cross-strait economic, trade, social, cultural, and religious exchanges have been intensifying. Taiwan's economy is also increasingly dependent on the mainland. In case of a cross-strait conflict, Taiwan's economy might seriously suffer as a result. In addition, Mainland Chinese people have managed to come to Taiwan through marriage, family

reunions, illegal immigration, and temporary employments, adding difficulties to Taiwan's immigration management, and increasing chances for PRC subversive and espionage activities. Serious struggles between the ruling and the opposition parties on this island, the blurring line between friend and foe, and many other potential instability factors will jeopardize Taiwan's security and development.

2. The PRC's Strategies against Taiwan

Generally following the lines of Deng Xiaoping and Jiang Zemin, Beijing leaders have been more flexible in tactics against Taiwan. Diplomatically, the PRC's is "subduing Taiwan through the United States" and pushing its "one China" policy in the international community. Politically, it follows the basic guidance of "peaceful reunification" and "one country, two systems," while putting more efforts into the united front tactic of "having hope in the Taiwanese people." Economically, the PRC expects to drain Taiwan's economy through the "three links." As cultural and united front efforts, the PRC spends a great amount of money in "anti-independence and pro-reunification" campaigns to accuse Taiwan of seeking "gradual independence." Psychologically, the PRC uses soft words to solicit the Taiwanese people's support to neutralize their psychological defenses. These strategies against Taiwan can be described as follows:

(1) Diplomatic Pressure: The PRC has asked other countries uphold the "one China" position. Countries establishing diplomatic ties or having exchange of visits it must recognize Beijing as the sole legitimate government of China and Taiwan is one part of China. Beijing is preventing the Taiwan issue from being internationalized and making "one China" the prevailing mindset in the international community. Recently, using the opportunity that Washington is in need of Beijing's support in the North Korean nuclear issue, the reconstruction of Iraq and Afghanistan, international anti-terrorism cooperation, and bilateral trade issues, Beijing has demanded that Washington help subdue Taiwan. Proof of this lies in the strong attitudes expressed by the PRC during high-level exchange of visits.

(2) Political Dwarfing: To diminish the ROC's political status, the PRC spreads propaganda that "one country, two systems" is the best way to solve the Taiwan issue. PRC officials on Taiwan affairs said Taiwan can keep its currency, armed forces, independent customs territory, and current governmental structure, if Taiwan accepts the "one country, two systems." Beijing's real intent is to entice Taiwan to let go its official name "Republic of China", downgrade Taiwan to a local government, and squeeze its breathing space in the world. This multi-dimensional and multi-channel blockading and squeezing strategy is to prevent the Taiwan issue from becoming internationalized, extinguish the ROC's international identity, and forcefully compress Taiwan's international breathing space. In its recent Taiwan Working Party meetings, PRC officials came up with three priorities against

Taiwan — "Preventing the U.S. from intervening in cross-strait affairs, actively promoting bilateral exchanges, and strengthening military preparations against Taiwan." The PRC will insist on "one China" policy and try to force Taiwan to accept "one country, two systems."

(3) Economic Policy: After its open-door policy, China's economy has been rapidly expanding, making it an economic entity of global importance. With its accession to the World Trade Organization (WTO), the mainland's enormous business opportunities have attracted international businessmen (foreign investors and Taiwanese businessmen) to invest, adding to its large foreign reserves, which in turn are used to finance its military expansion. Recently, Mainland officials have started "political enticement" of Taiwanese businessmen, including granting Taiwanese businessmen political positions or titles, easing entry-exit regulations, and issuing Taiwanese businessmen investment protection certificates. The PRC is planning to permit some Taiwanese banks to establish branches in Mainland China and opened its market to the Taiwanese insurance and distribution industries to contribute to its economic and technological strength. In July 2004, the PRC formulated the "Long-Term Developmental Strategy of the Economic Cooperation between Guangdong and Taiwan," and relaxed on the investments sectors by Taiwanese businessmen in Guangdong Province. In the "Cross-Strait Relationship and Economic Exchange Forum 2004" held in Hangzhou, Zhejiang Province, PRC Taiwan Affairs Office officials made it clear that when Taiwan considers the "three links" as domestic affairs, the negotiation process can start. The PRC's current economic policy toward Taiwan includes giving investments preferential treatments to woo high-technology industries in order to strengthen its economic and technological capabilities and hollow out Taiwan's industries. Moreover, it goads Taiwanese businessmen to force the Taiwan government to accept an overall "three links." These measures prove that, tactically, Beijing stresses "separating politics from economics" but, strategically, it wants to "use the economy to realize unification."

(4) The Cultural United Front: The PRC proactively launched a cultural united front warfare against the Taiwan people. It has expanded invitations to scholars, Taiwan businessmen, and representatives from various sectors to visit China to develop multi-cultural cross-strait academic and cultural exchanges. Moreover, the PRC is attracting Taiwan students through preferential treatment in examinations and underscoring cultural similarities in order to accelerate the united front against Taiwan and achieve its objectives of "forcing government through the people, using people to push for reunification."

(5) Psychological Coercion: In terms of psychological intimidation, the PRC has switched from its old tactics of "verbal coercion, saber rattling" and "verbal coercion, military readiness" to its current "cultural united front, military pressure" strategy. Nevertheless, it has made clear that that in resolving the Taiwan issue, the resort to war

might be inevitable. The psychological measures are as follows:

a. Infiltration and sabotage: Strengthening espionage in Taiwan, using disinformation to disrupt Taiwan's financial system, creating social disturbance to affect social security.

b. Using people to push for reunification: Using goodwill to win recognition, increasing exchanges, loosening restrictions, generating public opinions in favor of reunification.

c. Using business to contain government: Enticing Taiwanese investment through attractive preferential treatments, directing chambers of commerce to pressure the government, using the three links as bait to force Taiwan to come to its terms.

d. Saber rattling through the media: Using the media to magnify criticism; continuing military exercises to intimidate the public, alternating both tactics depending on the situation.

e. Creating a social split: Taking opportunity from Taiwan's political situation, manipulating the media to drive a wedge between parties, and whip up internal struggle.

(6) Infiltration and Sabotage: In the past two years, Taiwan's networks suffered more than 300 cyber attacks, primarily conducted by the PRC. The PRC has been behind 360 cases of infiltration and illegal immigration involving more than 800 people. The PRC has never ceased in its attempts of infiltration and sabotage.

3. Future Development

For the first time, Beijing put in the political report to the 16th CCP Congress the three-stage theory of its "one China" policy. But, Beijing still insists that it will "never renounce the use of force against Taiwan." The PRC is believed to retain "separating politics from economics" and two-pronged "carrot and the stick" as its strategies toward Taiwan. The PRC has reiterated its anti-independence position, attempting to manipulate Taiwanese businessmen to influence the ROC government's cross-strait policy, driving a wedge between social sectors and enlarging internal conflict for its united front warfare against Taiwan. The main efforts now focus on the non-military "three warfares." Beijing is using "media warfare" to woo Taiwan people's favor, and "psychological warfare," such as intimidation or persuasion, to break down Taiwan people's psychological defense. It is using "legal warfare" to legislate a "unification law" to stipulate that the Taiwan issue is its internal affairs, thus having legal base to resolve the Taiwan issue, or justify its invasion when that happens. Recent developments include:

(1) Establishing Separate Agencies: The Central Military Commission will oversee the three warfares, with the PLA Military Academy of Sciences building the theory and doing research on strategies, and with the General Political Department responsible for coordination, planning, and compilation.

(2) Reviewing the "Three Warfares" in Annual Exercises and Training: The "three warfares" is included in the courses of training and exercises to compare the political warfare and support systems, and review the tactics and skills in use. Besides, through holding the "Symposium on Theories of Military Political Warfare," the PRC is promoting a reform in political works in the military. Recently, it further included the "three warfares" as a part of exercises and published a "Concise Manuel" with possible scenarios and solutions in real combat situations. The PLA is adopting a more delicate and real operation developmental approach.

(3) Integrating Related Personnel: All available political specialists in psychological warfare, information, law, special dialects, and foreign languages are put into a human resources bank. In peacetime, those in the bank will be trained and groomed. In wartime, they can be quickly organized and assigned to specialized forces.

(4) Start Non-military "Three Warfares": Use diplomatic and intelligence networks, as well as local media to disseminate information, misinformation and intelligence. The PRC is developing more sophisticated tactics to influence the ROC's intelligence analysis, policy implementation, and social stability.

Beijing believed that Washington has successfully used the "three warfares" in wars in Iraq, Kosovo, and Afghanistan and achieved its targets. If the PRC starts a military action against Taiwan, this will trigger different reactions from the world. Beijing must accelerate research on non-military "three warfares" against Taiwan to use international law to rationalize its invasion and leave no room for other countries to accuse it warmonger.

III. The PRC's Military Capability

Under the guidance of "revolution in military affairs with Chinese characteristics," the PRC is advancing to be a modernized force. It is not only actively adjusting military organizations and developing high-performance weapon systems, but also demanding for developing doctrines and battle skills, higher quality of cadres and training of forces. By doing so, it expects to realize the defense modernization objective of "building a strong military through science and technology, improving military training through science and technology." The PRC military capabilities include:

1. Conventional War Fighting Capability

(1) Air Strikes: For the PLAAF and the naval aviation forces, there are about 1,000 fighter aircraft posing serious threat to Taiwan in an air operation scenario. The "Sukhoi" fighters have superior performance, of a flight radius of about 600 to 810 nautical miles, capable of carrying BVR anti-ship, anti-radiation missiles and air-to-ground precision missiles. The PRC is adding more flights in this series through procurement or indigenous production. In the case of a Taiwan conflict, these fighters can gain air dominance and sea

control.

(2) Airborne Operations: In recent years, the PLA has implemented training programs specifically to counter the ROC's defense guideline of "tenacious defense in separate sectors, decisive battle at beachheads, and counterattack in depth." These training programs include airborne troops' seizure of airports, river-crossing assaults, and mobile interdiction to improve the mobility and assault capabilities of airborne forces.

(3) Surface Strikes: The East Sea Fleet will be the main effort in the Taiwan Strait conflict, to be supported by the North and South Sea Fleets. The PLAN is upgrading its Luda Class destroyers, importing Sovremenny Class destroyers, SS-N-22 Sunburn extended range supersonic anti-ship missiles, SS-N-27 Klub submarine-launched anti-ship missiles, SA-N-12 air defense missiles, and Lightning (Molniya) missile boats from Russia. The PLA is developing phased-array radar, vertical launch and area air defense systems, and supersonic and long-range anti-ship missiles. With its naval aviation forces, the PLAN will have a joint air, surface, and underwater fighting capability to launch sea-control, interdiction, and an underwater blockade against Taiwan. Its long-range strike capability will increase dramatically at the same time.

(4) Underwater Attacks: These could include submarine operations and a mine blockade. The PLA recently brought in advanced technologies to remodel or replace its traditional submarines. In the future, the Ming Class modified, Song Class, and Kilo Class submarines will become the mainstay, which will strengthen its underwater attack capabilities dramatically. In coordination with nuclear-powered submarines, the PLAN will be able to launch long-term sea blockades against Taiwan with only a fraction of its force. Moreover, most of its surface vessels and submarines are capable of laying mines. Commercial ships or mobile fishing boats with some modification can also execute mine-laying operations. In wartime, a combined operation with conventional and unconventional ships can pose serious threats to Taiwan.

(5) Landing Operations: Barring special considerations to air dominance, naval performance and the weather conditions of the Taiwan Strait, the PLA amphibious fleet, in its regular operation, is able to transport a reinforced division to carry out a shore-to-shore landing operation. As for irregular landing operations, the PLA is able to conscript commercial ships to transport multiple regular divisions. Or, it may employ available fishing boats in Jiangsu, Zhejiang, and Fujian provinces that can transport a troop up to 400,000 and shipborne artillery in irregular landing operations. Recently, the Nanjing MR troops underwent irregular landing exercises and drills in the Dongshan, Fujian, to upgrade its mobilization and reinforcement capabilities. This requires greater attention due to its military threat to Taiwan.

(6) Joint Operations: With its breakthroughs in satellite, communications, and informa-

tion technologies in the past few years, the PLA has made obvious progress in its command and communication capabilities. Under the guidance of "every fight should be interoperable," troops in Nanjing MR, Guangzhou MR, and Jinan MR — the ones likely to carry out operation against Taiwan, have been drilled shore-to-shore landing operations. The primary objective is to strengthen C3I capabilities under joint operation scenarios and to accumulate command and operation experience in amphibious landing operations.

(7) Air Defense Operations: Currently, the PLA has the "Hongqi (HQ)" series and S-300 series of air defense missiles and other air defense systems, which can be used to form a high-low altitude, long-short range composite air defense network. In this network, aircraft, missiles, and anti-aircraft artillery can be used to provide protective coverage for critical military bases and key locations. With this defense shield, the Air Force is strengthening its high, medium, and low altitude joint strike capability.

2. Asymmetric Warfare Capability

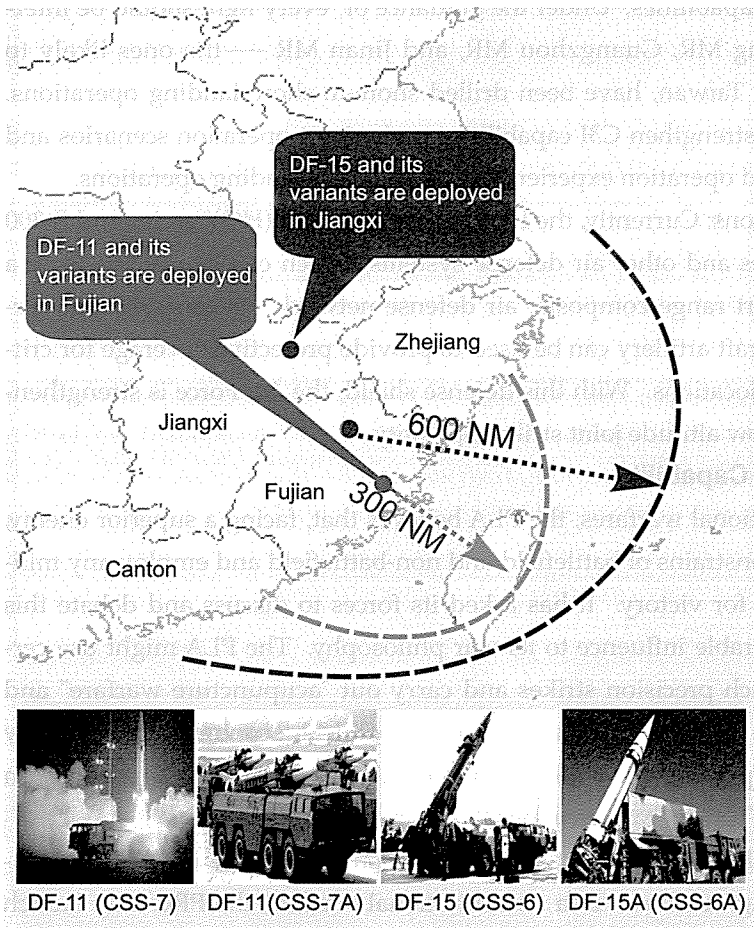
In pursuit of non-traditional warfares, the PLA believes that, facing a superior enemy, it should break down the constrains of battlefield and non-battlefield and employ any military or non-military tactics for victory. It has asked its forces to discuss and debate this concept, producing considerable influence to its war philosophy. The PLA might use certain "trump cards"⁷ to launch precision strikes and carry out "acupuncture warfare" and other asymmetric warfares to sabotage Taiwan's critical political, economic, and military facilities and neutralize the psychological defense of the public. It hopes to gain maximum results with minimal costs. The operations under this warfare include:

(1) Threat from Space: In recent years, the PRC has been committed to R&D of reconnaissance and early warning satellites. In a non-traditional warfare, the PRC may launch "paralyzation warfare" from its space C2SR system to carry out long-range precision attack. The PLA is to directly destroy Taiwan's command centers and C3I nodes, and hamstring Taiwan's fight-back capability.

(2) Threat from Ballistic Missiles: Its deployment of ballistic missiles at Taiwan serves as a diplomatic bargaining chip, economic blockade weapons, or political military, and psychological coercion. To date, the PRC has deployed opposite to Taiwan some 610 tactical ballistic missiles with a range covering the whole Taiwan Island and adjacent areas. It is also developing medium-range ballistic missiles (MRBMs), which if forward deployed in Zhejiang coastal areas or at west of Anhui province, their strike range could reach over Taiwan, to the U.S. naval and air force bases in the Ryukyu Islands, Japan and South Korea. If military conflict erupts, the PRC may launch multi-dimensional non-linear saturated missiles against any enemy. (see Figure 1-6 The Coverage of the PLA Ballistic Missiles).

(3) Cruise Missiles: In recent years, the PRC has actively developed land-launch cruise missiles, to be deployed first in 2005. The PRC will continue to develop sea-based and air-

Figure 1-6 The Coverage of the PLA Ballistic Missiles



launched cruise missiles, with similar performance to the U.S. Tomahawk cruise missiles. In the future, the PLA may take advantage of the characteristics of cruise missiles, including low-altitude cruising, invisibility to radar, and accuracy over TBMs, to carry out multi-dimensional and concentrated precision attacks against critical strategic targets.

(4) Unmanned Aerial Vehicles (UAVs): The PRC has purchased some 100 anti-radiation unmanned aerial attack vehicles. With their high mobility and accuracy, these UAVs can be

used to suppress or destroy an enemy's air defense searching radar stations or antennas. With functions of target-homing, bandwidth and long-range endurance, these UAVs are threats to Taiwan's air defense. UAVs can attack early-warning and search radar, break down signal transmissions, and delay the response of anti-aircraft missiles and anti-aircraft artillery (AAA). These factors are favorable for the PLA to seize air superiority in the early stages of war, seriously damaging Taiwan's air defense systems.

(5) Computer Warfare: In terms of cyber war, the PRC is developing methods to implant computer viruses into an enemy's computer networks. Technologically, this new warfare is still immature, but it helps to accumulate the experience and capability of infiltrating enemy IT network systems. A few articles on the PRC's development of cyber war capability show that it has built up certain capability.

(6) Electro-magnetic Pulse (EMP) Bombs: The electro-magnetic pulse bomb is another unconventional weapon without nuclear blast. The PRC is developing this warfare active-

ly and investing a huge amount of resources to improve and refine its electronic warfare and communications command systems. In the next ten years, these improvements will give the PLA the capabilities to employ ballistic missiles, artillery and missiles of various types, and fire EMP bombs from rockets. Bringing the IO/IW forces into existence is its goal. In the event of a Taiwan Strait conflict, the PLA will be capable of using "nonlethal weapons," EMP bombs for example, to hit Taiwan's C3I system.

(7) Electronic Warfare: The PRC is developing "one missile" (anti-radiation missile) and "three aircraft" —electronic-counter measure (ECM) aircraft, helicopters, and UAVs. The PLA will combine results from this development with electronic warfare units of different forces to form a three-dimensional, flexible, and multi-faceted EW matrix, which can be used to interrupt and suppress Taiwan's C3I systems.

(8) Special Operation Forces: In every of the seven military regions, the Xinjiang MR and Tibet M, there is an organic special operation group, which has land, air rapid maneuver and shore-to-shore (equipped with air cushion boats and ground-air effect vehicle) contingent mobile fighting capabilities to carry out three-dimensional infiltration and enemy rear area subversive operations. In addition, it can also work with naval and air forces to strengthen its beyond-enemy-line assault capability. In recent years, the PLA steadily increased its airborne corps, actively exercised airborne training under multiple terrains and bad weather, and procured a variety of airborne equipment, transport aircraft and UAVs. These aim at making the special operation forces capable of destroying or paralyzing an enemy's C3I capability, and swiftly seizing initiatives in the conflict region.

(9) Mobility: While constructing railroads, highway, airports, and seaports, Beijing has already taken into considerations logistics in support of military actions from the southeast coastal area. The increasing density of railroad and highway networks, and sea and air lines of communication helps the PLA improve its mobility. With the goals of "three dimensional joint operations, networked intelligence system, automatic command system, and invisible weapon sites" and the strategy of "investing on major parts and combining peacetime footing with wartime footing," the PRC has completed the renovation of airports in the southeast coastal region. It is expanding second-line military bases and deep-water harbors on the southeast coast for battlefield readiness. As for transportation and communication sectors, the PRC continues to improve its railroad, highway, and a fiber-optic communications network, greatly benefiting its military buildup.

a. Railroads: Recently, 20 rail tracks have been completed, including those between Shanxi, Sichuan, Guangdong, Gansu, Inner Mongolia, Jiangsu, Shanghai, Hunan, Hong Kong, Shaanxi, and Heilongjiang. More than 20 other railroads are under construction in southern, northern, central, northwestern, and southwestern China. These areas are the focus of current railroad construction. Meanwhile, China is quickly elevating the existing

railroads, by allowing higher speed limit, separating passenger/cargo rails, completing inter-province connections, streamlining the railway loops, increasing railroad density in western China, enforcing the network of main rail lines based on the existing "eight south to north and eight east to west network" railway system,⁸ and constructing the inter-city high-speed transport system. These construction will certainly benefit military transportation. In 2005, the length of the PRC railway system is expected to reach 70,000 kilometers, with 20,000 kilometers electric.

b. Roads: More than 30 highways in Fujian, Gansu, Liaoning, Sichuan, Yunnan, Hubei and other areas have been completed recently. Fifty highways in Sichuan, Fujian, Shanghai, Jiangxi, Hubei, Shaanxi, Guangdong and other areas are under construction. For its military purpose against Taiwan, the PRC has focused on constructing military establishments in coastal areas, especially in the southeast coastal region as the main battle front. Top priority is given to national freeways, followed by regional intersections, rural traffic lines and service networks. It is estimated that every city with a population of more than half a million will be connected by highways by the year 2010. The total length will be around 1.8 million kilometers, with 30,000 kilometers of highways. In light of the widening gap between eastern and western China, the PRC has initiated a project of achieving "economic interconnection and interaction among eastern, central and western China, supplementing each other with coordinated developmental."

c. Seaports: The renovations of the Tianjin, Xiangshan, and Dongshan seaports have been completed. Ten other seaports, including Lushun, Dazhushan, Shazikou, Shanghai, Ningbo, Xiamen, Zhanjiang, and Yuling, are under renovation.

d. Airports: Recently, renovation and expansion of more than 40 airports, including Longtian and Zhangzhou, have been finished. More than 10 airports are also being built or abandoned.

IV. PRC's Military Coercion toward Taiwan

The PRC has not renounced the use of force against Taiwan. Its military coercion against Taiwan focuses on the strategic guidance of "winning a campaign in remote areas quickly, winning the first campaign decisively." The PLA has actively developed aerospace, laser, information, and automatic technologies. To deter foreign interventions in a conflict in the Taiwan Strait, the PLA has accelerated the deployment of naval and air forces, and long-range strike weapon systems of the Second Artillery Force for better joint operation capabilities. It hopes to win a decisive battle in the first engagement of the Taiwan Strait conflict. The PRC is gradually stepping up its military coercion against Taiwan.

1. Possible Timing for Invading Taiwan

Taking into consideration its economic growth and political stability, and barring

unpredictable factors, the PRC is unlikely to pick up fight against Taiwan in the near future. However, with its overall growth and military expansion, the PRC will have a favorable position in its use force to solve the "Taiwan question" when it secures its military dominance. Nonetheless, a military invasion like this is also subject to international situations, the PRC's internal political and economic development, and the cross-strait dependence. At present, Beijing is still watching closely Taiwan's policy directions.

2. Possible Scenarios for PRC Military Actions

If attacking Taiwan, the PLA will put priority on blitzkrieg with "less damage, high effectiveness, rapid strike, and decisive actions". Comparing the cross-strait military balance by 2006 with the deployment of the new generation weapons, Taiwan is moderately inferior in the number of air force, navy, and ground troops, but remains quality superior in terms of manpower, weapons and equipment. Nevertheless, in the fields of space, ballistic missiles, and submarines, Taiwan is inferior in absolute terms. And, the PRC is making leapfrog in its military capability. If the ROC Armed Forces have not been able to successfully transform soon, the cross-strait military balance will tilt in the PRC's favor in 2006. If the tilt keeps worsening, cross-strait military imbalance will jeopardize Taiwan's national security before long.

In light of the current military expansion of the PLA and in reference to American data, possible scenarios for the PRC military actions include:

(1) Military Coercion: This includes the testing and demonstration of the "trump card," the test firing of ballistic missiles toward the sea area surrounding Taiwan, a force aggregation in the areas directly opposite Taiwan, and conducting joint landing exercises and occupying Taiwan's offshore islets. The PLA wants to exert military pressure and force Taiwan into unification.

(2) Disconnected Warfare: This includes the non-military "three warfares," cyber war, financial sabotage, decapitation and assassination, electronic warfare, stand-off precision strikes, and raid by special forces to control Taiwan's military and political targets. The PLA's goals are to create economic blockades, financial breakdown, social split, and internal disturbances, or paralyze the C3I network of the ROC Armed Forces to "deter independence and realize reunification."

(3) Blockage Warfare: The PRC will block the Taiwan Strait, important seaports, and sea lines of communication (SLOCs) or islets to cut off Taiwan's exports and imports of major commodities. The goals are to destroy the morale, cut our economic lifelines, and suffocate the island in a move to "stop independence and realize reunification."

(4) High-intensity Strikes: In this scenario, the PRC will amass high-performance weapons and specially trained troops to conduct suppressive, destructive, paralyzing, and devastating strikes against important military and political targets on the island of Taiwan.

The purpose is to win rapidly the first battle in order to seize Taiwan.

After examining the PRC's military options, intents, desired results, and international factors, the most likely operations are three: taking coercive measures to occupy offshore islet(s), conducting high-density ballistic missile long-range precision strikes, and carrying out long-term maritime and air blockades.

3. Possible Operation Modes

(1) Military Coercion: This includes adding pressure, demonstrating forces, and combining flexible application. The focuses are on political, economic, and psychological effects. The PLA combines the use of regular and irregular, military and non-military warfares, featuring few casualties with maximum political gains.

a. Large-scale Military Exercises: A psychological warfare, the PLA will amass in the coastal regions, conduct exercises, demonstrate fire power, or even occupy one or more Taiwan's offshore islets. It will use media to disseminate military threat, cause soaring war risk insurance, provoke social panic, and force Taiwan to come to its terms.

b. Internet Jamming: The PRC will manipulate special agents and hackers to cause breakdown of political, economic, and military systems. It may also spread propaganda against Taiwan, agitate unrest and intensify psychological pressure.

c. Provocations by Naval Ships and Aircraft: PLA fighters and warships may trespass the center of the Taiwan Strait to pick on fights, issue warnings or intimidate Taiwan. These moves can squeeze the space of Taiwan's airplanes and ships, creating war pressures, and exhaust the ROC defense capability and morale.

d. Limited Blockades: With the use of military exercises and ballistic missile test firings, the PRC can declare some maritime routes and offshore islets as no-fly zones. The PLA may conduct local blockade with the pretext of conducting inspections on maritime lines or carry out exercises.

e. Full-scale Blockades: The PRC can zone Taiwan's maritime space as a no-sail zone and its air space as a no-fly zone, or even proclaim a full blockade. It can also use aircraft and submarines to practice mine-laying around seaports and sea lanes. A full-scale blockade is aimed at suffocating Taiwan and forcing a compromise.

(2) Paralyzation Warfare: It features surprise raids, long-range, precision, no engagement, and non-linear operations. The PRC may focus on paralyzing and destroying the ROC's C2SR systems, political and economic centers, and military nodal points. Its goal is to neutralize and destroy Taiwan's military capabilities, in stead of enemy annihilation.

a. Cyber Warfare: The PRC can launch electronic jamming, Internet hackers, computer viruses, and information bombs to attack Taiwan's financial centers and command centers, or paralyze Taiwan's strategic and tactical C2 functions.

b. Saturated Missile Attacks: Through tactical ballistic and cruise missiles, the PLA

can continuously conduct saturated attacks to destroy Taiwan's political and economic centers, C4ISR systems and military facilities, to collapse Taiwan's military capabilities and willpower.

c. Joint Precision Strikes: Combining tactical ballistic missiles and cruise missiles, UAVs, and the joint precision strike capabilities of the joint forces, the PLA may attack Taiwan's strategic nodal points or battle procedures in focused, synchronized, or alternate fashions, to destroy Taiwan's military counterattack capabilities and annihilate Taiwan's viable forces in an all-out invasion.

(3) Full Scale Invasion: Currently, the PLA still lacks capability to carry out full-scale landing operation against Taiwan. However, with its weaponry renovation and improvement in joint exercises and comprehensive operational capabilities, the PLA may employ a large number of high-performance new weapons to launch raids against Taiwan, paralyze Taiwan, maintain rapid operations, and make a deployment for full-scale invasion. The PLA could seize the Taiwan proper or offshore islets in line with its military priority.

In conclusion, the PRC has recognized that it is unlikely to conduct an all-out invasion against Taiwan in the short term, after considering its economic development (growth over the past 20 years), international situations (foreign intervention), new strategy of a united front used against Taiwan (winning Taiwan people's supports), military buildup in the next three years (some "trump cards" and related capabilities will not be available in the near future), and trends of Taiwan independence. The PRC now focuses on military buildup and have new strategies against Taiwan. Beijing has become active, "preemptive," and "multiple" in its hard-line policy. In meeting with foreign visitors, Beijing officials asked them to make public their governments' "one China" policy and refrain from official contacts with Taiwan. Meanwhile, it gave strong-worded accusation against U.S. arms sales to Taiwan, urged Washington to strictly abide by its three communiques and to stop U.S.-Taiwan military exchanges. Beijing is contemplating on its policy of "countering Taiwan through the U.S." Recently, the PRC has used disinformation of its military exercises to create political issues and dampen morale as in psychological and media warfares. In the future, Beijing will not only have the capabilities of military coercion, local blockade, and limited joint operations, but also employ the "three warfares" toward Taiwan, to add to Taiwan's social confrontations and blurring differentiation between friend and enemy. Our citizens shall keep vigilant and be prepared.

Note:

1. "The second island chain" is the north-south line running through the Ogasawara Islands, Mariana Islands, Caroline Islands, and Palau islands.

2. "The first island chain" is the north-south line running through the Sakhalin Islands, Ryukyu Islands, Taiwan, the Philippines, and Indonesia.

3. The PRC's "three attacks and three defenses," which appeared from 1975 to 1998, meant "attacking tanks, airplanes, and airborne forces and defending against nuclear, chemical and biological weapons." This was replaced in 1999 by "new three attacks and three defenses," meaning "attacking stealth aircraft, armed helicopters, and cruise missiles and defending against precision strikes, electronic jamming, and reconnaissance and surveillance."

4. The "parasite micro-satellite" is a small-size killer satellite. This satellite, once released into orbit, is able to automatically track enemy satellites (generally reconnaissance satellites) operating in a low orbit around the earth. The killer satellite can use a built-in power system to track or collide with the target and adhere to the target's surface to become a "parasite." The parasite then breaks down target satellite's software and hardware systems.

5. On November 8, 2002, in the report at the 16th CCP Congress, Beijing leaders followed the policy line adopted at the 14th CCP Congress, but the first time included the "one China, three new sentences" — meaning "There is only one China in the world, China and Taiwan both are parts of that China, and China's sovereign and territorial integrity is inseparable."

6. The Office for Taiwan Affairs under the Central Committee of the Communist Party of China (CCCPC) and the Taiwan Affairs Office of the State Council were authorized to issue a statement through the China News Service on current cross-strait relations on Monday, May 17, 2004. The "five nevers" are "We (China) will never compromise on the one-China principle, never give up our efforts for peaceful negotiations, never falter in our sincere pursuit of peace and development on both sides of the Straits with our Taiwan compatriots, never waver in our resolve to safeguard China's sovereignty and territorial integrity, and never tolerate 'Taiwan independence'." It emphasized, "The Taiwan leaders have before them two roads: one is to pull back immediately from their dangerous lurch towards independence, recognizing that both sides of the Taiwan Straits belong to the one China, and dedicate their efforts to closer cross-strait relations. The other is to act by its wishful thinking to dream about separating Taiwan from China and, in the end, meet their own destruction by playing with fire."

7. "Trump cards" refer to those precision, destructive and highly lethal weapons that the PRC has actively developed, including ballistic missiles, cruise missiles, anti-radiation missiles, and micro/electro-magnetic pulse bombs.

8. "Eight north to south" railroads include Beijing-Shanghai, Beijing-Guangzhou, Beijing-Kowloon, Beijing-Harbin, Datong-Zhanjiang, Baotou-Liuzhou, Lanzhou-Kunming, and the East Coastal Corridor. "Eight east to west" lines include Longhai-Lanshin, Shanghai-Kunming, north-south coal mine transport line, Beijing-Lanzhou, Yangtze river corridor, Nanking-Xian, and Southwest route to sea.



Defense Policy and Military Strategy

2

■ Summary

1. Our current national interests are to ensure the survival and development of the Nation, safeguard the safety and welfare of the People, and defend liberty, democracy and human rights. The current national security objectives include defending the integrity of sovereignty, protecting the sustained development of the Nation, preventing military conflict in the Taiwan Strait, and helping stabilize regional security.
2. The basic objectives of our current national defense policy are "preventing war," "defending the homeland," and "countering terrorism and responding to contingencies." The specific policies intended to realize those objectives include encouraging the people to become involved in defense affairs; increasing public awareness of the all-out defense concept; strengthening the crisis management and contingency mechanism; building high-quality and efficient modernized military forces; promoting the defense and industry integration policy; enhancing the foundation for defense technological and weapon research and development; advancing regional military cooperation; implementing a combination of the enlistment system and the conscription system; reinforcing the Joint Operation Command Mechanism; refining the effectiveness of joint operation training; implementing the nationalization and legalization of the the ROC Armed Forces; and improving the welfare of military personnel and their families.
3. In our initial planning, the establishment of military confidence-building measures includes three stages, the near-term stage — building mutual good faith and reaching common ground while preserving the uniqueness of both sides; the mid-term stage — establishing regulatory institutions and enhancing mutual trust; and long-term stage — ending the state of hostility to secure peace.
4. In compliance with the policy direction of the central government, the crisis management of the ROC Armed Forces focuses on military crisis management, anti-terrorism actions, and disaster relief and rescue, in accordance with the principle of "all-dimensional security." With the Joint Operation Command Mechanism as its principal executive unit, the crisis management of the ROC Armed Forces aims to "prevent any crisis in advance, monitor situations as they occur, respond to emergent scenarios, swiftly manage crisis situations, and confine any escalation."
5. The fundamental strategic concept of the ROC Armed Forces is "effective deterrence, resolute defense." Based on this strategic concept and the thinking of the revolution in

military affairs (RMA), all military planning and programming efforts are aimed to establish a high-quality, streamlined, and powerful counterattack power in order to advance defense technology, seize information and electronic superiority, execute joint interdiction operations, defend homeland security, strengthen logistic systems, develop doctrines, enhance operation and training readiness, and fortify the will to fight.

6. The vision of the ROC Armed Forces is "building a knowledge-based military and dominating warfighting superiority." With the strategic guidelines of professionalism, transformation, agility, and joint operations, it will continue to pursue the goal of building modernized and high-quality fighting forces.

Chapter 5

■ Defense Policy

Today, the international situation is full of complicated, unpredictable, changing and dangerous variables. Though they pose significant impacts and challenges to our defense security, fortunately, the infiltration of globalization and multi-lateral economic cooperation also offer us numerous opportunities to strengthen our defense security preparation. In order to effectively meet our future challenges, the Ministry of National Defense (MND) has proactively seized these opportunities. In compliance with current national security policy guidelines and objectives, the defense policy is specifically designed to secure our national interests and defend our national security.

I. Current National Security Policy

With the progress of globalization and information technology, national security has evolved from focusing narrowly on military security to looking at broader pluralistic security issues, which include national defense, diplomacy, cross-strait affairs, the economy, technology, psychology, the environment, and crisis management. The national security policy aims to maintain the overall national security, secure the survival and sustained development of the Nation, and maximize the welfare of the people.

1. National Interests

National interests are the paramount consideration of any country and the core value of national security. Specifically, our national interests include:

- (1) Securing the survival and development of the Nation,
- (2) Safeguarding people's safety and welfare,
- (3) Defending liberty, democracy, and human rights.

2. National Security Objectives

The Constitution of the Republic of China, Article 1 states, "The Republic of China, founded on the Three Principles of the People, shall be a democratic republic of the people, to be governed by the people and for the people." In order to secure the survival and development of the Nation, safeguard the safety and welfare of the people, and defend liberty, democracy, and human rights, the current national security objectives include:

- (1) Safeguarding the integrity of sovereignty,
- (2) Securing the sustaining development of the Nation,
- (3) Preventing any military conflict in the Taiwan Strait,

(4) Promoting regional security and stability.

II. The Purpose of National Defense

The Constitution of the Republic of China, Article 137 states, "The national defense of the Republic of China shall have as its objective the safeguarding of national security and the preservation of world peace." The "National Defense Act" Chapter 1, Article 2 states, "The national defense of the Republic of China is aimed at utilization of comprehensive national power to establish national defense military force, safeguard national security and maintain world peace."

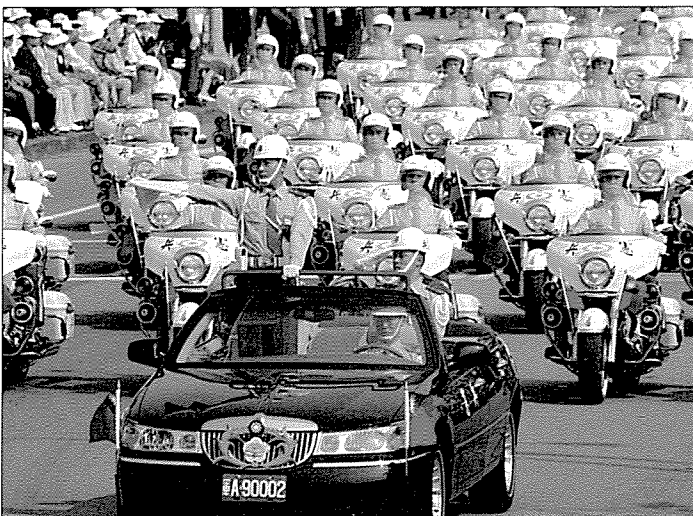
III. The Challenges and Opportunities for Defense Security

1. Challenges

Considering the overall situation facing our country, the primary challenges facing our national defense include the military pressure imposed by the PRC, the modernization and transformation of the ROC Armed Forces, the limitation of the defense resources, and the security demand of future anti-terrorism preparation.

(1) The Pressure Imposed by the PRC

In recent years, the comprehensive national power of the PRC has grown rapidly. It has maintained a double-digit defense budget growth rate for several years. The PRC has actively committed to military buildup and various reforms, which have drastically strengthened its overall military capability in terms of quality and quantity. The PRC refusal to renounce using military power against Taiwan, its current emphasis on "enhancing preparation for military struggle," its obvious intention of preparing a war against



National interest is the core value of national security.

Taiwan reflected in operational deployment, readiness efforts, and annual military exercises in the Southeast China coastal region, and its progress in aerospace operations, information warfare, paralyzation warfare, and non-conventional warfare, all of these factors work together so that the ROC Armed Forces face an increasingly complicated and difficult

situation in terms of self-defense and counterattack. These multiple daunting challenges are testing our defense security.

(2) The Modernization and Transformation of the ROC Armed Forces

Under the rapid development of modern military technologies, the ROC Armed Forces face a changing and challenging military environment. In the future, if we want to take the initiative and defeat a stronger enemy with comparatively smaller forces our military forces must be adept at the operational pattern of the information age, fully comprehend the characteristics of the digitized battlefield, and manage to strengthen critical fighting components. Unfortunately, our country is unable to follow the European or U.S. model of the revolution in military affairs (RMA) due to insufficient resources and inferior technological capabilities. Therefore, the only option is to adopt approaches suitable to our conditions both in theory and implementation. The immediate tasks for the ROC Armed Forces are to seize the opportunities of reform to accelerate the transformation pace of critical fighting components, dominate a new comparative advantage of quantity and quality, prevent the military imbalance in the Taiwan Strait, and safeguard our national security.

(3) The Limitation of the Defense Resources

Facing soaring military pressure from the PRC, we must be more active in terms of defense preparation. However, the rapid increase in our defense requirements has gradually overwhelmed our military spending. Whereas, in order to effectively execute operation and readiness missions and maintain advantage of fighting capability, the ROC Armed Forces must win continuous support for the defense budget, properly readjust resource allocation, increase budgetary efficiency, and prioritize primary resources to critical programs, so as to maximize the effectiveness of limited resources and enable defense readiness to meet the military threat from the PRC.

(4) The Security Demand of Future Anti-terrorism Preparation

The "911" terrorist attacks in 2001 drastically changed the peaceful international environment in the post-Cold War era. The U.S., together with international allies, launched a global campaign against terrorism, which has made "counter proliferation of terrorism" a major issue in international security affairs.



Maximizing the effectiveness of limited resources, committing to the preparedness and readiness of defense.

With the expansion of globalization, no country is immune to transnational terrorism. In particular, the proliferation of weapons of mass destruction and their related technologies has become a serious concern to regional security. As a member of the international community, Taiwan insists on the promotion of world peace and deems the proliferation of terrorism as a threat to international security. Moreover, we support international efforts to eliminate terrorist threats. In order to secure our country from terrorist threats and to support the government stance on the global war on terrorism, the ROC Armed Forces will continue to strengthen our professional anti-terrorism capability to meet any possible challenge from terrorist threat.

2. Opportunities

While facing numerous threats and challenges, the ROC Armed Forces still has many opportunities in many aspects of defense security.

(1) International Environment

Taiwan is situated at the center of the first island chain of the West Pacific region. Overseeing two major Eastern Asian strategic sea lines of communication (SLOCs), the Taiwan Strait and the Bashi Strait, it is the linchpin for securing the Asia-Pacific region's security and stability. Cooperating with our Asian-Pacific neighbors to maintain the peace and stability of the region serves our national interests and is the common expectation for countries in the region. In accordance with the changes in the international environment, the U.S. has readjusted its global strategic focus and military presence to Asia. This change is a positive development for Taiwan to play a more significant role in regional security affairs.

(2) Asian-Pacific Situation

After the bipolar confrontation ceased at the end of the Cold War, the tension of the overall military situation in the Asia-Pacific region has been eased. Countries in the region are eager to pursue better economic performance. However, three areas, including the Korean peninsula, the Taiwan Strait and the South China Sea, are still hot spots with potential military conflicts due to the complex factors of history, sovereignty and resources. In particular, the relentless military buildup of the PRC not only concerns many Asian-Pacific countries, but also motivates the U.S. to change its strategic focus from Europe to Asia. For Asian-Pacific countries, Taiwan plays a geo-strategically significant role in counterbalancing the PRC's military expansion. In the foreseeable future, countries in the region will become increasingly concerned with the factors influencing the stability of the Taiwan Strait. Continuously enhancing security cooperation with countries in the region will be helpful for us to win their support and safeguard our defense security.

(3) Cross-Strait Situation

Though both parties across the Taiwan Strait are still in a state of military con-

frontation, the energetic civilian, economic, and social exchanges are expected to increase mutual understanding and ease hostility. By gradually expanding substantial exchanges on both sides, properly managing regulatory institutions, resuming normal bilateral dialogue and communication, and managing to establish a "peaceful and stable exchange framework" and "military confidence-building measures," it is possible that both sides can avoid unnecessary misunderstanding and conflicts, maintain the stability of the Taiwan Strait, and foster peaceful development across the Strait.

(4) Defense Security

Many civilian defense industries in Taiwan have world-class technological research, development and manufacturing capabilities. This technological development capability provides us with an advantage to strengthen our national defense. In recent years, Taiwan's high-tech industries, such as information and electronics, have made progress at a tremendous pace. Besides their excellent research and development human capital, those industries have led the world in many areas. With a shrinking defense budget and inability to acquire cutting-edge weapon systems in the short term, the application of civilian technological advantages to the development of military C4ISR systems and traditional weapons will improve our warfighting effectiveness and combat power.

IV. The Fundamental Objectives of Defense Policies

In order to secure our national interests, realize national security objectives, and meet the challenges of the international environment, our current defense policies consist of three fundamental objectives — preventing war, defending the homeland, and countering terrorism and responding to contingencies.

1. Preventing War

The purpose of preventing war is to eliminate any possibility of war in advance. In order to reach this objective, it is necessary to adopt two complementary strategies of engagement and deterrence. On the one hand, by using engagement to promote mutual understanding and reciprocal good faith to reduce hostility, it is expected to gradually establish military confidence-building measures. On the other hand, we will continue to nurture a strong will of self-defense, build an all-out defense capability, promote Asian-Pacific regional security cooperation, and win the support of the international community to dissuade our enemy from starting a war.

(1) Engagement

The MND will support the "cross-strait peaceful and stable exchange framework" proposed by our government. By the formation of multiple security dialogue and exchange channels, we will gradually establish cross-strait military confidence-building

measures to stabilize the security of the Taiwan Strait and prevent any conflict in the region.

a. The Establishment of Security Dialogue and Exchange

In compliance with the government's comprehensive diplomatic policy, we will try to explore the possibility to institutionalize strategic dialogue and security cooperation platforms with Asian-Pacific countries, integrate regional security support mechanisms, and maintain the security and stability of the Taiwan Strait through regional and international cooperation. Furthermore, it is expected to gradually begin military dialogue and exchange with China in accordance with the peace policy of the government. By substituting isolation with communication, replacing suspicion with understanding, and changing hostility with good faith, we expect that both sides can jointly promote the security of the Taiwan Strait.

b. Formation of Cross-Strait Military Confidence-Building Measures

Under the guideline of comprehensive cross-strait policy, we will first engage in humanitarian, maritime, and anti-terrorism cooperation to gradually reduce hostility and foster reciprocal good faith and cooperation based on past experiences of military self-restraint and tacit understanding. Then, we will commit to the establishment of cross-strait military confidence-building measures to formulate an official communication channel and a code of conduct in the Taiwan Strait. By doing so, we expect to reduce the risks of military miscalculation and enhance stability and security in the Strait.

(2) Deterrence

In accordance with the initiative and active features of the Taiwan and Penghu defense operations, military preparedness and the buildup of the ROC Armed Forces focuses on building basic defense capability in terms of "effective deterrence, resolute defense," and developing a counterattack force with defensive nature. It is hoped that the goals of preventing war and averting conflict can be achieved. Related measures in this area include:

a. Building Basic Defense Capability

(a) Improvement in self-defense capability is the prerequisite to ensuring the status quo and peace of the Taiwan Strait and strong support for guaranteeing cross-strait equal dialogue. We will continue to accelerate defense transformation, improve our defense capability, promote Asian-Pacific regional security cooperation, and win the support of the international community. However, we have no intention whatsoever to engage in an arms race with the PRC, nor to provoke our opponent. We are only striving to meet the requirements of national security and self-defense, and fulfill our obligation and responsibility toward maintaining the peace of the Taiwan Strait and regional stability.

(b) The PRC has never renounced using force against Taiwan. The moderniza-

tion efforts of the PLA are reinforced by a defense budget with a double-digit annual growth rate. These developments challenge the security of our national defense. As long as the PRC is reluctant to establish a peaceful and stable framework with Taiwan, it is the responsibility of the ROC Armed Forces to continuously strengthen its self-defense capabilities and build up a strong military capability as the pillars of a deterrence policy.

(c) The ROC Armed Forces has to actively and consistently advance its military buildup and military readiness efforts in line with the changing strategic environment and technological developments. New high-tech weapons and equipment must be persistently introduced so as to establish high-quality military capability, maintain the military balance across the Strait, win over the military quality advantage in this balance, sustain the military capability to defeat the enemy, deter the enemy from potential war, and ensure the sustainable existence and development of Taiwan.

b. Developing Defensive Counterattack Forces

(a) In order to carry through the strategic concept of "effective deterrence, resolute defense," the ROC Armed Forces should deploy counter-air and counter-sea missiles to extend our strategic depth. In consideration of future changes in the strategic environment and maintaining the military balance in the Taiwan Strait, it will strengthen technological integration and effects, actively develop, research, and acquire precision and stand-off weapon systems, and establish electronic countermeasure forces to enhance our in-depth strike capability. With the establishment of defensive counterattack forces, it is expected to dissuade our enemy from starting a war by complicating its probability of success.

(b) The counterattack power of the ROC Armed Forces is defensive in nature and is operated under the premise of being cautious of war. This means, as long as the enemy does not initiate a war against us, Taiwan will not launch the first attack. However, once being attacked, the ROC Armed Forces will employ tactical counterattack measures promptly so as to take the initiative. Moreover, only military targets which will keep Taiwan in harm's way will be selected. The ROC Armed Forces will never counterattack civil infrastructure or civilians.

(c) The future of warfare is becoming more and more complicated. Therefore, the goal of our arms procurement is aimed at promoting the overall joint-warfare capability of the ROC Armed Forces so as to establish a force with land, air, sea, underwater, and IO/EW (Information Operation/Electronic Warfare) superiority, deter the enemy from launching an attack, and decrease the success probability of an invasion. If advanced weapons such as submarines, ASW aircraft, and air defense missiles can be acquired, the function of the "Posheng Program" C4ISR system can be further advanced. It will facilitate the coordination and integration of the ROC Armed Forces' joint capabilities, deter the

enemy from conducting an invasion, and ensure our homeland security.

2. Defending the Homeland

Facing the PRC's increasing military threats and challenges, "warfighting capability" and "deployment" are the two focuses of strategic thinking in defending our homeland security. In compliance with the "Ten-Year Military Buildup Concepts" and the force transformation of the "Jingjin Program" (The ROC Armed Forces Streamlining Program), the MND will build a properly sized, highly effective and responsive credible force, and will readjust defense deployment to maximize the flexibility of operational employment. Once a war is inevitable, we will use swift, agile, and effective joint operation and all-out defense capabilities to defend our homeland and national security.

(1) Warfighting Capability

In compliance with the planning of a future military buildup, the ROC Armed Forces will continue to carry out weapon acquisition and force restructuring missions in various stages. Furthermore, it will comprehensively engage in military transformation based on the force restructuring mandated in the "Jingjin Program" to establish a modernized force with flexible organization, efficient responsiveness, and modernized power.

a. Building Joint Operation Capability

Currently, the armed forces will continue to focus on strengthening "joint operation" capability. Through accelerating the establishment of C4ISR systems and the integration of various weapon platforms, improving the Joint Operation Command Mechanism, completing the formulation of joint operation doctrines and related operational plans, and improving the effectiveness of joint force exercises, it is expected to strengthen the effectiveness of joint operations and synchronize the efforts of forces from the three armed services.

b. Accelerating Military Transformation

Based on the characteristics of modern warfare — technology, information, and swiftness, the ROC Armed Forces will comprehensively engage in military transformation by continuously reviewing and refining military formation, organizational structure, force missions, strategic thinking, and doctrines and training. At the same time, it will widen the channels of acquiring military personnel to improve the quality of defense manpower. Through introducing modern management concepts and refining organizational management, the ROC Armed Forces will build a knowledge-based professional force to meet the defense challenges of the information age.

(2) Deployment

Based on the strategic concept of "effective deterrence, resolute defense," the ROC Armed Forces will readjust its defense deployment to implement the idea of an "all-out defense," improve joint operation capability, and optimize employment flexibility. When a

war is deemed inevitable, we will firmly defend our homeland by effective joint operations with the supplement of all-out defense capability. In compliance with the concept that "peace can only be secured by capable force, whoever is ready to fight shall not be afraid of war," we will use all effective defensive countermeasures to deter, defeat and destroy the enemy, to defend our national security and to sustain the survival of the Nation.

3. Countering Terrorism and Responding to Contingencies

Considering the possibility of the PRC launching unrestricted warfare or asymmetric warfare against Taiwan, increasingly serious threats of terrorism in the international community, and other significant emergencies with national security concerns, "early warning" and "responding to contingencies" are two means to effectively prevent and rapidly manage any crisis. In order to prevent those crises, a credible crisis early warning system and a crisis management mechanism should be able to gain warning in advance so as to eliminate any crisis before it occurs. Once a crisis does appear, the national security decision-making system should preside over the command authority, and direct professional military units with other governmental agencies to support the conduct of contingency management, control disasters from escalating, maintain social order, help repair damage, and rapidly neutralize crisis.

(1) Early Warning

In peacetime, defense security crisis prevention efforts should monitor the development of every possible crisis and acquire early warning intelligence so as to facilitate crisis assessment and prevention measures and to prevent the breakout of serious crises. In compliance with the crisis early warning mechanism of the National Security Council and the "Intergovernmental Crisis Management Task Force" of the Executive Yuan, the ROC Armed Forces, assisted by shared crisis intelligence from prosecution, police, investigations, intelligence, and law enforcement agencies, will monitor every early warning indication of crisis and grasp the timing of crisis management to rapidly execute crisis prevention efforts.

(2) Responding to Contingencies

The ROC Armed Forces must be a key component of the national crisis response system. In order to meet unusual threats to national security, based on the principles of "organization, efficiency, directness and agility," the ROC Armed Forces will continue to improve their abilities of "contingent response, rapid reaction, and immediate operation," strengthen crisis management mechanisms, and enhance professional capabilities of countering terrorism and responding to contingencies for defending national security and the people's safety.

a. Improving the Crisis Response Mechanism and Capability

In compliance with the missions designated by the "Governmental Response and Management Mechanism on Domestic Major Urgent (Contingent) Events" of the National



A strong defense force provides a necessary support for national security.

Security Council, the MND continued to improve its functional capabilities of crisis management and operation, and formulated "the Operational Plan of National Crisis Prevention and Management Mechanism." With the "Joint Operation Command Mechanism" as the primary executive unit, the systems of various levels will serve as crisis management centers.

By continuously reviewing equipment and organization, tasks and execution processes, it is expected to comprehensively enhance the response and reaction capability of the ROC Armed Forces and effectively support the government to manage any major national security crisis.

b. Strengthening the Professional Capability of Countering Terrorism and Responding to Contingencies

Based on functional considerations, the ROC Armed Forces will prioritize targets, clearly delineate areas of responsibility in counter-terrorism actions, and organize professional military counter-terrorism units. Moreover, by continuously procuring advanced counter-terrorism equipment, the ROC Armed Forces will continue to enhance the effectiveness of countering terrorism and responding to contingencies. Through various military intelligence, reconnaissance, surveillance systems and the internal security establishment, the ROC Armed Forces continuously exchange intelligence with prosecution, police, investigation, intelligence, and law-enforcement organizations. It also cooperates with the national security, police administration, civil defense, fire, public health, environmental protection, and civilian disaster relief organizations to conduct synchronized operations and to achieve the missions of countering terrorism and responding to contingencies.

V. Defense Policy Implementation Guidelines

Facing threats from the PRC's soaring military power, raging international terrorist activities, and the tests of several domestic major natural disasters, the three basic objectives of defense policy are designed to prevent war, defend the homeland, and counter ter-

rorism and respond to contingencies. Guided by these defense policy objectives, the focus of our national defense policy are to "increase the public awareness of an all-out defense," "strengthen crisis management and response mechanisms," and "build a high-quality and efficient modern military force" through strengthening an all-out defense system, integrating traditional warfighting capabilities, improving the effectiveness of military training, and by prioritizing military programs. The specific defense policy implementation guidelines are as follows:

1. Encouraging Public Involvement in Defense Affairs

In order to encourage public understanding and support toward defense affairs, the defense policy aims to increase the efficiency of administrative ability and to establish a clean and people-friendly defense institution. Through transparent and open defense information, it is our goal to involve various social sectors in the debate of defense affairs. Moreover, by using multiple information channels to heighten the public awareness of defense policy and regulations, it is expected to build on public consensus and to increase public confidence. At the same time, the ROC Armed Forces will continue to implement civil defense mobilization preparations. By integrating manpower, resource and financial supports, increasing public awareness of defense affairs, and enhancing public sense of urgency, we expect that the public can support and participate in defense affairs.

2. Increasing Public Awareness of the All-Out Defense Concept

In order to prevent any emergencies from causing social panic and economic crisis and endangering homeland security, the ROC Armed Forces, under the guidance of the "Act of All-out Defense Mobilization Preparation," actively engage in educational, morale, manpower, resource, financial, transportation, public health, technological, and military mobilization preparations to beef up our comprehensive operational capability. Through efforts such as revising related laws and regulations, working coordination meetings, and inter-agency joint exercises, the building of mobilization capability will be integrated with various contingent response mechanisms such as disaster prevention and relief, epidemic prevention, nuclear incident management, and counter-terrorism operation. It is hoped to exert our comprehensive national power, strengthen the functions of "homeland security network" based on civil defense mobilization systems, provide timely support to military operations, and accomplish homeland defense missions.

3. Strengthening Crisis Management and Response Mechanism

The crisis management and response purview of the ROC Armed Forces include the military crisis caused by the PRC, domestic terrorist attacks and various natural disasters. Based on the concept of "all-dimensional security," the armed forces will continue to work with national crisis prevention and management mechanisms to implement national security policy, improve risk management and crisis response functionalities, build defense

capabilities to neutralize asymmetric threats, strengthen public-military cooperation with pragmatic attitude, and support the government to unleash the organizational power of civil defense

4. Building High-Quality and Efficient Modern Military Forces

In order to adapt to the emerging strategic environment, maintain military superiority in the Taiwan Strait, and build high-quality and modernized defense forces, the ROC Armed Forces must implement actively the military transformation measures mandated by the "Jingjin Program." By doing so, it is expected to effectively reduce the total number of military forces and build a more efficient force structure. In the process, the military transformation will integrate with the concepts of the revolution in military affairs (RMA) and continue to improve warfighting capability. Besides continuously restructuring defense organization, adjusting force structure, increasing technological advantage, seizing information and electronic superiority, improving the force integration of joint weapon systems, and strengthening their effectiveness, the ROC Armed Forces particularly focus on widening recruiting channels and improving overall personnel quality in the hope of building a high-quality, efficient, and powerful modern military force.

5. Promoting the Defense and Industry Integration Policy

(1) In order to carry out the concept of all-out defense, concurring with restructure and redeployment of the "Jingjin Program," the ROC Armed Forces will continue to implement the "defense and industry integration policy," which is divided into three parts, including "military camps consolidation review," "reduction of building restriction areas due to military consideration," and "comprehensive review of military training ground and facilities." Based on minimum defense requirements, the overall effectiveness of military land usage will be reviewed to ensure the close integration between civilian and defense construction and to support comprehensive national economic development.

(2) Under the direction of the Executive Yuan, the interagency defense technology development coordination mechanism is established to integrate the capacities of industry, government, academics, and researchers and to improve the research and development standards and the maintenance capability of the defense technology industry. In the future, the MND will continuously extend the outsourcing items of defense programs in an attempt to facilitate a boom cycle, economic development and social prosperity, and create a win-win situation for the military and the public.

6. Strengthening the Research and Development of Defense Technologies and Weapon Systems

(1) In order to support the research and development of defense technologies, R&D experience and technological capacity will be continuously used to execute critical technological research programs so as to satisfy the operational requirements and strengthen

comprehensive warfighting capabilities. At the same time, logistic systems and indigenous production capacity of critical components will be built to exploit critical technologies and realize the goal of an autonomous defense system.

(2) For the development of dual-purpose technologies, the MND will abide by the "pioneer project and industrial innovation R&D center" of the Executive Yuan and "Challenge 2008 National Development Project" to freely flow the exchange of defense and industrial technologies and accelerate military and industry cooperative R&D programs.

(3) For the research and development of next generation weapon systems, the priorities are information and electronic warfare, defensive counterstrike weapons, joint air defense, joint sea control, and joint ground defense. Defense R&D efforts will follow a systemic and specific approach to integrate civilian technological capacity and actively break through certain bottlenecks in critical technologies.

7. Exploring Regional Military Security Cooperation

Being situated in the center of the West Pacific perimeter, Taiwan is the linchpin of Asian-Pacific sea and air transportation. The stability of the Taiwan Strait region is in the interests of the U.S. and countries in the region. In order to integrate allies to establish a collective defense system and support comprehensive diplomatic policy, the ROC government will use all official and unofficial channels to explore possibilities of establishing military exchange and cooperation with neighboring countries and increasing visibility and participation in international activities. In the future, we will continue to explore opportunities to establish bilateral and direct communication channels with countries in the Pacific basin and to increase participation in international exchange activities to reinforce regional military cooperation and security capacities.

8. Implementing a Combination of the Enlistment System and the Conscription System

The current military service system of the Republic of China takes the enlistment system as a major consideration, the conscription system as a supplement. In order to adapt to the changes in an informational technological modern operation environment and rapid development of weapon systems, the military forces should become professional and specialized. Guided by "The Military Service Comprehensive Review and Steering Task Force," the MND will work on substantive initiatives to reform the military service system by shortening the mandatory period of military service and gradually building a volunteer-oriented force. In order to implement this policy, several initiatives have been taken, including continuously recruiting enlistment soldiers, readjusting the ratio of officers, non-commissioned officers, and soldiers, downsizing officer and NCO schools, streamlining recruitment processes and selecting well-performing soldiers to be promoted as NCOs.

9. Strengthening the Joint Operation Command Mechanism

In the scenario of Taiwan and Penghu defense operations, the People's Liberation Army (PLA) is likely to use advanced weapon systems to launch multi-dimensional operations with regular and irregular forces, linear and nonlinear offenses, and symmetrical and asymmetrical warfare. The pattern of its attack will probably be a sudden assault without notice. Therefore, the Taiwan and Penghu defense operations should be joint operations. In order to build a joint operation mechanism capable of dealing with peacetime and wartime situations and having well-designated responsibilities, the MND is going to seamlessly integrate long-range precision strikes and synchronize joint engagement capabilities through the organizational transformation and force restructuring efforts of the "Jingjin Program," and the establishment of "Posheng Program" C4ISR mechanism. The ROC



Continuously improving training grounds and facilities, effectively maximizing the effectiveness of training programs.

Armed Forces hope to build a "Network-Centric Warfare" capability and effectively bring comprehensive military powers to bear.

10. Improving the Effectiveness of Joint Operational Training

Toward the goal of improving the joint warfighting effectiveness of the ROC Armed Forces and meeting the demand of future warfare, the MND will continue to review and refine joint exercises and implementation approaches as a way to eliminate inefficient training programs and make good use of training methods. Based on the force restructuring principle of the "Jingjin Program" and the force redeployment after the separation of active and reserve forces, the MND will thoroughly review the employment status of all training grounds and facilities, use deep forethought to plan force training programs, and prioritize training ground and facility recapitalization programs. In addition to, satisfying the requirements of basic training grounds and specialized operational training programs, and centralizing limited budgets to build inclusive, modern, standardized, and unified large joint training ground compounds, the MND will continue to procure additional training simulators (instruments) to meet the needs of field force training. Moreover, it will introduce network and multi-media supplementary pedagogical tools to create virtual battlefields, combine with actual force exercises to validate tactics and training programs, increase training tempo and frequency, accumulate combat

experiences, and effectively support joint operational training.

11. Implementing the Nationalization and Legalization of the the ROC Armed Forces

The ROC Armed Forces belong to the Nation and the People. They shall abide by those laws governing the establishment of an apolitical military force under the Constitution. Guided by the core thinking that "the ROC Armed Forces have the duty to fight for the survival and development of the Nation and the safety and welfare of the People," the ROC Armed Forces have maintained politically neutral stances in several major elections. Their loyalty to the Nation, People and Duty has been well recognized and well received by society. In the future, in compliance with the principle of "Military Nationalization", the MND will continue to require all service members to abide by the principle of neutral administration. The ROC Armed Forces will forever be the strong support of social stability and democratic development.

12. Taking Good Care of Military Personnel and Their Families

(1) In order to offer a reasonable remuneration for military personnel and to attract well-rounded youths to join the military service, the MND actively strives for the increase of the off-shore island service allowance. In compliance with the reforms of the national taxation system, the salary tax exemption for volunteer military officers and NCOs will be cancelled under the revision of the Income Tax Law, Article 4. In order to prevent this change from becoming income reduction in a different form, demoralizing service members, and influencing the lives of military dependents, the MND will raise military personnel's salary by increasing volunteer service allowances.

(2) In order to improve the medical care of military personnel and their families, the MND has formulated and promulgated "The Regulation of Preferential and Exempt Treatment of Military Hospitals and Clinics for Military Personnel and Military Dependents," and "The Regulation of Medical Compensation for Military Members and Cadets Wounded on Duty" to ensure military personnel and military dependents can have timely and proper medical care. By implementing the government policy of ensuring force safety, stabilizing military families, and easing military dependents' concerns and "The Regulation of Military Dependents Administration and Management," the MND will continue to provide preferential treatment for military dependents and posthumous veteran dependents in the military hospitals as a substantive way to guarantee their medical care.

(3) In order to strengthen the warfighting capability of our forces, the MND will continue to take good care of military members and dependents. The measures include actively rebuilding aged military barracks and amenities, increasing military service salaries, providing medical and health services, and accelerating the reconstruction of old military quarters. In order to better serve our field forces, the delivery of military non-staple foods

will be outsourced to reduce the administrative burden on those forces and concentrate them on training and operational tasks. Moreover, through institutionalization of military welfare affairs, the MND will continue to improve the livelihood of military personnel and the settlement of military dependents.

VI. Cross-Strait Military Confidence-Building

The national security of the Republic of China critically depends on the development of cross-strait relations. In compliance with the government policy of "cross-strait peaceful and stable exchange framework" and the ROC Armed Forces' duty of maintaining national security and preventing war, Taiwan will continue to negotiate the "Code of Conduct across the Strait" with the PRC, and promote the establishment of "cross-strait military confidence-building measures," so as to improve peace and stability in the Taiwan Strait.

1. The Basic Principle of Government Policy

(1) Promoting a "cross-strait peaceful and stable exchange framework"

The fundamental principle of our cross-strait policy is to promote the establishment of a "cross-strait peaceful and stable exchange framework," which was publicly proposed by President Chen Shui-bian in February 2004. In his inaugural speech on May 20, 2004, President Chen reiterated this idea and argued that the future development of cross-strait relations should follow "One Principle (Peace)" and "Four Major Issues (establishment of a dialogue mechanism, equal and reciprocal engagement, formulation of political relations, and prevention of military conflicts)." In his National Day speech on October 10, 2004, he further unambiguously proposed "officially ending the state of hostility in the Taiwan Strait," "establishing cross-strait military confidence-building measures," "reviewing cross-strait armament policies," and "formulating a Code of Conduct across the Strait."

(2) Establishing "cross-strait military confidence-building measures"

Currently, the paramount objective of our defense policy is "preventing war," which is expected to create a peaceful external atmosphere to help national and social development. Based on this objective, our most significant policy objectives include promoting regional security cooperation, increasing cross-strait military transparency, and fully supporting the government's policy in an attempt to establish cross-strait military confidence-building measures through security dialogue and exchange.

2. The Planned Concept of Military Confidence-Building Measures

Though the establishment of cross-strait military confidence-building measures has been restricted by numerous subjective and objective factors, both sides must highly value the planning and maneuvering of military confidence-building measures if they want to maintain a secure and stable environment and avoid unnecessary military conflict. In order to advance the concept of a military confidence-building mechanism, the preliminary

planning includes the following three stages:

(1) Near-term stage — building mutual good faith and reaching common ground while preserving uniqueness of both sides

- a. Continuously demonstrating good faith and garnering international support,
- b. Promoting military science exchange through civilian organizations,
- c. Expanding communication through regional and international "track II,"
- d. Proposing the cooperative research and idea exchange of defense personnel

between both sides,

- e. Proposing cross-strait military-to-military visits and learning.

(2) Mid-term stage — establishing regulatory institutions and enhancing mutual trust

a. Proposing both sides cooperate on humanitarian search/rescue operations in the Taiwan Strait and South China Sea and sign the "Maritime Humanitarian Search/Rescue Agreement,"

b. Discussing the cooperation of fighting international maritime criminal activities and eventually establishing maritime security communication channels and cooperation mechanisms,

c. Signing the "Agreement on Preventing Hazardous Military Activities" to avoid unintentional border violations or incidents caused by naval ships or military aircraft,

d. Signing the "Code of Conduct for Military Aircraft Meeting in the Air" and "Code of Conduct for Naval Ships Meeting on the Sea" to prevent unintentional military accidents or conflicts,

e. Signing the "Agreement on Confidence-Building in the Military Field West and East of the Taiwan Strait Center Areas" and formulating the common code of conduct of the Taiwan Strait,

f. Creating "military aircraft no-fly zones or flight restricted zones" or "military buffer zones" in the areas near the Taiwan Strait center line,

g. Discussing the establishment of de-militarization zones in certain areas,

h. Completely withdrawing weapon systems aimed at each other,

i. Both sides agreeing to request a neutral third party as moderator or trustee.

(3) Long-term stage — ending the state of hostility to secure peace

a. ending the state of hostility in concordance with the signing of a government-to-government peace agreement,

b. Advancing cross-strait security cooperative relations to ensure peace and stability in the Taiwan Strait.

3. The Establishment of a Code of Conduct across the Strait

"Preventing military conflicts" has always been the main concern of the ROC Armed Forces. It is believed that decreasing mutual misunderstanding and misjudgment, prevent-

ing military clashes, and increasing mutual understanding across the Strait will ensure stability. Therefore, Taiwan and the PRC should sign a "Code of Conduct across the Strait." Practical recommendations include:

(1) Aircraft and ships from any side shall not conduct simulation attacks such as radar lock and tracking, or practice electronic jamming of aircraft and ships of the other side. They shall not project any objects at those of the other side as well.

(2) While conducting surveillance toward aircraft and ships of the other side, surveillance aircraft and ships shall keep an adequate distance from the monitored aircraft and ships, and shall prevent obscuring or endangering the movement of the monitored aircraft and ships.

(3) In the event of submarine drills, surface ships in the drill shall mark adequate water area and use accurate International Code of Signals (INTERCO) to warn other ships within the maneuver area of the submarine.

(4) While maneuvering in the Taiwan Strait at night, aircraft and ships of both sides shall turn on the Identification Friend or Foe (IFF) and lights during the whole journey.

(5) While ships of both sides approach each other, international signal code shall be used to inform the other side of intentions and activities.

(6) If an exercise or test fire will be practiced in islets such as Kinmen, Matzu, Tungyin, and Wuchiou, or in Fujian and the southeast coastal area of China, an announcement subject to international regulations shall be made.

(7) Emergency Procedures:

a. Both sides shall conduct a joint effort to develop an "emergency procedure," so as to decrease the degree of uncertainty in case of contingency.

b. This procedure shall include procedures for handling accidental sea or air intrusion, and any sea and air incidents so as to keep the situation from escalating beyond control.

For the long-term peace and stability across the Taiwan Strait, practices such as military science exchange and military buffer zones will be set into action in the future in accordance with the military confidence-building measures timetable. Then, military armaments policy, quantity, and deployment will be reviewed. Finally, the hostile confrontation across the Strait will be formally closed.

VII. Crisis Management

The ROC Armed Forces are an inseparable component of the national crisis management system. In compliance with government policy and the principle of all-dimensional security, they focus on managing military crisis. The information reporting system of the Joint Operation Command Mechanism is designated with the responsibility to closely monitor

dynamic and stationary factors which will influence security. In order to protect life and property, it will spare no effort to prevent any crisis in advance, monitor situations while they occur, respond to emergent scenarios, swiftly manage crisis situations, and confine any escalation. (see Figure 2-1)

1. The Crisis Management of the ROC Armed Forces

(1) Missions

Under the direction of "Governmental Response and Management Mechanism on Domestic Major Urgent (Contingent) Events" issued by the National Security Council, the missions of the ROC Armed Forces, within the national crisis management mechanism, include:

- a. Preparing for war and executing defense operations under a military conflict,
- b. Facilitating the Ministry of the Interior to manage mass upheavals and violent activities, handle serious hijacking and sabotaging events in the Capital area, and neutralize civilian airport, aircraft, harbor, and ship hijackings and sabotages,
- c. Under "Disaster Prevention and Response Act," supporting local governments and governmental disaster relief authorities when they are unable to manage disasters.

(2) Authority

The authority of the MND is derived from "The Enforcement Regulation of the Management of Accidents during General Combat Ready Status for the ROC Armed Forces (Governing also unrestricted warfare and counter-terrorism activities)" and the "Disaster Prevention and Response Act," which list various major accidents or disasters which need to be handled. For those accidents without legal mandate, the MND can provide timely support under the direct order of national command authority. When a crisis has escalated to jurisdiction and evolved into military conflict or war, it will respond with proper warfighting preparations or execution of defense operations under related standard operating procedures and operation plans.

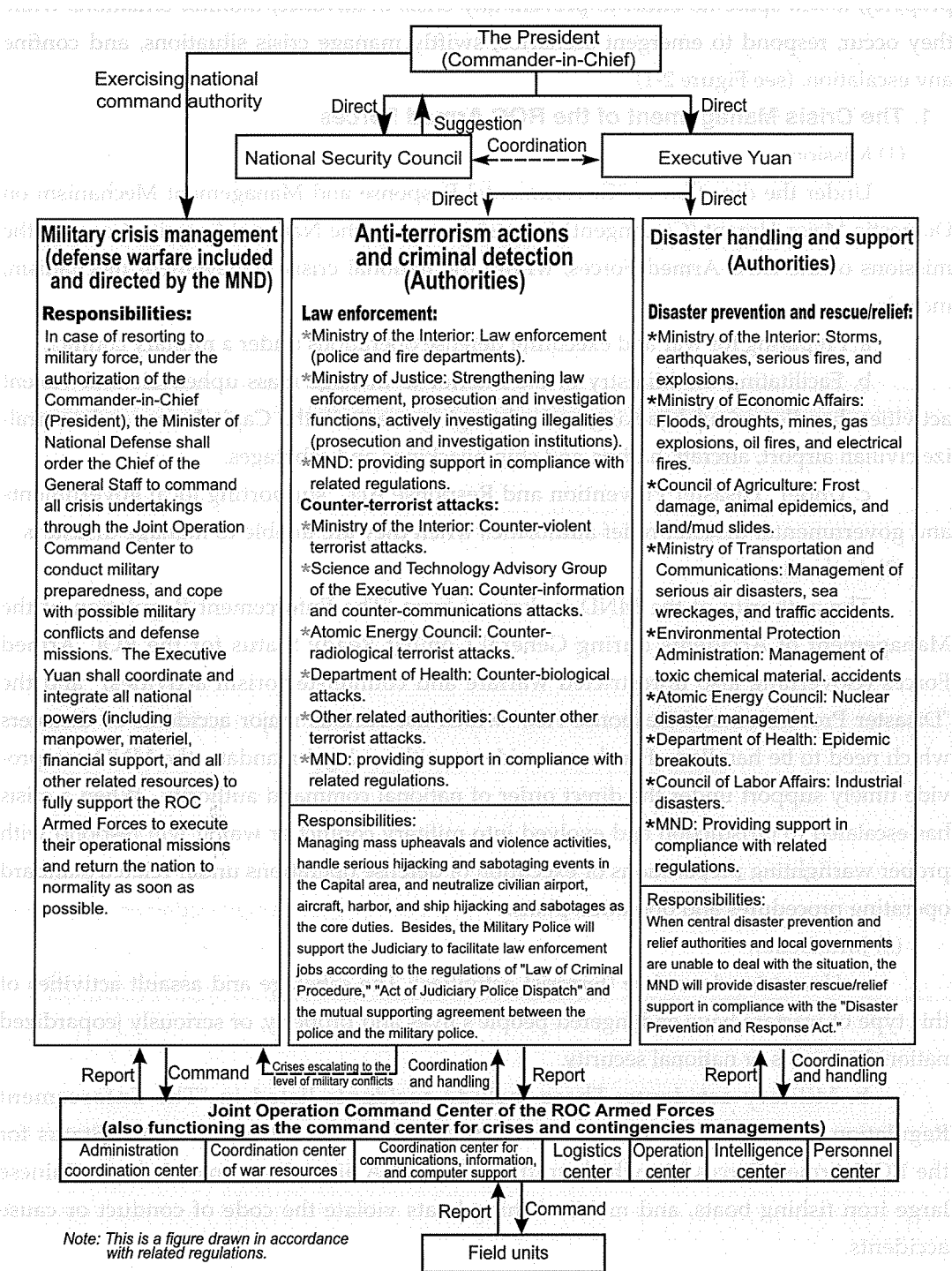
(3) Jurisdiction

a. Unrestricted warfare (terrorist activities): The sabotage and assault activities of this type of warfare have endangered people's lives and property, or seriously jeopardized national interests or national security.

b. Military accidents: These include accidents listed in "The Enforcement Regulation of the Management of Accidents during General Combat Ready Status for the ROC Armed Forces," in which crafts such as PLA aircraft and naval ships, Chinese large iron fishing boats, and mobile fishing boats violate the code of conduct or cause accidents.

c. Major disasters: These are the large disaster listed in the "Disaster Prevention and Response Act."

Figure 2-1 The Crisis Management Classification and Authorities of the MND



2. Implementation Strategy and Planning

(1) Military Crisis

The pattern of modern warfare and the development of high-tech weapons have increased the suddenness and unpredictability of military crises. Crisis monitoring and management will face more challenging situations if an adversary launches terrorist attacks by quasi-military actions or unrestricted warfare measures. Therefore, when an adversary shows obvious offensive intentions or clear indications of invasion, the MND will immediately and comprehensively analyze threat intelligence and issue preparatory orders for an "upgrade of defense readiness condition (DEFCON)" and for "preliminary operation guidance on a timely basis to prepare for enemy threat. In the following step, the MND will recommend the government to convene the "National Security Council." Based on the decision and direction of national command authority, it will adopt proper warfighting preparations or execute defense operations.

Considering that the enemy may launch regular and irregular, linear and non-linear, symmetrical and asymmetrical warfare with a sudden assault against Taiwan, the ROC Armed Forces have completed preparations for various combat-ready statuses. Based on the capability differences of forces between peace and war time, the standard operating procedures and operation plans have been formulated accordingly. We are cautious with launching a war. We will not start a war before all other choices have been exhausted. Based on these two principles, the warfighting preparation guidance is designed to actively and comprehensively prepare for war and succeed defense operations.

(2) Counter-terrorism Operations

Terrorist attacks are destructive offenses guided by ideologies, dictated by long-term objectives, synchronized by organization, and directed by plans. Terrorists will continuously change their acts to realize their ambitions and goals. Therefore, in order to protect life and property, the government has issued a comprehensive guideline on "the action organization structure and functional mechanisms of counter-terrorism." Under this guideline, the counter-terrorism crisis management is separated into three stages —prevention, management and recovery. The risk prevention statuses include three color codes —green, yellow, and red. Once intelligence regarding a terrorist attack is confirmed or an unpredicted terrorist attack has occurred, the counter-terrorism mechanism will be immediately activated to respond to the emergency.

As preparing counter-terrorism measures is one of its missions, the ROC Armed Forces have the responsibility to defend our homeland security and effectively cope with unrestricted warfare-based terrorist attacks. When a terrorist crisis suddenly escalates to a military conflict, the best measures to prepare or execute defense operations will be required. Therefore, in order to prevent terrorist attacks before they happen and to

improve the effectiveness of counter-terrorism actions, the ROC Armed Forces constantly prepare for various scenarios with new concepts and thinking. During peacetime, they utilize a variety of intelligence collection organizations to harvest terrorist intelligence and exchange intelligence with other domestic and foreign sources. Considering that early warning of a crisis is more important than crisis management and recovery, the ROC Armed Forces proactively work with related organizations to monitor any indication and execute joint counter-terrorism operations in the hopes to neutralize any crisis before it emerges.

(3) Disaster Relief and Rescue

Based on ideas that administrative effectiveness comes from the teamwork of all governmental agencies and "feeling other people's pain as ours," the ROC Armed Forces always support disaster relief authorities and local governments when major disasters



The ROC Armed Forces was executing a counter-terrorism drill.

overwhelm their abilities. In compliance with the "Disaster Prevention and Response Act" and "The Regulation of Applying Military Assistance to Relieve Disasters," the ROC Armed Forces will dispatch forces to facilitate disaster relief efforts immediately after they happen based on the principle that missions shall not influence operation readiness, disturb command authorities, or exceed capacity. In October 2004, the MND included disaster relief as one of the regular military missions. By doing so, it is expected to lay the legal basis for procuring disaster relief equipment and machinery to help minimize the destruction of life and property. (see Chapter 25, Section I, "Disaster Relief and Rescue.")

3. The Prevention of Military Crisis

The crisis prevention effort is extremely complex. Its purpose is to take the initiative and assess any possible situation in advance. Its focuses are grasping threat intelligence, predicting crisis, formulating reaction initiatives, rehearsing conditions, and accumulating experience. For the characteristics and patterns of crises, the ROC Armed Forces have closely worked with authorities to seamlessly collect intelligence, comprehensively design accident scenarios and responses, and direct forces from the three services to investigate resources in their area of responsibility and prepare for resource mobilization. Coordinating with military, government, and civilian combined exercises, ROC Armed Forces executed a variety of integrated joint homeland defense exercises to improve their abilities in joint early warning, joint response, and crisis prevention and management. In the future, the ROC Armed Forces will follow national security policy and defense policy objectives and guidelines to continue monitoring the situations in the Taiwan Strait. Focusing on reducing military tension and risks of miscalculation, the ROC Armed Forces will endeavor to prevent military accidents and neutralize crises before they emerge.

4. Crisis Management

Crisis management aims to monitor the development of crises that occur and defuse them as soon as possible. Its focuses are stabilizing the situation, monitoring the gravity of crises and integrating responses. When the country faces a natural or artificial disaster, the ROC Armed Forces abide by the "Disaster Prevention and Response Act" and the "Regulation of Applying Military Assistance to Relieve Disasters" to facilitate county or city governments to relieve disasters. In an unrestricted warfare-based (including terrorist attack) sudden assault, The ROC Armed Forces will immediately analyze the characteristics of the assault to decide its sources. Then, the designated contingent forces will follow the order to provide "counter-terrorism operation" support for authorities and local government and neutralize the threat as soon as possible. When the crisis escalates, the Joint Operation Command Center will activate a comprehensive contingent mechanism and execute contingency



The Minister of National Defense Lee Jye encourages rescue team' services.

tasks or defense operation missions in compliance with the order from the national crisis management mechanism.

5. Aftermath Recovery

Rehabilitating confidence is critical in the aftermath recovery stage. The ROC Armed Forces will focus on reconstructing damaged hardware and rebuilding confidence. For the reconstruction of damaged hardware, the ROC Armed Forces will follow the order to provide support, and mobilize comprehensive national powers to decontaminate or reconstruct affected areas, so as to avoid a second crisis. For rehabilitation of confidence, the focuses will be boosting forces' morale and anchoring the fighting will of the military and people to effectively dissuade the enemy from launching follow-up attacks.

Chapter 6

■ Military Strategy

Under the principles of "preventing war," "defending homeland," and "countering terrorism and responding to contingencies," the ROC Armed Forces will establish a military force with "effective deterrence, resolute defense" capabilities. Moreover, guided by the concept of military buildup and the vision of "building a knowledge-based military and dominating warfighting superiority," the ROC Armed Forces will continue the tri-services integration efforts. Its purposes are to build a modernized force of high-quality, efficiency and high combat effectiveness; and to support the accomplishment of defense policy objectives and ensure national security.

I. Strategic Concept

The strategic concept includes fundamental strategy and defense operation guidance. It is aimed to unite the people's will to fight, integrate warfighting capabilities of the services, bring to bear joint operation effects, and successfully accomplish the mission of Taiwan and Penghu defense operations.

1. Fundamental Strategic Concept

The fundamental strategic concept is "effective deterrence, resolute defense."

(1) Effective deterrence

By establishing effective deterrent counterstrike and defense capabilities and by deploying forces capable of effectively neutralizing or delaying enemy attacks, the enemy will be persuaded to give up any military ambition after rationally assessing the outcome.

(2) Resolute defense

Once deterrence fails and the enemy launches a military invasion against us, we will combine comprehensive all-out defense capabilities and joint operation capabilities to firmly defend our homeland and stop, defeat and destroy the invading enemy.

2. Defense Operation Guidance

The defense operation guidance of the ROC Armed Forces includes:

(1) Dominating information and electronic superiority and battlefield awareness

In order to receive warning indications as early as possible and to monitor enemy movements, the offensive and defensive IO/EW capabilities, preemptive soft-kill measures, and datalink systems will be integrated to form a tactical data integrated platform, so as to fuse joint intelligence, surveillance, and reconnaissance (ISR), human intelligence

(HUMINT), and friendly and ally intelligence to facilitate seamless threat awareness and take the initiative in joint operations.

(2) Effective countermeasures/counterstrikes to delay enemy offensive

By employing IO/EW capabilities, long-range precision weapons, and certain naval and air forces, along with special operatives behind enemy lines and offshore island forces, the counterstrike effort is designed to rapidly paralyze the enemy's critical nodes and delay its invading operation tempo, so as to disrupt its ambition of winning a decisive victory in the first battle and swiftly ending the war.

(3) Preserving fighting capability and sustaining strategic endeavor

The ROC Armed Forces must strengthen their force preservation abilities on multiple redundancies, dispersive disposition, comprehensive protection, and rapid reaction maneuvers. By doing so, the Armed Forces are expected to counteract the enemy's sudden asymmetrical assaults and reduce damage, so as to maintain second wave warfighting capability and support strategically sustaining defense operations.

(4) Joint interdiction and homeland defense

Combining long, middle, and short range forces and fire, complemented by superior communication, information, and electronic measures, a joint interdiction operation will concentrate fighting power on our preferential operational areas to gradually weaken the invading enemy's fighting ability and eventually destroy them by separating their forces. In ground defense, the special operation forces will work with reserve forces to disrupt the enemy's sabotages with rapid reaction maneuvers, so as to preserve the integrity of fighting capability and secure critical political and economic facilities.

II. Force Buildup Planning

Based on the requirements of defense operations and the changes in the strategic environment, the ROC Armed Forces follow the thinking and ideas of the revolution in military affairs (RMA) and step-by-step and pragmatic transformation approaches to advance future force buildup planning and construct a high-quality, modernized military force. The concepts of force buildup planning are as follows:

1. Advanced Technology — Defense Technology Planning

Based on the evolution of the enemy threat and the future requirements of the ROC Armed Forces, the MND has integrated the technological capabilities of industry, government, academics, and researchers to commit research and development of up-to-date and critical defense technologies in a way to garner IO/EW superiority and advance military transformation. By updating weapons systems and integrating joint warfighting capabilities, the comprehensive operational capability of the ROC Armed Forces is expected make a great leap. The planned objectives include:

- (1) Considering future operational requirements,
- (2) Concentrating on the research and development of critical weapons,
- (3) Foreseeing future R&D direction of advanced technologies,
- (4) Fusing military and industrial technological resources,
- (5) Implementing the policy of building a autonomous defense system.

2. Information and Electronic Superiority — IO/EW Capability Planning

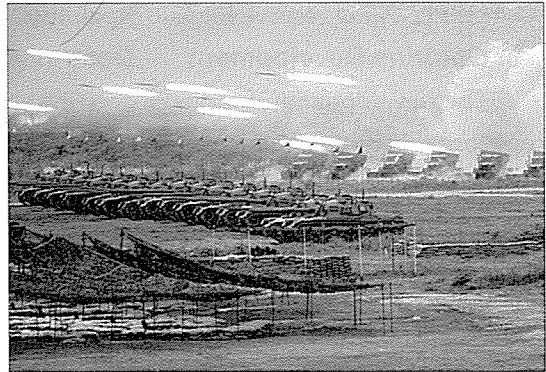
In order to establish the Taiwan Strait electro-magnetic defense line and gain electro-magnetic superiority, the MND follows the guidelines of integrating intelligence, providing comprehensive protection, and taking the initiative with rapid reaction maneuvers to establish superior infrastructure, advanced information, command and control (C2) systems, and flexible IO/EW capabilities. The planned objectives of winning IO/EW superiority are as follows:

- (1) Superior infrastructure,
- (2) Advanced information and C2 systems,
- (3) Flexible IO/EW operations.

3. Joint Interdiction Operations — Force Integration Planning

In order to succeed in the mission of integrating joint interdiction capabilities, it is critically necessary to dismantle service departmentalism, establish a sound joint operation mechanism, and improve battlefield management. Then, an advanced joint warfighting force capable of executing long-range in-depth operations and synchronized joint engagements can be built. The planned objectives of joint interdiction operations include:

- (1) Establishing the vision of joint operation planning,
- (2) Dismantling service departmentalism,
- (3) Centralizing authorities of joint command and control,
- (4) Achieving joint operation interoperability,
- (5) Building superior joint warfighting capability.



Credible warfighting power is a prerequisite of deterrence.

4. Homeland Defense — Comprehensive Capability Planning

Facing pluralized national security threats and considering the unique pattern of Taiwan and Penghu defense operations, the ground force planning focuses on civil all-out defense and joint operations. The objective of operational readiness is building a contingent, responsive, and combat-ready fighting capability. The planned objectives of homeland defense are as follows:

- (1) Neutralizing unrestricted warfare and terrorist threats,
- (2) Strengthening the crisis management mechanism,
- (3) Extending defense security depth,
- (4) Building comprehensive defense capability.

5. Seamless Logistic Support — Logistic System Planning

In concordance with defense organizational restructuring, the defense logistic system will be integrated and reinforced to combine military and civilian capabilities as a way to share resources and provide Taiwan and Penghu defense operations with timely, high-quality, and sufficient logistic support. The planned objectives of logistic support include:

- (1) Developing fundamental logistic support capacity,
- (2) Reassessing warfighting logistic support,
- (3) Enlarging reserve logistic capability.

6. Doctrine Development — Doctrine/Warfare Methodology Planning

The development of military doctrine should be correspondent with the strategic concept, organizational changes, and the acquisition of advanced weapons and equipment to formulate and revise the content. In the future, the MND will continue to focus on the development of joint operations and joint command doctrines and the establishment of a digitized library. The planned objectives of doctrine development are as follows:

- (1) Establishing a joint doctrine system,
- (2) Developing joint command and control doctrines,
- (3) Advancing digitized doctrine library.

7. Force Training and Readiness — Force Capability Planning

Calculating enemy threats and foreseeing situations in future battlefields, the MND has carefully planned annual military exercises to identify problems facing force buildup and combat readiness. Based on lessons learned in the review process, related operation plans will be revised to validate the functions of the joint command mechanism, improve the functionalities of computer wargame systems, and strengthen the effectiveness of joint command and control. The planned objectives of force training include:

- (1) Refining readiness planning processes,
- (2) Improving the effectiveness of military exercises,
- (3) Strengthening the functions of computer simulations.

8. Will to Fight — Political Warfare Capability Planning

The success of defense operations depends on the will of the military and the people to fight for our country. In order to improve intangible fighting capability and maintain national security, the political warfare departments will commit to boosting morale, faith and the will to fight as a way to solidify the military and the people, counteract the PLA's legal warfare, psychological warfare, and media warfare with psychological and stratagem warfare measures, build all-out defense capability by the mass mobilization warfare to heighten people's awareness to protect their hometown, families, and properties. The planned objectives of boosting the will to fight are as follows:

- (1) Boosting military morale and faith,
- (2) Solidifying the will to fight,
- (3) Building political warfare capability,
- (4) Recognizing PLA's intentions of conducting the "three warfares" and strengthening the mental defense of our fellow citizens.

III. Military Force Planning

In order to implement streamlining force policies and fully transform the force structure, in compliance with the National Defense Act and Organization Act of the MND and the review of the military organization restructuring process, the MND restructured the high-level command organizations to refine defense establishment and to advance comprehensive defense transformation. Moreover, considering future enemy threats and operational requirements, it also engaged in military capability adjustments to maintain qualitative superiority in terms of both human resources and weapons systems.

1. The Adjustment of Force Structure

(1) Army

Under the direction of dividing active and reserve forces into two separated systems, the cadre-based and mobilization-based forces were reassigned to the Reserve Command. In concordance with the acquisition schedule of weapon systems, operational requirements, and streamlining of off-shore island forces streamlining integration, the number of active forces will be reduced and fully manned to build a responsive, agile and lethal ground fighting force.

(2) Navy

Based on operational tasks, geographical and hydrological environments, characteristics of forces, and the acquisition schedule of large naval ships and submarines, the Navy will restructure its current naval fleet, organize a submarine fleet, and refine the organization of the Marine Corps Command to build a sea control force with high efficiency and effectiveness, rapid deployment capability, and long-range strike ability.

(3) Air Force

Based on the results of "Fighter Group" organization and equipment experiments, the Air Force will review the organizations of its aircraft wings and plan the streamlining integration of air force bases (AFBs) and aircraft wings with the same type of aircraft. In conjunction with the acquisition schedule of early warning equipment, including EW reconnaissance and intelligence collection systems and long range defense radars, the Air Force will continue to adjust the organizations of operational control, meteorological, and communication/information wings, so as to establish a counter air force that can dominate early warnings, prevent surprise attacks, and execute long-range engagements.

(4) Combined Logistics

Based on the guidelines of logistic system restructuring, the Combined Logistics Command has planned to reassign its military materiel manufacturing facilities, validation/accreditation units and topographical forces to the Armaments Bureau. The local supply, POL, ammunition, transportation, and military medical units of the Services will combine with bases of the same type and be organized as "district support command." In order to improve the professional effectiveness of ammunition management and medical service, the Ammunition Section, Supply Division, Transportation Division, and Medical Affairs Division of the Army Logistics Command will be reassigned to the Combined Logistics Command to become the Ammunition Division and the Medical Affairs Division. Moreover, with automated information and distribution systems, the combination of repair and maintenance, active supply, and centralized procurement and supply, the new system will provide a better resource-sharing support capacity.

(5) Reserve Forces

Based on the direction of dividing regular and reserve forces into two separated systems, the Reserve Command has readjusted the organization and number of district(county and city) reserve commands and reserve groups (including mountain reserve companies) to build an all-out civil defense reserve force. In conjunction with the number of annual recruited forces, the Reserve Command will continuously review the organization of reserve brigades to take over all of the basic training tasks.

(6) Military Police

Under the national crisis management mechanism, the Military Police Command continues to strengthen its counter-terrorism capability. In the future, its responsibilities will focus on central government protection, special services, discipline maintenance, and facilitating operations of other Services. The Military Police Command has planned to deactivate area military police investigation sections, restructure its organizations and streamline its forces.

(7) Ministry direct subordinate institutions

a. Reviewing and streamlining military prosecution and justice units.

b. Restructuring the General Political Warfare Bureau will as the Political Warfare Bureau, which will maintain the functions of psychological warfare, information distribution and publication, mental consoling, inspection, and internal security. The organization and system of political warfare will be properly adjusted based on changes in the overall environment.

c. Deactivating or downsizing area (including offshore islands) military hospitals.

d. Establishing the Information and Electronics Warfare Command and the Missile Command.

2. The Institutional Restructuring of the Higher Command Unit in the MND

In accordance with the legal spirit of the "National Defense Act" and "Organization Act of the Ministry of National Defense"(hereafter referred to as the "Two Defense Acts"), the policy branch is in charge of combat readiness; the command branch is responsible for commanding the armed forces and improving the capabilities and organization of intelligence, operations, communications and information; and the armament branch is accountable for armament readiness. Moreover, Army General Headquarters, Navy General Headquarters and Air Force General Headquarters are responsible for supporting the use of force and implementing the goals of development and establishment of the ROC Armed Forces.

3. Enhancement of the Joint Operation Command Mechanism

Based on the lessons learned from Hanguang and Liansing series military exercises, the MND completed the restructuring of the "Joint Operation Command Mechanism," which is separated into two major systems —joint operation command and operational support. By using multiple communication and information networks, it is expected to put forth joint operation effectiveness with simplified force employment process, flat command structure, high speed command dissemination, and rapid warfighting sustainability support. The restructuring of the Joint Operation Command Mechanism includes:

(1) The "joint operation command" system is divided into three layers-strategic decision-making and command (Joint Operation Command Center), strategic execution (10 major strategic execution components), and operational forces.

(2) The "operational support" system includes "Administrative Affairs Coordination Center and War Resources Coordination Center" and "Integrated Coordination Centers of the Services."

(3) The core of the joint operation command system is the "Joint Operation Command Center." Subordinated under orders from the Defense Minister, the Chief of the General Staff is responsible for military command, which has requirement and support relations with the "Administrative Affairs Coordination Center" presided over by the Deputy

Minister for Policy and the "War Resources Coordination Center" presided over by the Deputy Minister for Armaments. This system is to efficiently control and shape the conditions of war and effectively bring to bear comprehensive national powers in an integral manner.

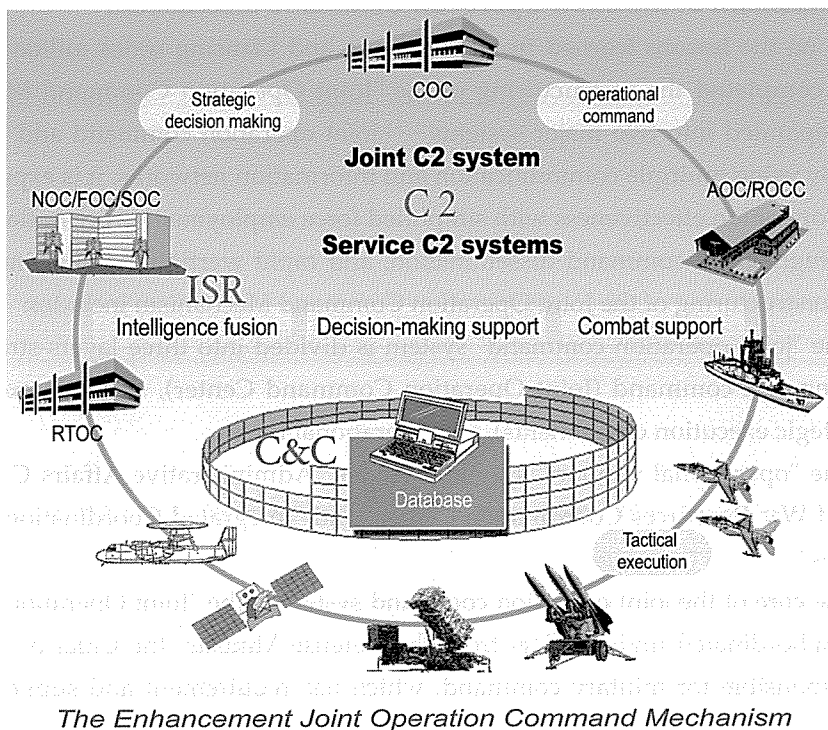
(4) The ten major strategic executive components each have their own scaled-down joint staff to strengthen their joint command, control and operations abilities.

(5) The Hengshan "Combined Operation Center" (COC) has been restructured. With the eventual integration of the Project Program C4ISR systems, multiple communication and information networks, and joint operation command system, it is expected to evolve into a network centric modern joint operation command center.

4. Major Weapons and Equipment Programming Efforts of the ROC Armed Forces

(1) The major procurement programs

The physical fighting capability building is a comprehensive planning effort based on the "Ten-Year Military Buildup Concepts" and "Defense Force Programming Plan." The military buildup and readiness programs will be prioritized and completed in accordance with the planned schedules. In recent years, the ROC Armed Forces have completed the establishment of counter-air capability (IDF, F-16 A/B, and Mirage 2000-5 fighters) and certain proportion of sea control capability (Lafayette and Cheng-kung class frigates).



Currently, the planned defense procurement programs include automated command and control systems (Project Program C4ISR system), KIDD class destroyers, defensive radar programs, RT-2000 multiple launcher rocket system (MLRS), and amphibious assault vehicles (AAV). With the acquisition of the ballistic missile defense system (PAC-3 system), follow-up counter-sea forces (P-3C long-range fixed-wing ASW aircraft and diesel-electric submarines), advanced attack helicopters, and self-propelled howitzers, it is expected to effectively maintain the military balance in the Taiwan Strait and increase the PLA's cost incurred by a military invasion against Taiwan deterring the enemy from starting a war and ensuring our national security.

(2) The defense weapon procurement programs of critical significance

Facing increasing military threats posed by the PRC, the ROC Armed Forces completed the building of counter air & sea dominance (partial) capabilities between 1993 and 2002. Currently, the focused programs include C4ISR, missile defense and sea control capabilities. Based on comprehensive defense strategic requirements, the MND went through detailed and careful planning and mandated acquisition processes for every major program. With annual defense budgets unable to meet defense requirements in a timely basis, it has had to list special budgets in the fiscal year 2004 to procure three defense-critical weapon systems, including the PAC-3 system, diesel-electric submarines, and long-range fixed-wing ASW aircraft. If those weapon systems can be acquired on planned schedules, they will efficiently improve our active missile defense capability, effectively strengthen our ability to counter an enemy sea blockade and navigate amphibious fleet, increase employment flexibility of defense operations, and establish basic strategic deterrent capacity. Therefore, we can achieve the strategic objectives of "effective deterrence, resolute defense" and maintain the military balance in the Taiwan Strait.

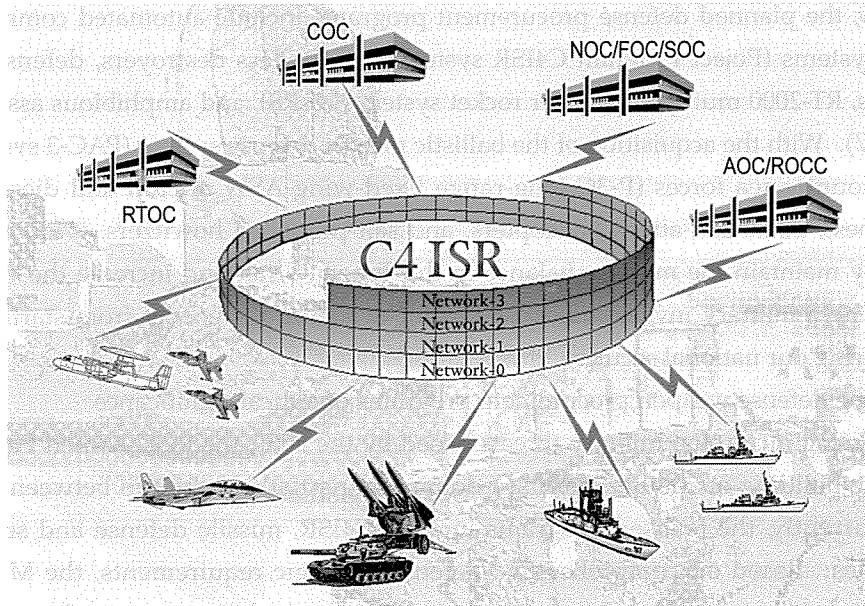
IV. The Vision of the ROC Armed Forces

The vision of the ROC Armed Forces, in concordance with the vision of national development strategy of the Executive Yuan, is to establish a high-quality, effective, and modernized military power through practicable management.

1. The Vision of the ROC Armed Forces — "Knowledge-Based Military, Superior Warfighting Capability"

(1) Knowledge-based military

The specific meaning of "knowledge-based military" is promoting a knowledge-oriented military transformation, which involves the RMA not only in military technology, organization and institution, military theories, and operational training, but also in military management, military system, military thinking, and ideas. The ROC Armed Forces must create an excellent environment to encourage knowledge innovation and properly



Knowledge-based military creates a superior fighting capability.

review and revise military concepts, operational concepts, doctrines and manuals, personnel training, tactics and methods, and a variety of military action plans, so as to build a modern fighting force on the basis of knowledge.

(2) Superior fighting capability

In accordance with the evolution of future warfare, the ROC Armed Forces will build a knowledge-based military. Measures to be taken include: improving ROC Armed Forces software and hardware synchronized fighting capability, strengthening reconnaissance and intelligence collection abilities, command and communication effectiveness, mobility, striking capability, and logistic support capability, and establishing a highly mobile (speed), adaptive (flexibility), lethal (combat power) joint operation force. This force will be able to swiftly take the battlefield initiative during wartime, gain relative advantage, and concentrate power on desired areas to defeat the invading enemy.

2. The Framework of the Vision

(1) Professionalism

With the development of advanced technology, the division of specialties is becoming more detailed and the function is becoming more specialized, so the legal spirit of the "Two Defense Acts" puts the emphasis on the professionalism and the division of specialties. Furthermore, due to the use of high technology weapons and equipment and the way of warfare depending more and more on technology, the ROC Armed Forces is striving to become a high-quality and modern armed forces through professionalism and the division of specialties. The strategies to promote military professionalism are as follows:

- a. Recruiting talents with different backgrounds,
- b. Valuing professional technology,
- c. Perfecting professional education,
- d. Implementing efficient specialized training,
- e. Executing the division of specialties,
- f. Creating a thorough continuing learning system,
- g. Establishing a license system.

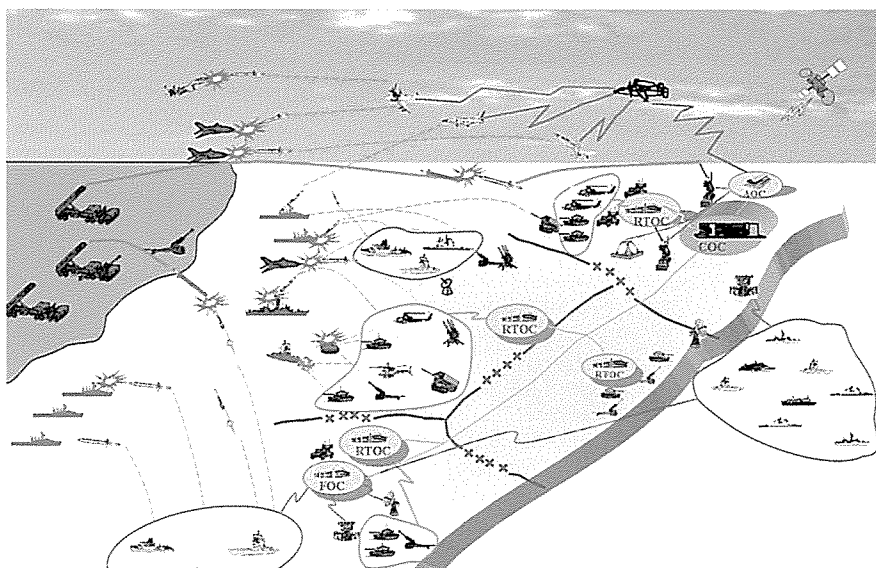
(2) Transformation

In light of the trends of multi-dimension, information and electronic orientation, disengagement, all-people involvement, and unrestricted warfare in the future warfare, the ROC Armed Forces will establish a knowledge-based military, transforming itself into a high-quality, effective, and powerful defense force. The strategies of transformation include:

- a. Changing organization and equipment make-up,
- b. Conducting capability oriented transformations,
- c. Strengthening joint operations,
- d. Creating IO/EW superiority,
- e. Enhancing technology base,
- f. Completing all-out defense establishment.

(3) Speed

The organization, structure, and equipment of the ROC Armed Forces should focus on the creation of "speed" so as to bring to bear flexible engagement or action ability and



The conceptual configuration of future joint operation

seize initiative on battlefield awareness and targeting. With better responsiveness, the forces can increase battlefield survivability and probability of success. The strategies to gain speed are as follows:

- a. Adjusting organizational architecture,
- b. Establishing near real time C3I,
- c. Building mobile IO/EW platform,
- d. Accelerating force mobility,
- e. Quickening fire projection,
- f. Improving timeliness of logistic support.

(4) Joint Operations

Joint operations are key to creating battlefield dominance. The ROC Armed Forces must integrate reconnaissance and intelligence collection, command and control, mobility, striking capability, and logistic support to bring out the effectiveness of joint operations. Concentrating fighting capabilities on the battlefield on a timely basis and shaping relative force superiority are ways to increase the probability of success. The strategies to improve joint operations include:

- a. Nurturing high-quality joint personnel,
- b. Perfecting joint intelligence analysis,
- c. Refining joint command and control,
- d. Integrating the logistic supports of the Services,
- e. Improving joint doctrines and manuals,
- f. Creating joint operations culture.



ORGANIZATION OF NATIONAL DEFENSE AND
ARMED FORCES

3

■ Summary

1. Chain of Command

The chain of command for national defense is structured as follows: the President, the National Security Council, the Executive Yuan and the Ministry of National Defense.

2. Organization

After the National Defense Act and the Organization Act of the Ministry of National Defense were put into effect, the organization of the Military of National Defense is restructured as follows:

- The Military Policy branch is responsible for military buildup and strategic planning;
- The Military Armament branch is responsible for armament readiness;
- The Military Command branch is responsible for commanding forces and directing combat.

3. Regular Forces

- The Army is responsible for maintaining the security of Taiwan and offshore islands and actively enhancing ground operational readiness (including countermeasures) during peace time. However, during wartime, it will execute ground defense operations joining with other Services.
- The Navy has peacetime missions as maritime patrol, maintaining maritime security, and actively strengthening its fighting capability. While at war, it will be a member of joint operations team.
- The Air Force, during peace time, has to patrol and monitor the airspace around Taiwan, maintain airspace security of the region, and enhance its fighting capability. During wartime, it will fight for air superiority and bring about its operational effects.
- The Combined Logistics Command is constantly preparing combat-ready logistics system to satisfy the requirements of military buildup and wartime logistics support.
- The Military Police Command's missions are special security, anti-terrorism, capital garrison security, and facilitating joint operations to ensure national security.
- The Missile Command is constantly strengthening its combat readiness during peacetime. During wartime, by using medium and long range land-based air defense and sea dominance missiles and stand-off precision strike capabilities, it will execute three key missions, including suppression of invasion at the origin, ballistic missile defense and joint interdiction operations.

- The Information Operation and Electronic Warfare (IO/EW) Command is dedicated to protecting information & electronics security of the command & control (C2) system and monitoring potential threats. During wartime, they will counter the enemy's cyberspace intrusions, attacks, blockade and network theft, execute EW support and protection, and gain IO/EW superiority by strategic and tactical strikes.

4. Reserve Forces

The Reserve Command has as its sole authority the responsibility of organizing, managing, equipping, mobilizing and training reserve forces. By strengthening military mobilization readiness, it will train reserve forces to be capable of executing area defense, protecting their hometowns, land, and property, in order to accomplish homeland defense missions.

Chapter 7

■ Organization of National Defense

The National Defense Act and the Organization Act of the Ministry of National Defense (hereafter referred to as the "Two Defense Acts") embrace several key principles, including "consolidation of military policy and command branches," "civilian control of the military," and "professionalization and division of labor among the policy, armament and command branches." By constructing the defense organization with "uniformity between authorities and responsibilities" and "division of professionalization," the armed forces can concentrate on operational training and combat readiness, and eventually become a modernized and powerful fighting force.

I. System and Responsibility of National Defense (Figure 3-1)

1. System of National Defense

The national defense is structured as follows: (Article 7, National Defense Act)

- (1) The President.
- (2) The National Security Council.
- (3) The Executive Yuan.
- (4) The Ministry of National Defense.

2. Responsibility

- (1) The President

The President shall assume the supreme command of the Army, Navy and Air Force of the ROC, and is the Commander-in-Chief of the ROC Armed Forces. He exerts executive authority over the Minister of National Defense, and the Chief of the General Staff (CGS) follows the command of the Minister to lead the ROC Armed Forces. (Article 8, National Defense Act)

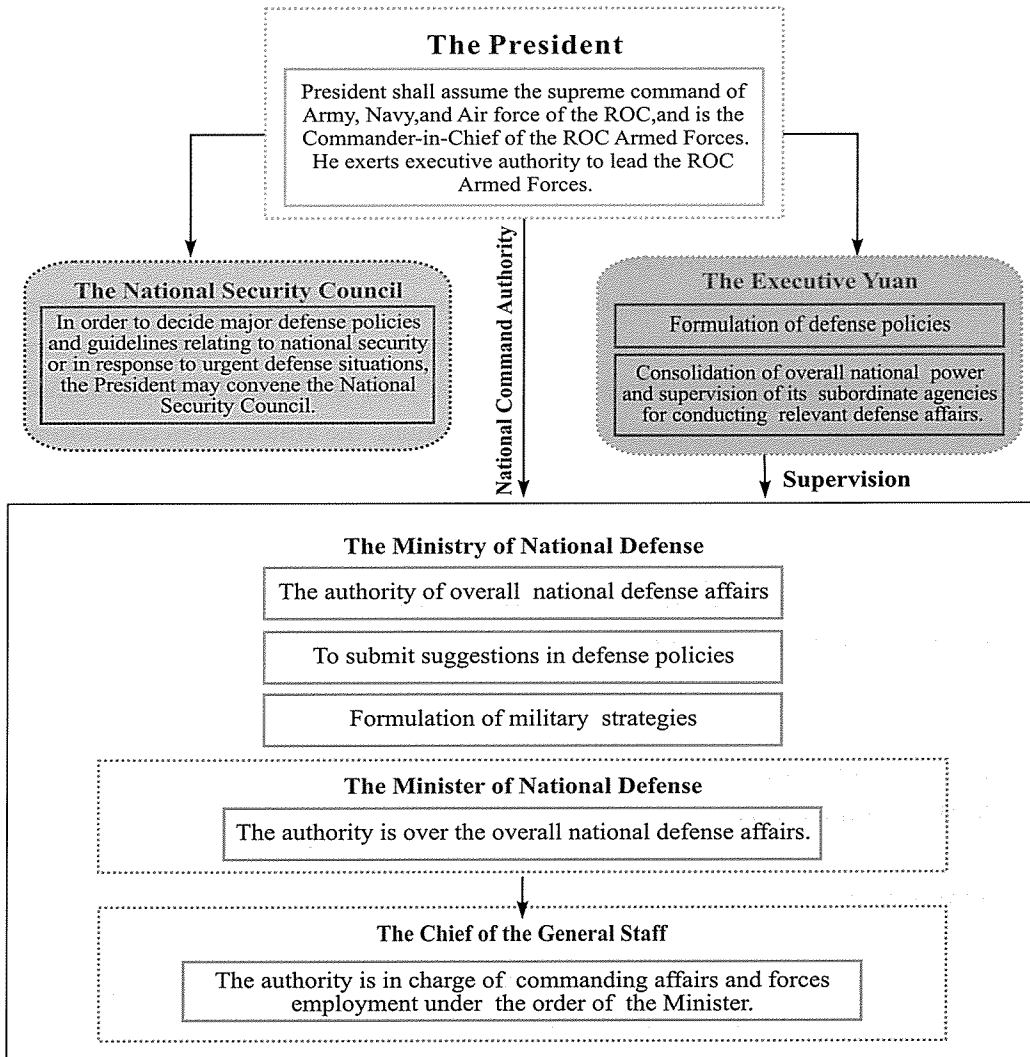
- (2) The National Security Council

In order to decide major defense policies and guidelines relating to national security or in response to urgent defense situations, the President may convene the National Security Council. (Article 9, National Defense Act)

- (3) The Executive Yuan

The Executive Yuan is responsible for formulation of defense policies, consolidation of overall national power and supervision of its subordinate agencies to conduct relevant defense affairs. (Article 10, National Defense Act)

Figure 3-1 System and Responsibility of National Defense



Source: National Defense Act (Jan. 8, 2003 Promulgated)

(4) The Ministry of National Defense:

a. The MND is in charge of overall national defense affairs, shall well perform its policy, command and armament functions. Furthermore, it shall submit suggestions in defense policies and formulates military strategies accordingly. (Article 11, National Defense Act)

b. The position of the Minister of the National Defense is of civilian official nature, and he or she shall assume the authority over the overall national defense affairs. (Article 12, National Defense Act)

c. The MND has under it the General Staff Headquarters (GSH), serves as the staff organization of the command branch, and as the command mechanism of joint operations

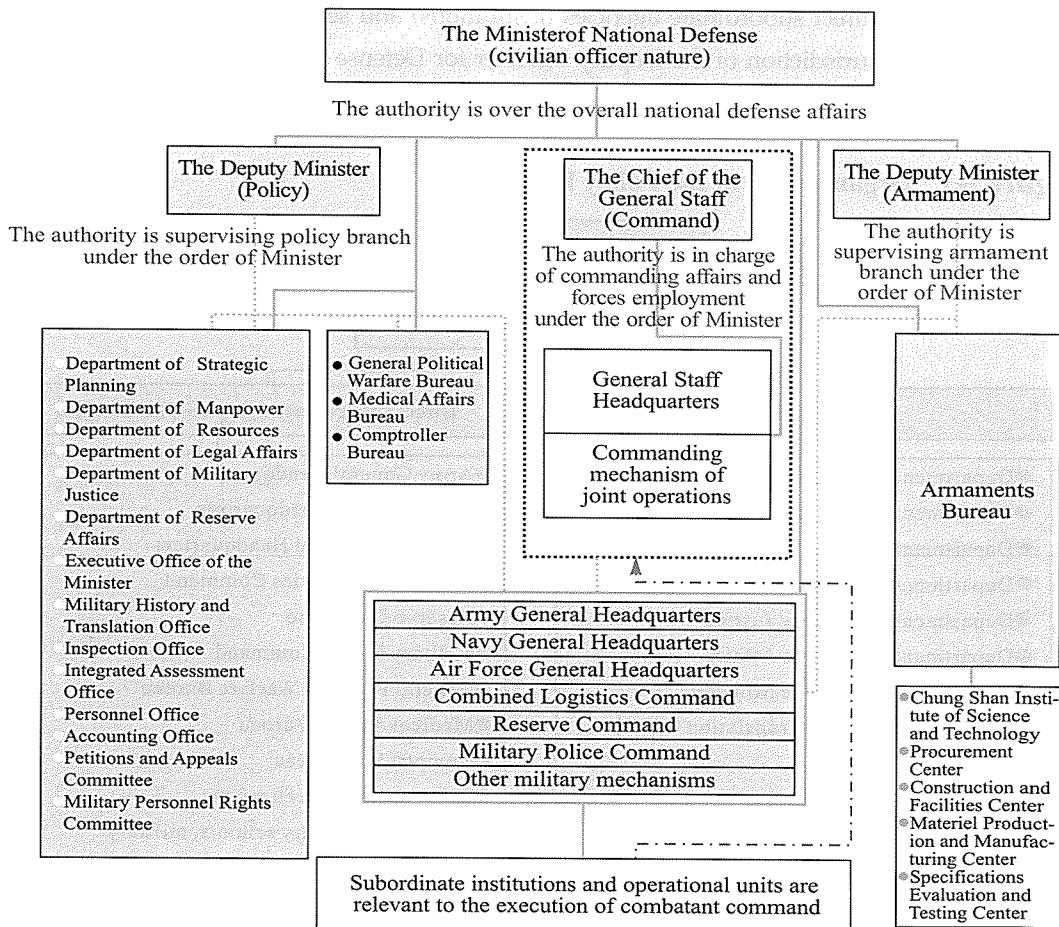
to the Minister. The GSH is headed by the CGS, who is in charge of military affairs of the command branch, and assumes the authority to command the ROC Armed Forces under the order of the Minister. (Article 13, National Defense Act)

II. Organization of the Ministry of National Defense

1. Organization of the MND (Figure 3-2)

The organization of the MND has a significant change under the National Defense Act and the newly amended Organization Act of the Ministry of National Defense, and based on the consideration of division of professionalization, is divided into three main branches—policy, armament and command. The policy branch is responsible for proposing defense policies and executing military strategic planning. The armament branch is responsible for

Figure 3-2 Organization of the Ministry of National Defense



Act of the MND
(Feb. 6, 2002 Promulgated)

— Command ····· Supervision - - - - Assignment

armament readiness. The command branch is in charge of military command and control and force employment. Such demarcation can effectively function in a fully professional manner.

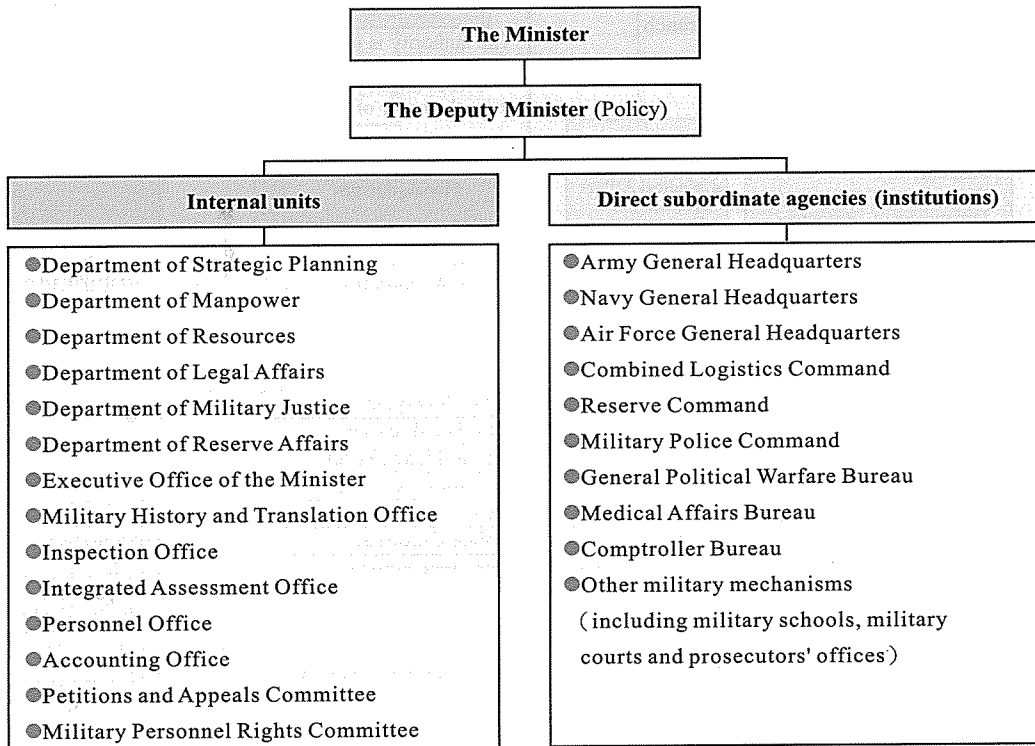
The authorities and responsibilities of the Minister, Deputy Minister (2) and CGS are described as follows:

- (1) The Defense Minister: Commands authority of national defense affairs.
- (2) The Deputy Minister (policy): Under the Defense Minister, he or she has the authority over defense policy institutions.
- (3) The Deputy Minister (armament): Under the Defense Minister, he or she has the authority over defense armament affairs.
- (4) The Chief of the General Staff: Under the Defense Minister, he or she has combat command over the Armed Forces and authority over military command and control.

2. Policy Branch (Figure 3-3)

The policy branch consists of 14 internal units (such as the Strategic Planning Department), 29 direct subordinate agencies (institutions) and several military schools, which are all under the jurisdiction of the Deputy Minister for Defense Policy, who report directly to the Defense Minister. The responsibilities and organization of the policy branch are described as

Figure 3-3 Organization of the Policy Branch



Source: Organization Act of the MND (Feb. 6, 2002 Promulgated)

follows:

(1) Responsibilities

Under the policy direction of the Defense Minister, the policy branch has the responsibilities over defense policies, military strategic planning and other relevant affairs as follows:

- a. Planning, recommendation, and implementation of defense policy;
- b. Planning, deliberation, and execution of military strategy;
- c. Programming and execution of the defense budgetary plan;
- d. Construction and development of forces;
- e. Research and development of technology and weaponry for defense;
- f. Planning and implementation of arsenal production and defense facilities;
- g. Assumption and execution of defense human resources;
- h. Deliberation and implementation of commission, decommission, promotion and transfer of servicemen;
- i. Planning and employment of defense resources;
- j. Management and implementation of defense laws and regulations;
- k. Planning and execution of military justice affairs;
- l. Assumption and execution of political warfare;
- m. Planning and implementation of reserve affairs;
- n. Integration and assessment of military buildup;
- o. Planning and execution of military history and translation affairs;
- p. Assumption, management and implementation of military education;
- q. Planning, execution and supervision of other defense related affairs.

(2) Organization

a. Internal units (14):

Department of Strategic Planning, Department of Manpower, Department of Resources, Department of Legal Affairs, Department of Military Justice, Department Reserve Affairs, Executive Office of the Minister, Military History and Translation Office, Inspection Office, Integrated Assessment Office, Personnel Office, Accounting Office, Petitions and Appeals Committee, Military Personal Rights Committee.

b. Direct subordinate agencies (institutions) (29):

Army General Headquarters, Navy General Headquarters, Air Force General Headquarters, Combined Logistics Command, Reserve Command, Military Police Command, General Political Warfare Bureau, Comptroller Bureau, Medical Affairs Bureau, and other defense agencies (including military schools, military courts and prosecutor's offices).

3. Armament Branch (Figure 3-4)

The armament branch consists of 8 internal units (such as the Program Evaluation Division of Armaments Bureau) and 5 auxiliaries, which are under the jurisdiction of the

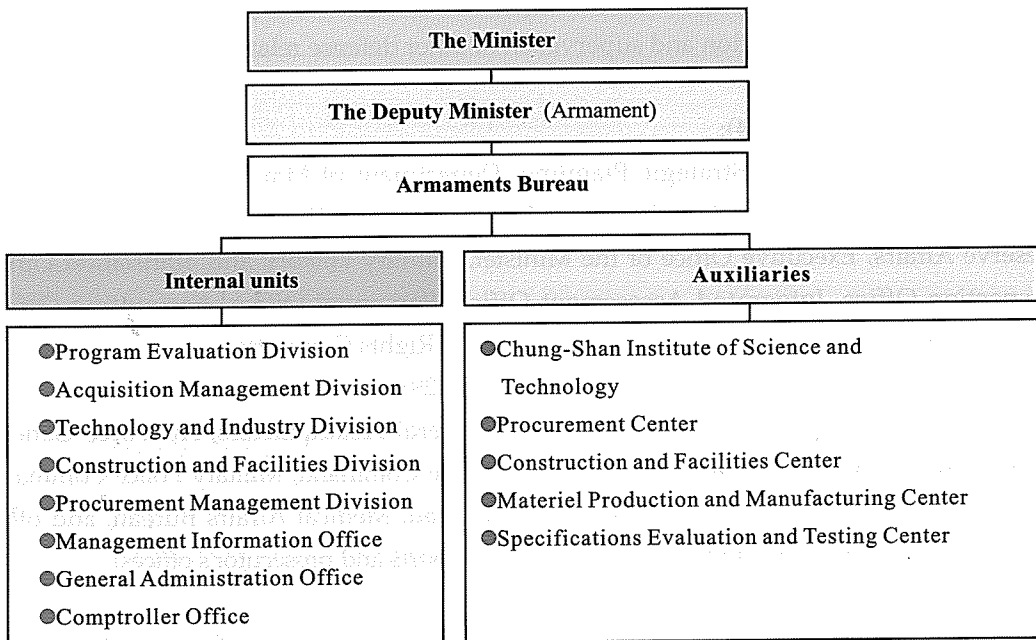
Deputy Defense Minister for Armament, who directly reports to the Defense Minister. Its responsibilities and organization are described as follows:

(1) Responsibilities

Under the policy direction of the Defense Minister, the armament branch is responsible for planning armament development, executing armament readiness tasks and procurement policy, systems and programs, and formulating defense acquisition policy. Its responsibilities are as follows:

- a. Planning, deliberation and management of the armament readiness plan, technical specifications and standards, and special funds.
- b. Planning, management and supervision of defense technological industries; the development of military-civil dual technology; and the production, marketing, and service of military supplies, and government-commissioned businesses.
- c. Formulation, supervision and management of procurement policy, system, and programs.
- d. Planning and management of weapon system and defense equipment procurement and integrated logistics affairs.
- e. Planning, construction, management and supervision of defense construction projects, facilities, and MND-owned real estates.

Figure 3-4 Organization of the Armament Branch



Source: Organization Act of the Armaments Bureau of MND (Jan. 22, 2003 Promulgated)

f. Formulation, employment and supervision of integrated development of armament information management system.

g. Planning, execution of personnel career development and general administrative issues.

h. Other defense armament readiness related tasks.

(2) Organization

a. Internal units (8):

Program Evaluation Division, Acquisition Management Division, Technology and Industry Division, Construction and Facilities Division, Procurement Management Division, Management Information Office, General Administration Office, and Comptroller Office.

b. Auxiliaries (5):

Chung Shan Institute of Science and Technology, Procurement Center, Construction and Facilities Center, Materiel Production and Manufacturing Center, Specifications Evaluation and Testing Center.

4. Command Branch (Figure 3-5)

The command branch consists of 7 internal units within General Staff Headquarters and 10 direct subordinate institutions and/or forces. GSHs is the Defense Minister's primary staff organization and the joint operations command mechanism. Under the Defense Minister, the Chief of General Staff has combatant command over the Armed Forces and authority over military command and control. Its responsibilities and organization are described as follows:

(1) Responsibilities

The MND has under it the General Staff Headquarters (GSH), serving as the staff of command system, and commanding mechanism of armed forces joint operations to the Minister. The GSH is responsible for submitting the operational requirement proposal of military readiness programs, making recommendations on the allocation of military resources, supervising the combat readiness and training, setting up the order of battle, planning and implementing combat plans, and other relevant commanding affairs. Its responsibilities are as follows:

a. Military personnel management and services.

b. Military intelligence collection and analysis.

c. Formulation and execution of order of battle and operation plan.

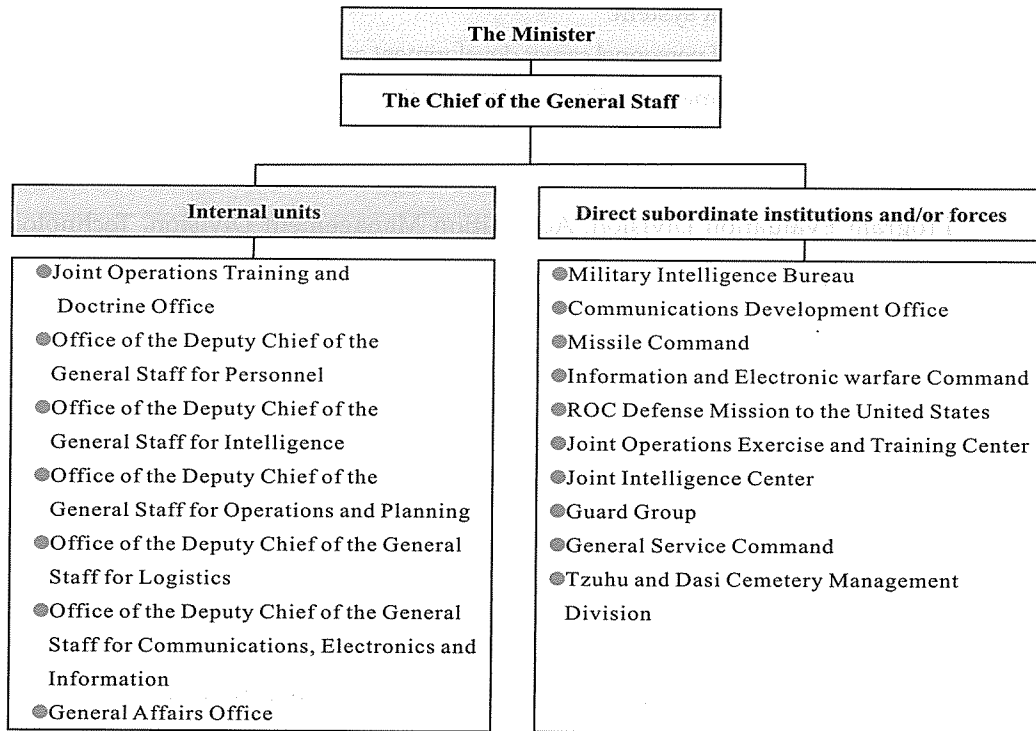
d. Force deployment, employment and training.

e. Military mobilization preparation and execution.

f. Formulation and distribution of military doctrine and study and development of operational methods.

g. Allocation and employment of acquired human, equipment and supplies.

Figure 3-5 Organization of the Command Branch



Source: Organization Act of the General Staff Headquarters of MND (Nov. 12, 2002 Promulgated)

- h. Planning and implementation of communications, information and electronic warfare.
- i. Execution of political warfare.
- j. Inspection of tactical and technical activities.
- k. Other military command related issues.

(2) Organization

a. Internal units (7):

Joint Operations Training and Doctrine Development Office, Office of the Deputy Chief of the General Staff for Personnel, Office of the Deputy Chief of the General Staff for Intelligence, Office of the Deputy Chief of the General Staff for Operations and Planning, Office of the Deputy Chief of the General Staff for Logistics, Office of the Deputy Chief of the General Staff for Communications, Electronics and Information, General Affairs Office.

b. Direct subordinate institutions and/or forces (10):

Military Intelligence Bureau, Communications Development Office, Missile Command, Information and Electronic Warfare Command, ROC Defense Mission to the United States, Joint Operations Exercise and Training Center, Joint Intelligence Center, Guard Group, General Service Command, and Dasi and Tzuhu Cemetery Management Division.

Chapter 8

■ Regular Forces

This chapter illustrates current conditions of active forces in terms of mission, status, organization, main weaponry and equipment, and vision. The "Missile Command" and the "Information and Electronic Warfare Command," which are direct subordinate units of the General Staff Headquarters, are first incorporated into regular forces.

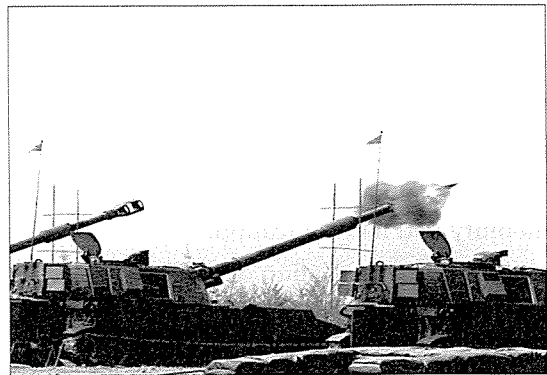
I. Army

1. Missions

Stationed in key locations in Taiwan proper and offshore islands, during peace time the forces of the Army actively train to improve their basic fighting skills and contingent operational capability. Within their reach, they also support critical bases, facilities and depots to maintain their security and facilitate major disaster relief efforts in their area of responsibility (AOR). During wartime, the Army will be a component of the joint operation team, working with the Navy and the Air Force to destroy the invading enemy and to ensure homeland security.

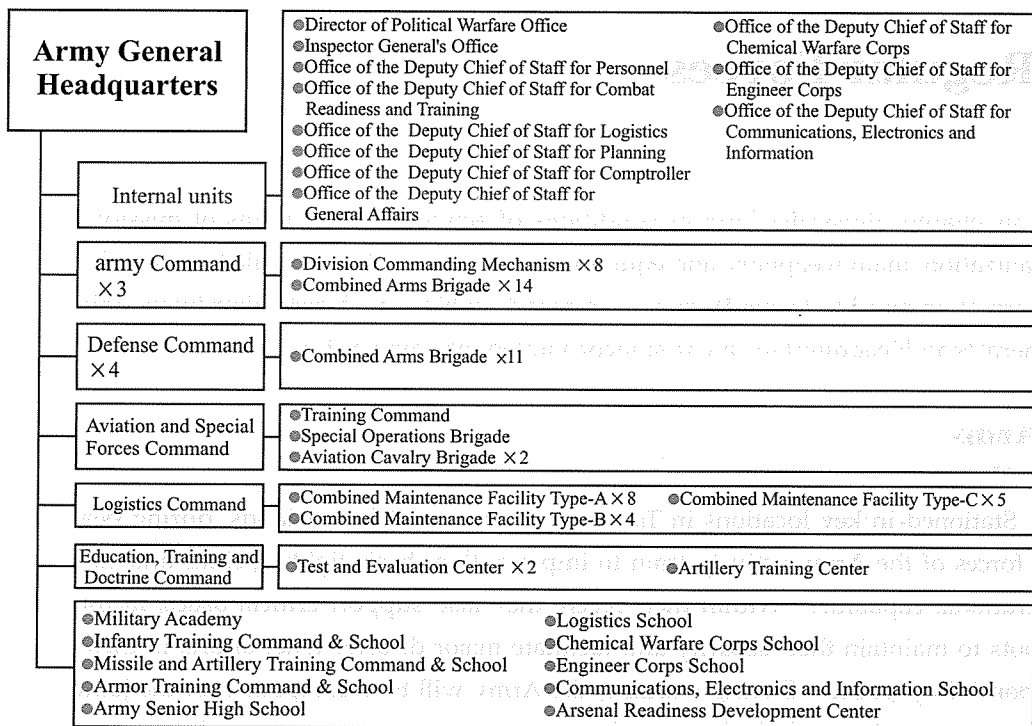
2. Organization and Strength (Figure 3-6)

The Army GHQ has under it several internal offices including the direct subordinate army Command (3), Defense Command (4), Aviation and Special Forces Command, Logistics Command, Education Training and Doctrine Command, division commanding mechanism (8), armored brigade (5), armored infantry brigade (2), motorized rifle brigade



To construct the digitized, 3-D mobility and mechanized operational capabilities is Army's goal.

Figure 3-6 Organization of the Army



Source: Organization Regulations of the Army General Headquarters of MND(May 18, 2004 Promulgated)
 Data date: November 1, 2004

(2), mechanized Infantry brigade, infantry brigade (15), aviation cavalry brigade (2), special operations brigade, Military Academy, Army Senior High School and Army branch school. They are comprised of approximately 130,000 servicemen.

3. Main Weaponry and Equipment (Table 3-1)

The Army's main weaponry and equipment focus is on joint C2 systems, aviation assets, field air defense systems, and ground defense systems, all of which are core capabilities for a modern Army.

4. Vision

The goal is constructing a modernized Army with the capabilities of "digitization, 3-D mobility and mechanization."

(1) The formulation of the "Posheng Program" and various advanced communications equipment: These programs will be the basis of IO/EW capabilities and an integrated command, control, communications and intelligence system, which will strengthen joint operations capability and create a digitized Army.

(2) The acquisition of advanced attack helicopters, airborne C2 aircraft, new utility hel-

Table 3-1 Army Main Weaponry and Equipment List

Function	Nomenclature	
Command and Control Systems of Joint Operations	<ul style="list-style-type: none"> ● Improved mobile subscriber system ● Field digital switch 	<ul style="list-style-type: none"> ● Satellite communications system
Army Aviations	<ul style="list-style-type: none"> ● AH-1W attack helicopter ● CH-47SD medium transport helicopter 	<ul style="list-style-type: none"> ● OH-58D Kiowa helicopter ● UH-1H helicopter
Field Air Defense	<ul style="list-style-type: none"> ● Avenger air defense missile ● Chaparral air defense missile 	<ul style="list-style-type: none"> ● Man-portable air defense missile
Ground Defense	<ul style="list-style-type: none"> ● M-60A3 MBTs ● M-41 MBTs ● Light-medium tactical wheeled armored vehicle ● 8 inches self-propelled howitzers ● Medium range anti-armored missile 	<ul style="list-style-type: none"> ● M-48H MBTs ● CM series armored vehicle ● 155mm self-propelled howitzers ● Vehicle-mounted anti-armored missile ● 40mm automatic grenade launcher

Date: November 1, 2004

icopters, and mounted field air defense systems will strengthen air to ground fighting capability, enhance inter-sector reinforcement maneuverability, increase joint counter-anchorage area firepower, and more importantly, build a 3-dimensional ground forces.

(3) Acquiring advanced multiple launch rocket systems (MLRS), 155 mm self-propelled howitzers, wheeled armored vehicles, mounted anti-armored missiles and advanced tanks will help the Army to build a theater-wide strike capability, increase its maneuverability to cope with surprise attacks and other contingent operations, and effectively build a fully mechanized force.

(4) Based on the principles of "downsizing strength, improving quality, and strengthening capability," the Army will continue to transform its organization and force structure.

(5) By integrating area logistics support establishment and strengthening joint logistics mechanisms, the Army will accurately manage, swiftly support, and effectively decide its logistics efforts to sufficiently support military operations.

(6) Facing a rapidly changing environment, the Army will continue to develop relevant doctrines and war gaming simulation systems to improve training quality and combat capability.



Enhancing the required equipment of regular ground forces to construct modernized Army

II. Navy

1. Missions

In peacetime, the Navy is dedi-

cated to strengthening readiness, refining operational training, executing maritime patrols in Taiwan Strait, and ensuring the security of sovereign waters. It has also provided timely support to a variety of major disaster relief efforts. Once at war, the Navy will work with other friendly forces to execute counter-strike operations, and deter the enemy's maritime blockade and military invasion in an effort to secure the sea lines of communication (SLOCs) around the Taiwan Strait and in turn, our national security.

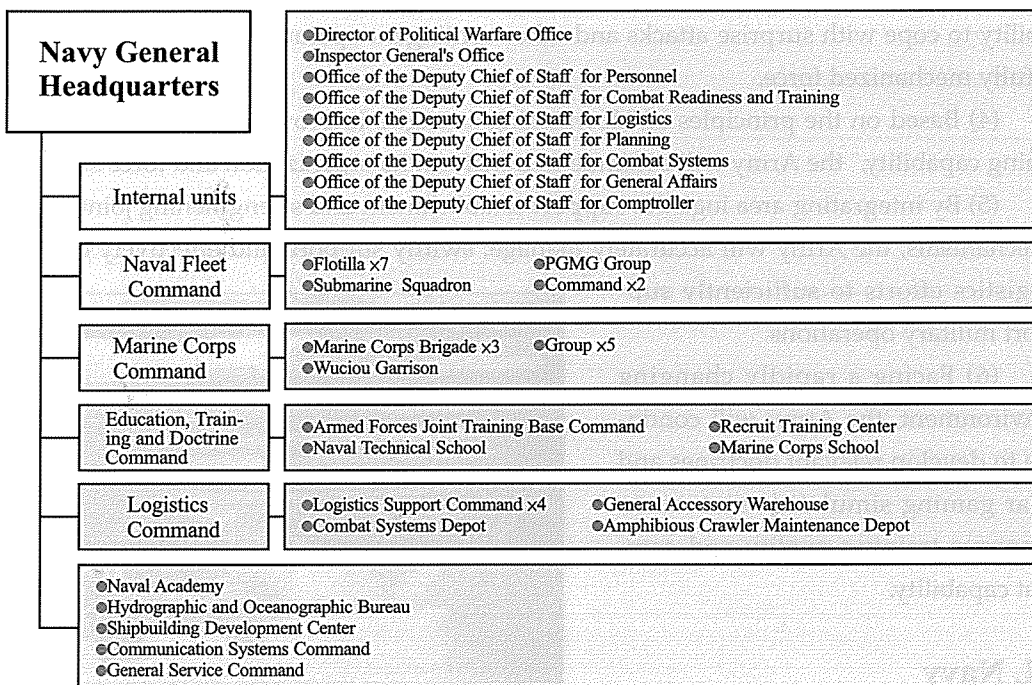
2. Organization (Figure 3-7)

The Navy GHQ has under it several internal offices and direct subordinate: Fleet Command, Marine Corps Command, Logistics Command, Education Training and Doctrine Command, Naval Academy, Hydrographic and Oceanographic Bureau, Shipbuilding Development Center, Communication Systems Command, General Service Command. The fleet force consists of flotilla (7), command (2), submarine squadron, and guided missile motor gunboat (PGMG) group. The Marine Corps consists of Marine Corps brigade (3), garrison, and group (5). There are approximately 53,000 servicemen.

3. Main Weaponry and Equipment (Table 3-2)

The Naval main weaponry and equipment focus on warships, auxiliary warships, sub-

Figure 3-7 Organization of the Navy



Source: Organization Regulations of the Navy General Headquarters of MND (May 18, 2004 Promulgated)
 Data date: November 1, 2004

marines, Marine Corps vehicles and naval aviation platforms, all of which form the core capability of a modernized Navy.

4. Vision

The objective of the Navy is to build a maritime force with the capabilities of "high effectiveness and high quality, rapid deployment, and stand-off striking".

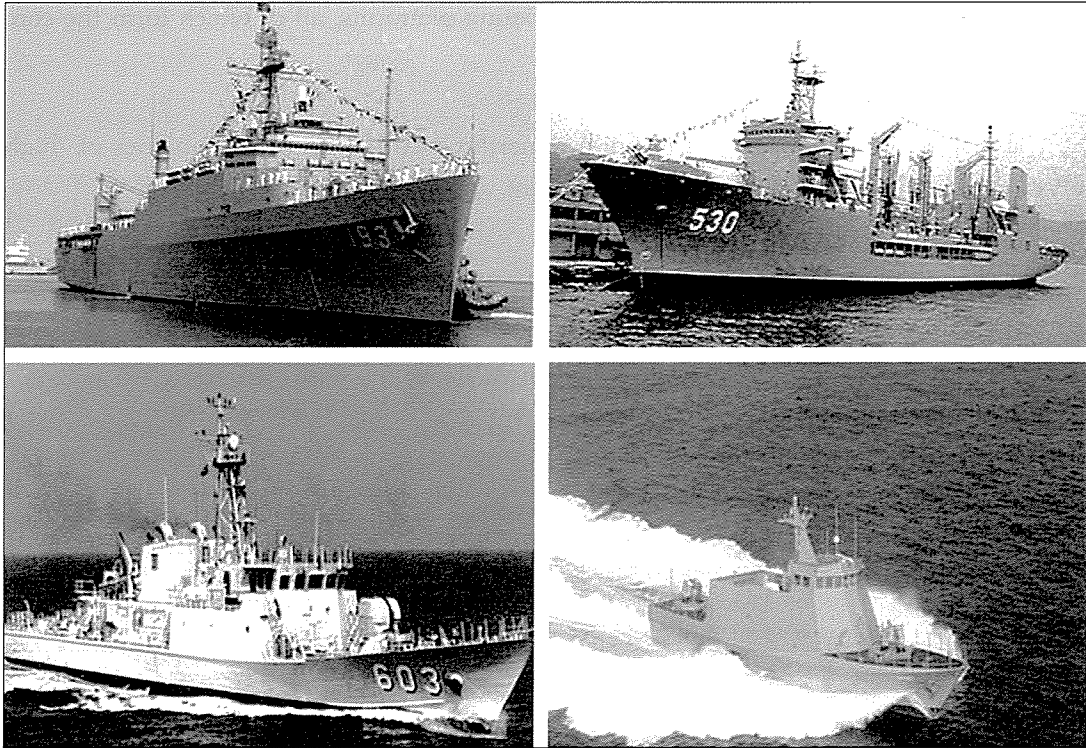
Table 3-2 Naval Main Weaponry and Equipment List

Function	Nomenclature	
Warship	<ul style="list-style-type: none"> ●Kang Ding Class frigate(PFG-3) ●Knox Class frigate 	<ul style="list-style-type: none"> ●Chang Kung Class frigate(PFG-2) ●Wugin III Class destroyer
Auxiliary Warship	<ul style="list-style-type: none"> ●Jin Chiang Class PG ●Oil and ammunition supply ship ●Shuihai Class LSD 	<ul style="list-style-type: none"> ●New generation PGMG ●Newport Class LST
Submarine	●Jianlong (Zwaardvis) Class submarine	
Marine Corps	●P5 Amphibious landing vehicles	
Airborne	<ul style="list-style-type: none"> ●S-2T fixed-wing ASW aircraft ●500MD ASW helicopter 	●S-70C ASW helicopter

Date: November 1, 2004



Naval Warship



Naval Auxiliary Warship

(1) In concordance with joint system integration efforts, the Navy will strengthen its 3-dimensional IO/EW systems to improve its joint air defense and counter-strike capability.

(2) By programming large and medium warships, new generation PGMG, and oil and ammunition supply ships, the Navy will effectively build counter-sea and highly maneuverable surface forces and increase its counter-blockade capability.

(3) The Navy will continue to acquire submarines and sub-launched weapons and enhance airborne anti-submarine and mine laying and sweeping forces in order to strengthen its 3-dimensional operational capability.

(4) The Navy will continue to strengthen the protection of critical bases and locations and its rapid repair capability, to rebuild port facilities, and to acquire mobile observation and communication systems, all in order to effectively preserve fighting capability for defense operations.

(5) The Marine Corps will procure more advanced air defense, anti-armor, and mechanized systems to enhance its rapid reaction and land-recapture capability.

III. Air Force

1. Missions

In peacetime, the Air Force is responsible for patrolling the airspace around the

Taiwan Strait, securing airspace, improving combat readiness and training forces to strengthen combat capability and operational readiness. It also provides timely support to various major disaster relief efforts. During wartime, the Air Force will fight to win air superiority and coordinate with the Army and the Navy to execute various joint operations. By unleashing full fighting effects, the Air Force will destroy the invading enemy and ensure the territorial integrity.

2. Organization (Figure 3-8)

Air Force GHQ has under it several internal offices and direct subordinate: Combatant Command, Air Defense Artillery and Garrison Command, Education Training and Doctrine Command, Logistics Command, Air Base Command (2), Combatant Wing (6), and Air Force Academy. There are approximately 53,000 servicemen.

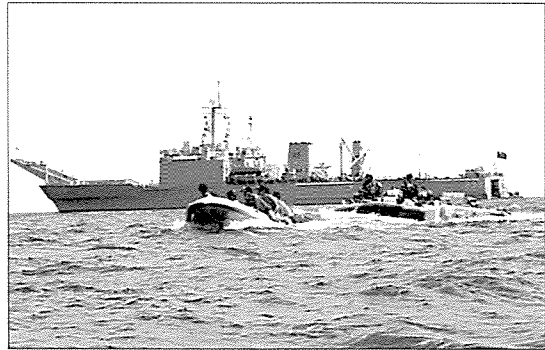
3. Main Weaponry and Equipment (Table 3-3)

As a modernized force, the Air Force is equipped with a variety of fighters, early warning aircraft, training aircraft, transportation planes, rescue/evacuation aircraft and various air-launched missiles and ammunitions.

4. Vision

The vision of the Air Force is to build a force capable of gaining early warning, preventing surprise attacks, and executing beyond visual range (BVR) engagements, including details as follow:

- (1) Building long range reconnaissance and surveillance networks to gain early warning indications;
- (2) Integrating the C4ISR system to increase the effectiveness of battlefield management systems;
- (3) Indigenously developing or procuring stand-off precision counterstrike weapons to



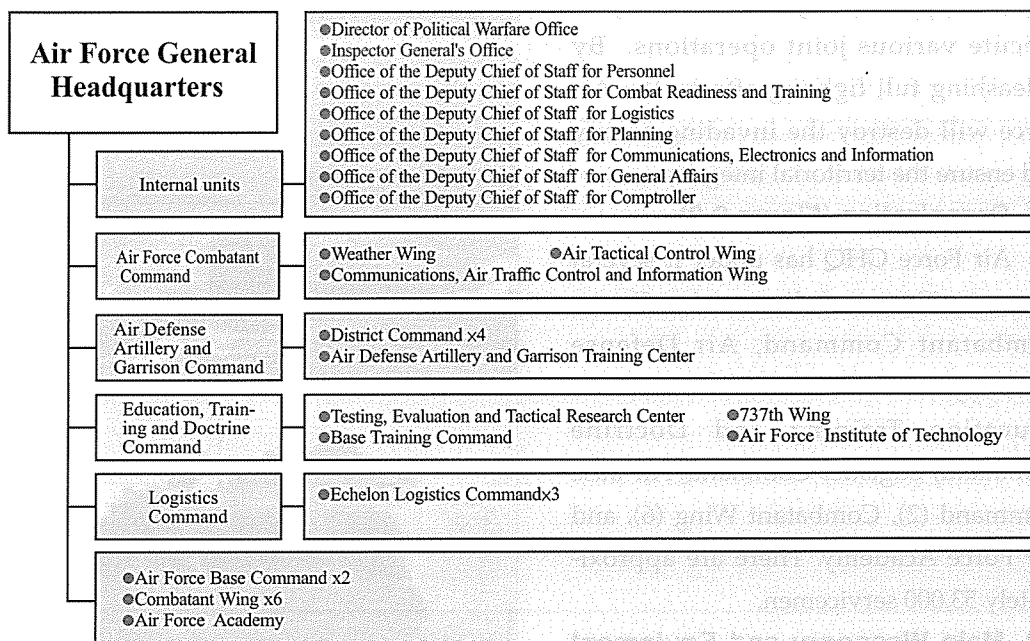
To enhance maritime striking capability

strengthen counterstrike capability;

(4) Planning the acquisition of next generation fighters to improve overall fighting capabilities and offensive maneuverability;

(5) Integrating industrial, governmental, and academic resources to advance critical aerospace technology and obtain operational initiative;

Figure 3-8 Organization of the Air Force



Source: Organization Regulations of the Air force General Headquarters of MND (May 18, 2004 Promulgated)
Data date: November 1, 2004

Table 3-3 Air Force Main Weaponry and Equipment List

Function	Nomenclature				
Fighter	●F-16A/B	●M-2000D/E	●IDF-1A/B	●F-5E/F	
Early Warning & Electronic Warfare	●E2-T	●C-130HE			
Training	●AT-3	●T-34			
Transportation	●C-130H	●BH-1900	●FK-50	●B737-800	
Rescue	●S-70C				
Air-launched Missile	●AIM-7	●AIM-9	●AIM-120	●AGM-65	●AGM-84
	●Sky Sword I	●Sky Sword II	●MICA	●MAGIC II	
Air-launched Ammunition	●20mm cannon shot	●30mm cannon shot	●Flare	●Chaff	
	●MK-82GP/SE bomb	●MK-84 bomb	●BSU-49 bomb		

Date: November 1, 2004

(6) Streamlining force structure and properly adjusting organization to increase the combined effectiveness of organization and equipment;

(7) Refining education and training programs to improve overall personnel quality and to use superior quality to defeat large numbers of enemy forces.

IV. Combined Logistics

1. Missions

The Combined Logistics Command provides the Armed Forces with logistics support of common military supplies, including general supply items, POL (petroleum, oils and lubricants), ammunitions, transportation, health service, base equipment overhaul, and rear echelon administrative services. Moreover, it also provides timely facilitation to major disaster relief within the area of responsibility (AOR) of units.

2. Organization (Figure 3-9)

The Combined Logistics Command has under it several internal offices and direct subordinate: District Support Command (7), Base Service Depot and/or Division (6), District Rear Echelon Administration Service Division, Outpatient Clinic Center (2), Military Cemetery Management Division, and Martyrs Shrine Management Section. They comprise approximately 18,000 servicemen.

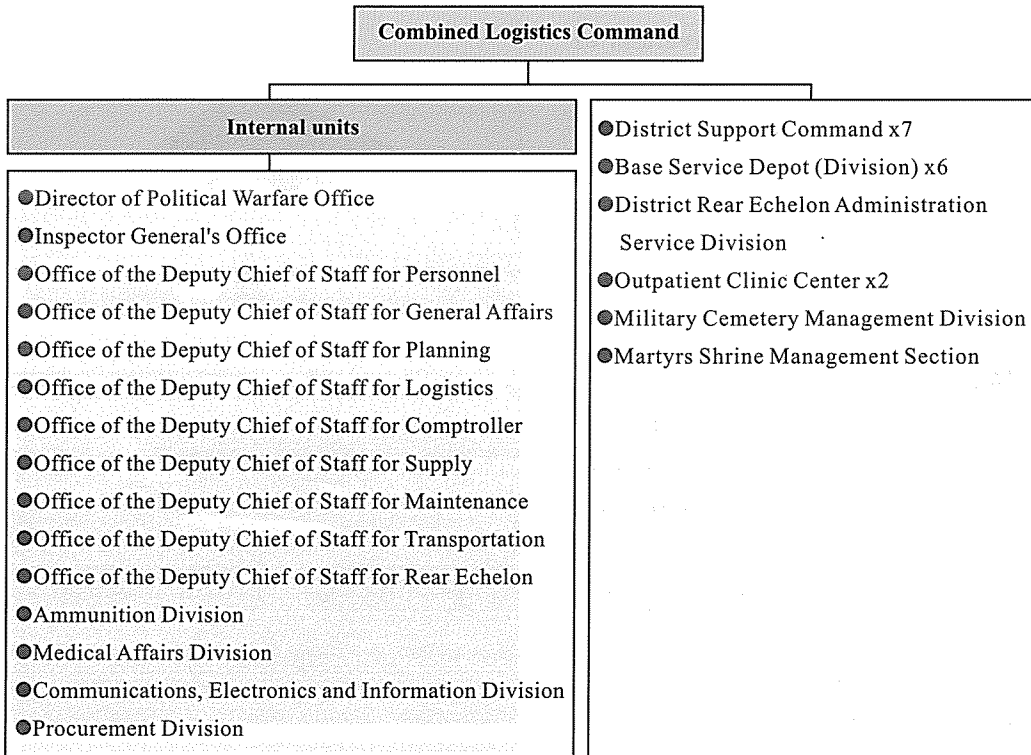
3. Main Weaponry and Equipment

(1) In compliance with the government's policy of increasing domestic demand, the Combined Logistics Command has actively established a production facility network, procuring arms sales or commercial sale items from domestic suppliers, and integrating domestic industries to support the overhaul of military common equipment as a way to



Prosecuting training in order to enhance combat capability

Figure 3-9 Organization of the Combined Logistics Command



Source: Organization Regulations of the Combined Logistics Command of MND (May 18, 2004 Promulgated)
 Data date: November 1, 2004

increase the fighting capability of the Armed Forces.

(2) The Combined Logistics Command has actively advanced the Materiel Distribution Management System and established an area distribution center in an attempt to effectively integrate resources, increase the efficiency of allocation and transit, reduce the lapse of replenishment operations, and to accomplish operation missions.

(3) The Combined Logistics Command has established a "modernized, automated and modularized" repair and production capability to improve maintenance quality and operation efficiency.

(4) The Combined Logistics Command will continue to plan and build half underground depots and actively strengthen the security measures of storage facilities as a way to preserve sustained fighting capability.

4. Vision

The vision of the Combined Logistics Command is to build a modern logistics system, which will fully reflect the principles of business management, active service, and informational operations. It will be realized through:

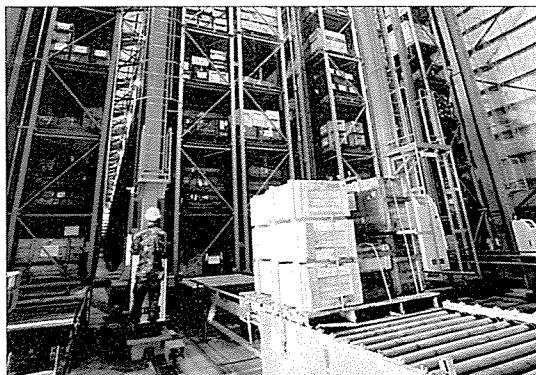
(1) Continuously readjusting organization and structure and refining the functions of combined logistics systems;

(2) Advancing materiel distribution and logistics management and flexibly allocating resources;

(3) Using business management methods to improve overhaul and production process in logistics bases and actively increasing management effectiveness;

(4) Strictly enforcing materiel management systems and creating a more transparent and systematic storage, management, application, and allocation process; and

(5) Seriously inspecting, planning and executing performance and increasing overall efficiency.



Establishing the distribution centers and automated maintenance depots, and improving underground storage facilities.

V. Military Police

1. Missions

The missions of the Military Police include special security, anti-terrorism, capital garrison security, and supporting military operations. In compliance with laws, they also serve as military and judicial police to facilitate law-enforcement and provide timely support to major disaster relief missions within the AOR of units to ensure social stability and national security.

2. Organization (Figure 3-10)

The Military Police Command has under it several internal divisions and direct subordinate Military Police School, District Command (4), Regional Military Police (27), and Military Police Battalion (19). There are approximately 12,000 servicemen.

3. Main Weaponry and Equipment

The main weaponry and equipment of military police forces include the V-105S armored personnel carrier (APC), light-medium tactical wheeled vehicles, special service equipment, and forensic identification equipment. The Military Police Command has planned to acquire 8X8 wheeled armored vehicles, 120mm mortars, anti-armored rocket launchers and the T-91 assault rifle.

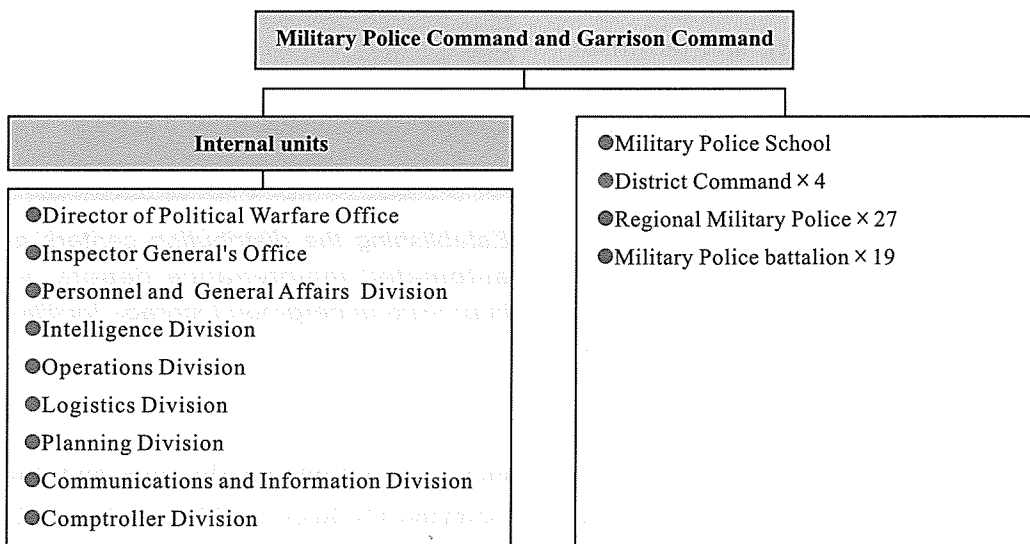
4. Vision

In order to carry out capital garrison security, special security, discipline maintenance, and to support joint operations, the Military Police Command has identified its vision as follows:

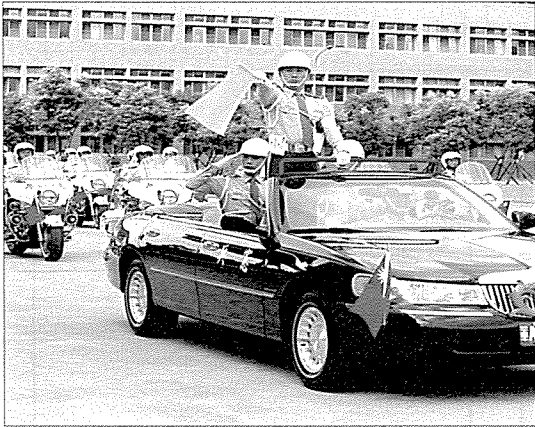
- (1) Developing integrated information operation systems and upgrading communications equipment to improve its C4ISR capabilities.
- (2) Strengthening mobility, striking, protection and the ability to manage mass gatherings.
- (3) Acquiring advanced, light, and agile weapons and equipment and increasing professional equipment and mobile vehicles to enhance its monitoring, detection, evidence-collecting, examination, explosive disposal, and security protection abilities.
- (4) Upgrading nuclear, biological and chemical protective gear and equipment to improve force protection.

VI. Missile Force

Figure 3-10 Organization of the Military Police Command



□Source: Organization Regulations of the Military Police Command of MND (May 18, 2004 Promulgated)
Data date: November 1, 2004



The motorcycle company's training of Military Police



The special force's anti-terror training of Military Police

1. Missions

In peacetime, the Missile Command is responsible for monitoring surrounding waters and airspace, increasing combat readiness, strengthening the training of basic operations and contingent operations, and rendering timely support to area major disaster relief efforts. During wartime, under the command and control of the COC, it will synchronize the land-based medium and long-range air defense and sea dominance missiles and stand-off precision attack weapons to conduct the missions of suppression of invasion at the origin, missile defense, and joint interceptions to ensure the airspace and maritime security of the Taiwan, Penghu, Kinmen, and Matsu area.

2. Organization (Figure 3-11)

The Missile Command has under it several internal sections and direct subordinate Missile Control Center, including the air defense missile group (2), anti-ship missile group, and missile battalion. They are comprised of approximately 6,000 servicemen.

3. Main Weaponry and Equipment

Main weaponry includes Hawk, Tien-kung, Patriot and Hsiung-feng missile systems.

4. Vision

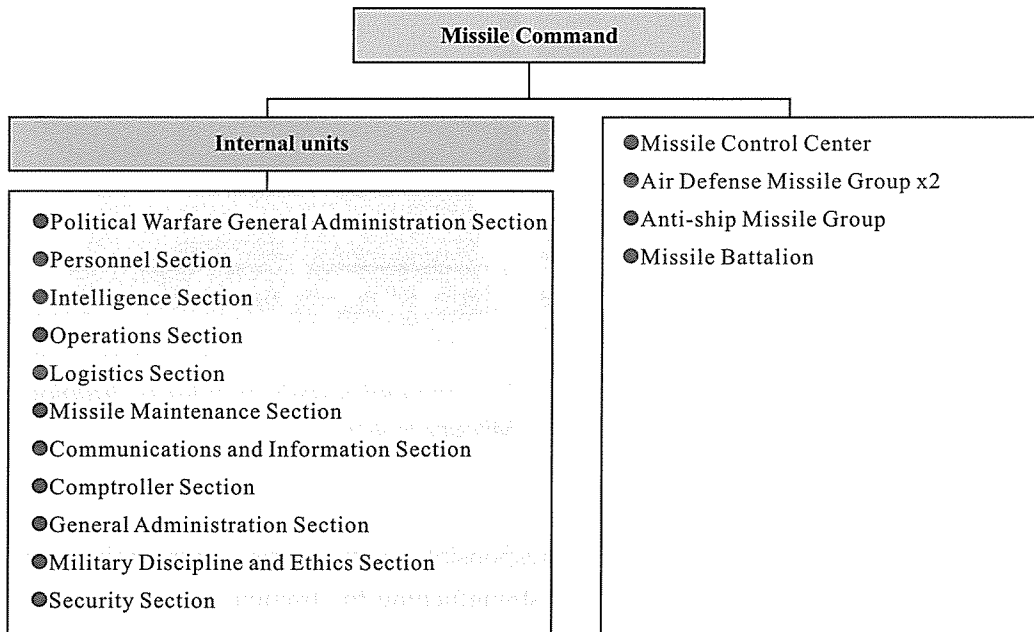
The vision of the Missile Command is to build a force capable of executing "joint countermeasures, joint missile defense and joint interception," according to the following points:

(1) Readjusting organization to satisfy the requirements of the General Staff Headquarters and refining its organization and functions;

(2) Satisfying units with sufficient equipment in order to meet basic operational demands;

(3) Reviewing the composition of major fighting forces and acquiring diversified counter-strike weapons to increase counter-strike capabilities;

Figure 3-11 Organization of the Missile Command



Source: article 5, Organization Act of the General Staff Headquarters of MND (Nov. 12, 2001 Promulgated)
 Data date: November 1, 2004

(4) Building professional missile groups, integrating operational preparedness of personnel, equipment and doctrine, and supporting major strategic components to execute joint operations on the basis of composite deployment;

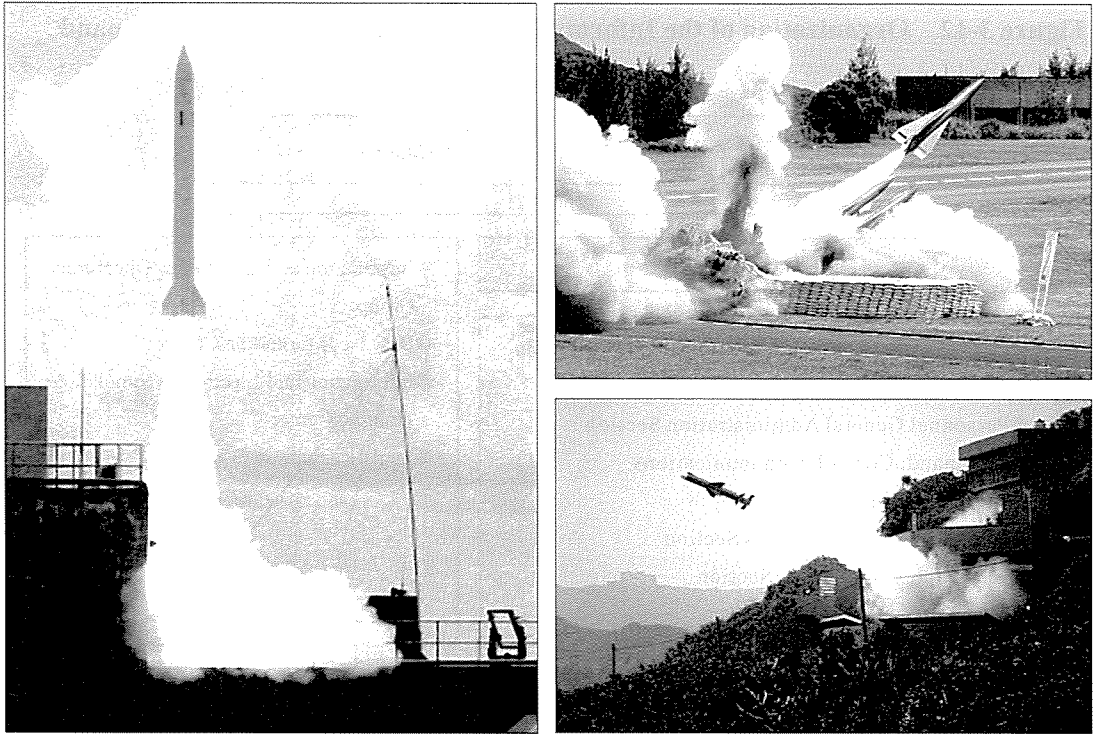
(5) Continuously acquiring anti-missile and joint interdiction weapons to assure the animate force of the armed forces; and

(6) Continuously acquiring C4ISR systems to strengthen overall fighting capability.

VII. Information and Electronic Warfare

1. Missions

During peacetime, the Information and Electronic Warfare Command has three key missions: protecting and monitoring information and electronic security of the C2 system, providing all-day, full-spectrum, high-speed, high-quality, and highly reliable communication and information support, and supporting major disaster relief efforts within its AOR on a timely basis. During wartime, its missions include defending cyberspace from enemy intrusion, destruction, blockade and network theft, executing EW support and protection, and once ordered, carrying out strategic and tactical counterstrike to obtain IO/EW superiority in support of major fighting forces for the accomplishment of overall operational suc-



The combat capability is secured by strong air defense.

cess.

2. Organization (Figure 3-12)

The Information and Electronic Warfare Command has under it several internal sections and direct subordinate, including groups (5), Defense Information Center, Information and Electronics Simulation Training Center, and logistics support squadron, etc. They are comprised of approximately 3,000 servicemen.

3. Main Weaponry and Equipment

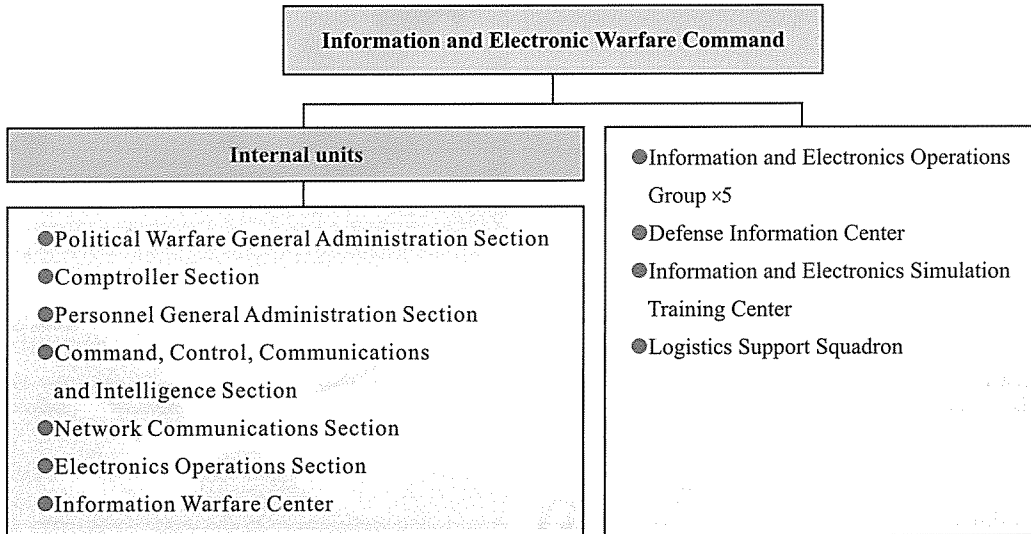
The Information and Electronic Warfare Command is equipped with digital microwave, satellite, and fiber optic communications, and digitized switch systems, IO/IW offensive and defensive equipment, and electronic detection and EW equipment.

4. Vision

In order to gain IO/EW superiority, the vision of the Information and Electronic Warfare Command is to build a force with "superior infrastructure, advanced C2I systems and flexible IO/EW capabilities," with details as follow:

- (1) Supporting the establishment of C4ISR systems to build integrated C4ISR communications and information platforms imperative to joint operations;
- (2) Developing advanced IO/EW offensive and defensive systems, IO/IW offensive

Figure 3-12 Organization of the Information and Electronic Warfare Command



Source: article 5, Organization Act of the General Staff Headquarters of MND (Nov. 12, 2001 Promulgated)
 Data date: November 1, 2004

and defensive models, database and modeling and simulation systems, and carrying out information security policies to effectively counter, monitor and manage situations;

(3) Strengthening IO/EW research and development bases, improving IO/EW protective measures and systems protection, and building integrated IO/EW capabilities;

(4) Building military information infrastructure and common operating environments, facilitating defense policy, operational readiness and administrative missions to create a high-quality and integrated military information environment;

(5) Satisfying forces with high-capacity, broadband backbone networks and mobile internet services to create an integrated communications and information network necessary for future military buildup programs.

Chapter 9

■ Reserve Forces

In order to effectively operate in a high-tech warfare environment and respond to the PRC's development of "non-linear, non-contact, asymmetric" operational capability, the ROC Armed Forces specifically focus its military buildup on "advanced technology taking the lead, information and electronic superiority, joint interdiction and homeland defense." Based on the principles that the "regular forces conducting strikes and reserve forces defending the territory," the direction of "division between regular forces and reserves in terms of force development" and the "Jingjin Program" (The ROC Armed Forces Streamlining Program), it has decided the direction of regular and reserve two-pronged system, which will guide the adjustment of military organizational structure and separate the ground forces into two systems — regular and reserve. With this structural adjustment, it is expected to effectively strengthen the contingent capability of the regular forces and make them better react to any military operation and crisis.

In the future, the reserve forces will be restructured in consistent with the force requirements of Tawian-Penghu defense operations plan and tactical employment scheme to effectively support and supplement established defense forces.



Garrison Protection



Coastal Safeguard



Urban Safeguard

During war time, the reserve forces will be under the operational control (OPCON) of operational sectors. By integrating the overall civil defense capabilities, they will serve as coastal defense, urban defense, rear area defense and critical location protection forces, which will form a comprehensive security/defense network with the active forces to defend our territory.

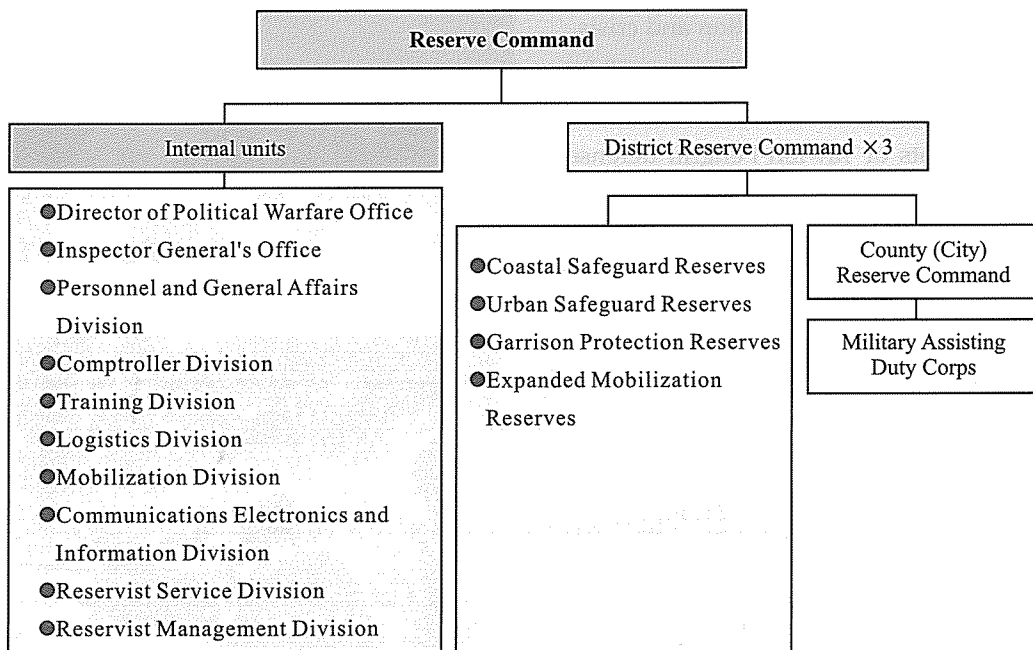
In order to unify the authority of mobilization affairs, all of established reserve forces were reassigned to the Reserve Command on April 4, 2004. Based on operational missions, the reserve forces have been separated into coastal safeguard reserves, urban safeguard reserves, garrison protection reserves, expanded mobilization reserves and military assisting duty corps. The Reserve Command currently is comprised of more than 16,000 cadre forces and will mobilize reservists to reactivate reserve forces during wartime under military mobilization plans. (Figure 3-13)

I. Coastal Safeguard Reserves

1. Missions

In peacetime, the coastal safeguard reserves are responsible for training new recruits

Figure 3-13 Organization of the Reserve Command



Source: Article 10, Organization Act of the MND, and Article 4, Organization Regulations of the Reserve Command of MND (Nov. 12, 2001 Promulgated)

Data date: November 1, 2004

and executing military mobilization preparedness. They will serve as front line coastal safeguard forces during wartime.

2. Organization

Based on the policy of separating regular and reserve forces, Army's 8 coastal safeguard brigades (recruits training) and 9 individual mobilization battalions, and the Marine Corps recruits training centers have been reassigned to the Reserve Command. These forces and four other forward deployment reserve brigades will form infantry and artillery combined arms coastal safeguard forces based on the operational requirements of different operational sectors. The coastal safeguard reserves, during peacetime, are consisted of backbone cadres of brigades and battalions, which are subjected to district reserve commands. During wartime, they will be reactivated and become part of operational system in different sectors.

II. Urban Safeguard Reserves

1. Missions

During peacetime, they are responsible for implementing mobilization readiness. During wartime, the urban safeguard reserves will defend urban areas in different operational sectors or rear area.

2. Organization

The urban safeguard reserves include 17 county or city reserve brigades, which are light infantry forces to meet the operational requirements of defending families, hometown and personal property. These brigades, during peacetime, comprise backbone cadres and report to district reserve commands. During wartime, they will be reactivated with full strength and become operational components of operational sectors.

III. Garrison Protection Reserves

1. Missions

The missions of the garrison protection reserves are to implement mobilization preparedness during peacetime and defend key stations in low and high mountainous areas of different operational sectors.

2. Organization

The garrison protection reserves consist of 29 highland companies and 5 mountain's post companies, which are all light infantry units responsible for defending critical military terminal stations and key defiles. These mountainous companies, under the command of district reserve commands, comprise backbone cadres during peacetime and will become part of operational structure of different operational sectors.

IV. Expanded Mobilization Reserves

1. Missions

During peacetime, the expanded mobilization reserves execute the Service's education and training programs and mobilization preparedness based on organic units' missions and characteristics. During wartime, they will serve as naval and air force bases guards, depots and facilities security forces, reserve of operational sectors, and/or execute other combat and combat support missions.

2. Organization

The expanded mobilization reserves have a variety of organic units, including Services' schools, testing and evaluation centers, military police, Air Force garrison forces, and the Combined Logistics Command's port service squadrons and mobile transportation units. Based on characteristics of different Services or arms, the units form brigades, groups, commands, and separate combat, combat support and combat service support battalions with existing personnel. These expanded mobilization reserves are subjected to district reserve commands and assigned to the Services during peace time. After being activated and replenished during wartime, they will become part of operational system of operational sectors.



Expanded Mobilization

V. Military Assisting Duty Corps

1. Missions

During wartime or crisis, the military assisting duty corps will be formed to provide military service support or local defense and air defense.

2. Organization

Based on characteristics of service missions, there are two types of the military assisting duty corps — attached corps and area corps. Organizing as squadrons or separate teams, they are under county or city reserve commands during peacetime and will be assigned to request units to provide supports.

(1) Attached military assisting duty corps: They are attached to request units to provide various military service supports, including salvaging damaged airport, harbor,

depot/facility, constructing military fortification, transporting materiel, and building military cemeteries.

(2) Area military assisting duty corps: In their designated areas of responsibility, they will provide service supports to traversing or area mobile striking forces, such as salvaging damaged bridges, maintaining roads, and loading and transporting consumption and military supplies.

VI. Vision

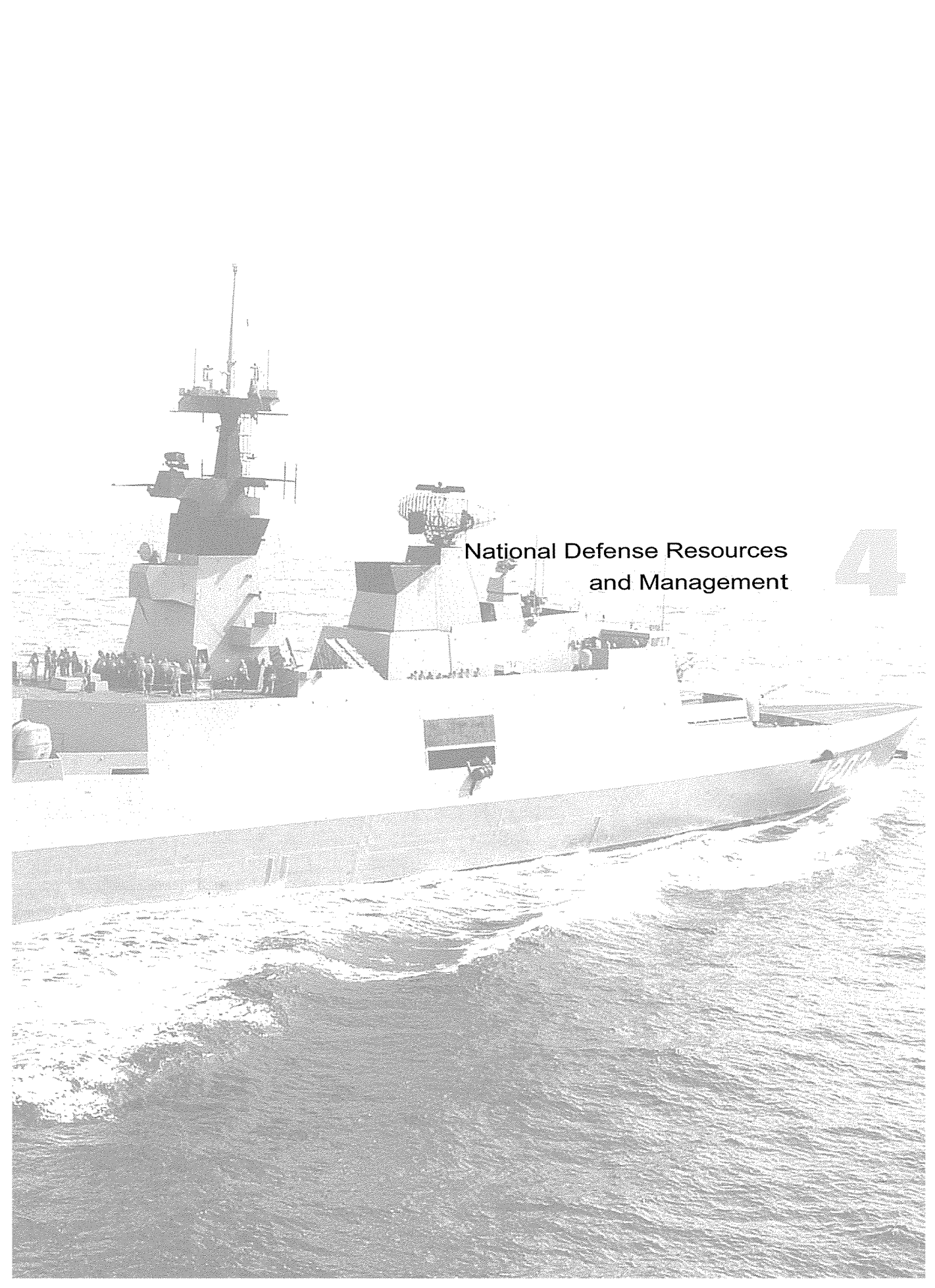
1. In compliance with the policy of the "regular forces conducting strikes and reserve forces defending the territory," the Reserve Command will inspect and execute the efforts of organizing, managing, equipping, mobilizing, and training ground reserve forces to advance mobilization preparedness and make sure them capable of executing area defense and defending hometown, homeland and property so as to effectively defend our territory.

2. Accurate operation, rapid reactivation, and swift recovery are three prime purposes of military mobilization. In the future, the Reserve Command will continue to refine reserve forces' organization, training, equipment, and muster-call process to accomplish two objectives — "mobilizing and fighting locally" and "mobilizing and fighting timely."

3. By accomplishing the targets and demands of recruit training, the reserve forces will continue to strengthen individual basic training to convert recruited civilians to become warriors and improve fundamental warfighting capability of the Armed Forces.



Military Assisting Duty



National Defense Resources
and Management

4

■ Summary

1. The military force and personnel structure of the ROC Armed Forces shall redesign themselves according to the doctrine of "adopting an enlistment system for active troops and a conscription system for reserved forces." The ratio between enlisted and conscripted servicemen shall be adjusted appropriately to meet current operational requirement.
2. National defense financial resources policies are formulated according to the mid- and long-term overall planning of the "budgetary system of the ROC Armed Forces." Military buildup and combat readiness shall be given higher priority in the allocation of financial resources to support military missions. In response to declining defense budget over the years, the rational allocation of budgets shall be MND's focus. As to expenditure management, through a healthy management system capable of allocating the resources needed to the missions demanded, the MND shall seek to implement various policies on schedule to achieve expected results.
3. National defense material policies shall endeavor to construct a self-contained and self-sustainable defense establishment. Various devices have been employed to this end, including "the private sectors involved in the development of defense technology industry," "procurement prioritized on indigenous weaponry," "procurement made primarily from domestic industries; foreign procurement only otherwise unavailable," "the terms of technology transfer contained in foreign procurement to foment the capabilities of domestic industries and better integrate private resources by way of cooperation, co-consigning or consigning management."
4. National defense technology policies shall integrate perceived future operational requirement, focus on the development of key weapon systems and advanced technology, and promote cooperation between industrial, government, academic and research sectors to establish a self-reliant defense.

Chapter 10

■ National Defense Manpower

In response to political and economic development and the implementation of "Jingjin Program" (the ROC Armed Forces Streamlining Program), the Armed Forces will redesign its manpower policies toward "the main force based on enlists, with the enlistment system and the conscription system concurrently adopted." In addition, the MND also seeks to improve personnel quality and therefore to establish a "compact, elite but highly capable" modernized military force in coordination with the efforts of organization restructure, replacement of old weapon systems and manpower management.

I. National Defense Manpower planning

To implement national defense policy, to coordinate with the buildup of military strength and to exert overall national strength, the focuses of the Armed Forces' manpower planning are as follows:

1. The end strength and manpower structure of the Armed Forces shall gear towards the direction of "adopting an enlistment system for active troops and a conscription system for reserved forces." The ratio between the enlisted and conscripted servicemen shall be adjusted appropriately to meet current operational requirements.
2. To retain professionally talented military personnel and to sufficiently meet future operational requirements, the MND is seeking to improve the current recruitment system, to promote lifelong learning programs and to develop qualified military personnel.
3. To comprehensively upgrade the quality of military personnel, the MND shall consider annual performance evaluation as the basis for personnel "management, assignment, promotion, appointment and retention." To retain the superior and to replace the inferior, a strict performance assessment of personnel shall be set up according to relevant regulations
4. The MND shall establish management systems for the assignment, appointment and promotion respectively for civil and military personnel. Civil personnel shall be employed at agencies including the MND headquarters, Armaments Bureau and Military Medical Bureau. Military personnel shall be developed under the policy of "training the personnel needed; training preceding appointment." They shall develop personal career according to separate "commanding" and "professional" systems. It is expected that the objective of "fostering specialized personnel and allocating them to right positions" can be further

accomplished.

5. The MND shall also adopt various measures targeted at retired military personnel, including "assisting the retiree to pursue a new profession," "offering vocational training to the pending retiree" and "holding examinations for transfer to government services" in hope that veterans will contribute effective manpower resources to national development programs.

II. Sources and Structure of National Defense Manpower

The sources of defense manpower can be divided into two sections: civil personnel and military personnel. Civil personnel are employed through "national examinations" and "public selections." Military personnel are drawn through the conscription system or enlistment. The conscription system aims primarily to recruit standing conscripted and secondarily, commissioned or non-commissioned officers. The enlistment system aims mainly to recruit enlisted commissioned or non-commissioned officers. The recruitment of enlisted soldiers is still in the trial phase. Table 4-1 shows the sources of defense manpower.

According to statistical analysis of the manpower structure in 2004, 0.06% are civil personnel; 19.17% are enlisted officers (including cadets and midshipmen with BA degrees and associate degrees, officers Designated Military Occupational Specialty, the enlists converting into conscripts], officers from ROTCs); 0.31% are conscripted officers; 20.58% are enlisted non-commissioned officers (Sergeants with an associate degree, Graduates of Standing NCO Class, NCOs with Designated Military Occupational Specialty, and conscripted NCOs converting into enlisted NCOs.); 9.06% are conscripted non-commissioned officers; 0.22% are enlisted soldiers and 50.6% are conscripted soldiers as shown in Figure 4-1.

With higher education prevailing nationwide, the education level of military personnel is also rising. 36.1% of civil officials hold a Master's degree or above and 63.9% are university (college) graduates; 11.3% of military officers hold a Master's degree or above and 88.7% are university (college) graduates; 3.5% of non-commissioned officers hold a Master's degree or above, 32.6% are university (college) graduates, 63.9% are senior high school graduates; 4.1% of conscripts hold a Master's degree or above, 40.8% are university (college) graduates and 35.6% are senior high school graduates, 19.5% have an education level of high school and below as shown in Figure 4-2.

As to gender, 95% of commissioned officers are male and 5% are female; 97% of non-commissioned officers are male and 3% are female as shown in Figure 4-3. The Armed Forces are actively taking the characteristics of female servicemen into consideration in response to the needs of selecting qualified personnel and improving overall combat readiness. The proportion of female servicemen employed will be adjusted to optimize quali-

Table 4-1 Sources of National Defense Manpower

Service		Term of Service (Military) Service	Sources	
Civil Official		Legal retirement age of 65	1. National examination. 2. Public selection.	
Officer	Enlistment	Regular Officer	More than 6 years	1. Military Academy, Navy Academy, and Air Force Academy, Fu Hsing Kang College, National Defense University graduates with a BA degree (including female). 2. Military Academy, Fu Hsing Kang College and National Defense University graduates with an associate degree 3. Graduates of Air Force Standing Flight Class 4. Air Force Institute of Technology Officer graduates with an associate degree
		Reserved Officer	5 years	1. Officers Designated Military Occupational Specialty (including female). 2. Conscripted officers converting into enlisted officers 3. Officers for Designated Occupation. 4. Reserved Officer Training Corps (ROTC) .
	Conscription	Conscripted Officer	1 year 10 months	1. Selected college graduates. 2. Beginning in 2004, the term of service is reduced by 2 months to 1 year 8 months.
NCO	Enlistment	Regular NCO	More than 4 years	1. Sergeants with an associate degree. 2. Graduates of Standing NCO Class of the National Army Senior High School. 3. NCOs for Designated Occupation of Navy Standing NCO Class
		Reserved NCO	3 years	1. NCOs with Designated Military Occupational Specialty (including female). 2. Conscripted NCOs converting into enlisted NCOs.
	Conscription	Reserved NCO	1 year 10 months	1. Selected college graduates 2. Selected conscripted soldiers 3. Selected and trained by the units independently. 4. Beginning in 2004, the term of service is reduced by 2 months to 1 year 8 months.
Soldier	Enlistment	Soldier	3 years	1. Youths that do not complete his military service. 2. Back-up standing soldiers retired within 3 years. 3. Standing soldiers in service.
	Conscription	Standing Soldier	1 year 10 months	1. Personnel recruited according to the Military Service Act. 2. Beginning in 2004, the term of service is reduced by 2 months to 1 year 8 months.

Date: November 1, 2004

fied female personnel in defense affairs.

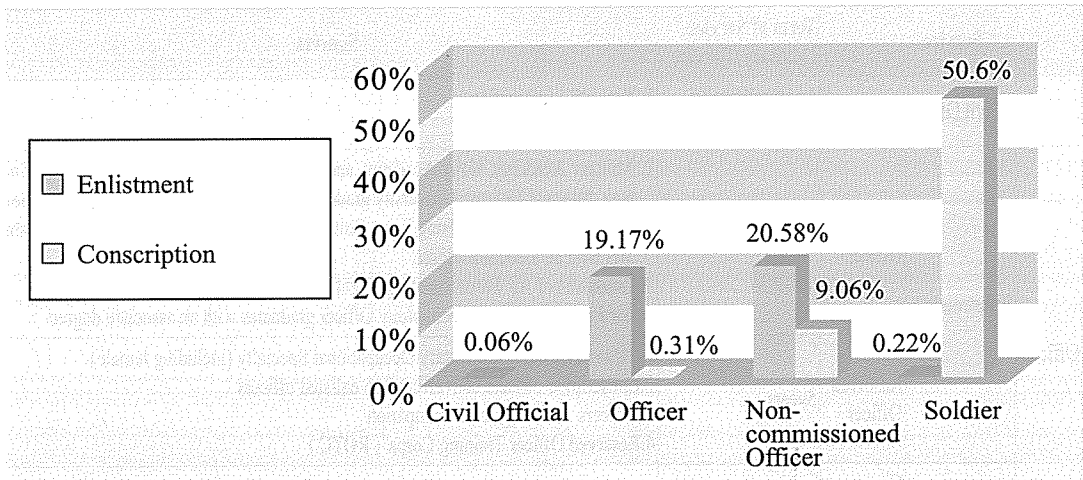
In terms of age structure, the average age of servicemen is about 38.7 for civil officials, 31.8 for officers, 25.6 for non-commissioned officers and 22.4 for enlists. Figure 4-4 shows the average age structure of servicemen in 2004.

Overall, vigor and professionalism are some of the distinctive characteristics of the current servicemen. These military personnel can be cultivated into qualified defense manpower after comprehensive military training.

III. Management of National Defense Manpower

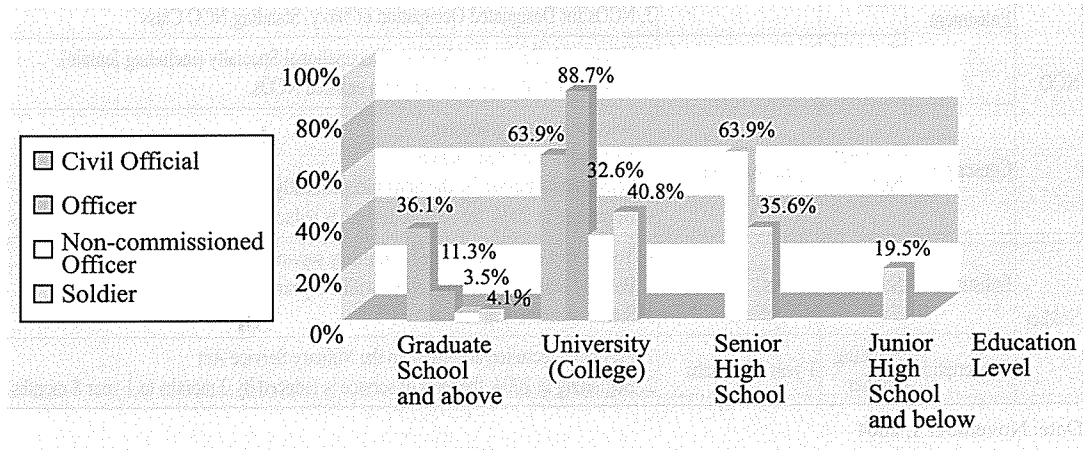
The management of defense manpower must take into account overall national develop-

Figure 4-1 Statistics on the Structure of Defense Manpower



Date: November 1, 2004

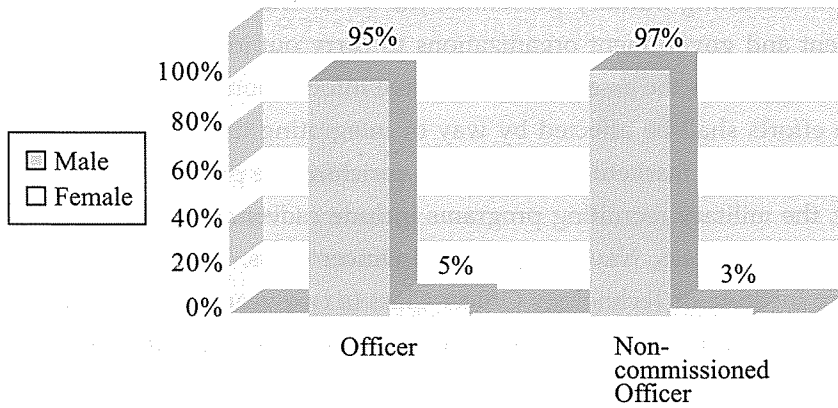
Figure 4-2 Statistics on the Quality of Defense Manpower



Date: November 1, 2004

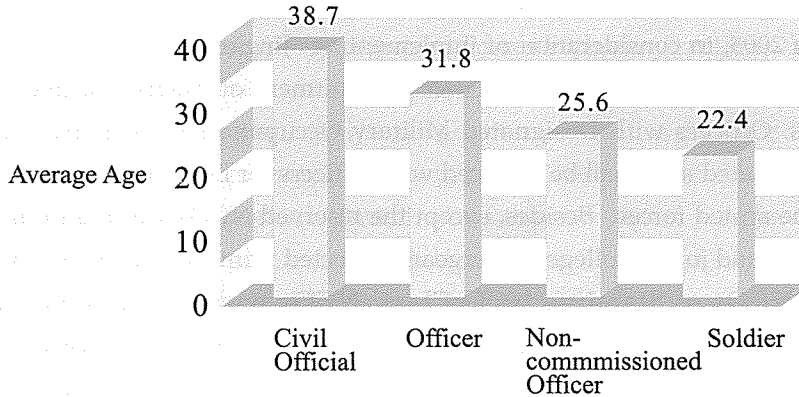
ment to allocate and optimize manpower effectively. To meet end, the MND is in its part to employ various efforts, including actively recruiting qualified personnel, renovating the military education system to improve the quality of teaching; classifying fields of specialization to ensure the best possible use of talents, replacing the inferior with the superior to improve the quality of manpower, offering assistance to the pending retiree to pursue a new profession or further study, and bringing up a friendly and gender equal environment.

Figure 4-3 The Percentage of the Gender of Officers and NCOs



Date: November 1, 2004

Figure 4-4 Statistics on the Average Age Structure of Defense Manpower



Date: November 1, 2004

1. Recruitment of Personnel

In terms of recruiting civil officials, the MND headquarters have established 204 civil positions (one third of total positions in the MND headquarters) from 2002, based on "national examination" and "public selection" results according to "Organization Act of the Ministry of National Defense." At present, a total of 167 civil personnel have been employed through public selections and the MND will continue to recruit new personnel. The Armaments Bureau and Military Medical Bureau shall establish 78 civil positions

which shall be filled in 2005 and 2006. The number of military and civil positions before and after the implementation of the "Two Defense Acts" is shown in Table 4-2.

In terms of recruiting military personnel, the MND shall integrate the resources of non-government and government organizations to carry out joint recruitment programs providing aspiring youths the assess comprehensive information on a prospective military career. These efforts shall be affected by way of integrating the resources of the armed forces, adopting an active marketing strategy and enriching the propaganda.

Currently, the military recruiting programs include cadets and midshipmen with BA degrees or associate degrees, Naval Professional Officer Class, Air Force Standing Flight Class, Air Force Institute of Technology Officer Class (a two-year program), Chung-Cheng Armed Forces Preparatory School (Senior High Division), and Sergeants with an associate degree. Furthermore, as military buildup and combat readiness are redirected towards professionalization and functionalization, the ratio of qualified, medium- and long-term enlisted military personnel shall be increased to complement the small quantity of conscripts of short-term service. The MND has organized selection and recruitment programs targeting at the youths with education level of senior high school and above since 2003. The enlisted soldiers shall serve a term of three years and may be selected to join the Army Missile Troops, Marine Corps Infantry Battalion or the Air Force Repair Group.

Beginning in 2005, in consideration of implementing "Jingjin Program" and simplifying the recruitment process of the Armed Forces, recruitment of cadets and midshipmen associate degrees, Officers with Designated Military Occupational Specialty, officers of ROTC will be terminated and shall be replaced with Officers for Designated Occupation of each Service of the armed forces. Besides, except the reserved NCOs selected from college graduate conscripts and junior college for sergeants selected from the NCOs in service, the recruitment of NCOs of Standing NCO Class, NCOs with Designated Military Occupational Specialty, NCOs for Designated Occupation of Navy NCO Class and NCOs for Designated Occupation of NCO Class (for female) shall also be terminated. It is hoped

Table 4-2 Statistics of the Number of Military and Civil Positions Before and After the Implementation of the "Two Defense Acts"

Phase	Item	Total Number of Personnel in the Organization	Military Positions		Civil Positions		Ratio of Military to Civil Positions
			Total number	Existing number	Total number	Existing number	
Before the implementation of the "Two Defense Acts"		224	209	196	15	28	93.4/6.6
After the implementation of the "Two Defense Acts"		570	366	360	204	167	64.2/35.8

Date: November 1, 2004

that the simplifying measures shall implement the expedited process of enlistment system to increase the ratio of enlisted soldiers, to avoid the confusion created between the enlisted NCOs and soldiers, to establish a system for enlisted soldiers promoted as enlisted NCOs due to personal career development planning. The accomplishments of defense manpower recruitment from 2002 to 2004 are shown in Table 4-3.

2. Training of Personnel

(1) To enable civil officials with ample professional defense knowledge, the MND has established training programs offering four phases of training to new civil personnel, including "basic education" (with five training sessions and 120 attendants), "professional education" (with two sessions and 47 attendants), "joint staff education" and "personnel exchange strategy education" (with two sessions and 60 attendants). A total of 227 personnel have been trained and the MND shall continue to set up relevant courses to foster professional defense civil officials.

(2) In planning the renovation of military education system, the MND shall step up efforts to improve various education levels gradually, including basic, intermediate and advanced education guided by planned, prepared and progressive policies. In order to build a complete military education system, the Military Education Committee was established in June 2003 to expedite military education renovation.

(3) In accordance with the Armed Forces restructuring, and in order to better control the service terms of office and rejuvenate personnel operation, the MND established personnel management and training policies and added and revised relevant regulations and operational standards for appointments, employment and terms of services to better control the service terms. Personnel are selected for training under the "commanding" or "professional" system according to age, rank, education level, professional experience, performance evaluation and personality, professional skills and capability. This system shall render military personnel with relevant skills and achieve the goal of putting the right people in the right places, along with completing an automation of the human resource databases which store personnel data and offer personal inquiries. The MND shall also disclose personnel operational procedures publicly to comply with the policy of "transparency in personnel affairs."

3. Evaluation and Assessment

To achieve the goal of "replacing the inferior while retaining the best qualified to strengthen the military capabilities," the MND adopted a policy of strict evaluation and elimination according to the "Act of Punishment of the Armed Forces." Commanding Officers shall assess their subordinate staff according to their daily performance and working attitude. Under the law, Commanding Officers shall convene personnel assessment meetings during annual performance and retention evaluation process. From July 2002 to

Table 4-3 Statistical Chart for the Accomplishments of Defense Manpower Recruitment

Categories	Year	Required Number of Personnel	Registered Number	Number Attending the Examination	Examination Rate	Number Enrolled	Attainment Rate
Civil Positions	2002	204	157	144	91.72 %	28	13.73 %
	2003	176	609	573	94.09 %	109	61.93 %
	2004	67	153	131	85.62 %	30	44.78 %
Cadet Graduates with a BA Degree or an Associate Degree	2002	2,478	12,748	10,297	80.77 %	2,161	87.21 %
	2003	1,607	20,498	16,802	81.97 %	1,502	93.47 %
	2004	1,372	10,578	8,900	84.00 %	1,164	84.84 %
Graduates of ROTC	2002	240	283	205	72.44 %	168	70.00 %
	2003	200	289	238	82.35 %	167	83.50 %
	2004	190	275	234	85.10 %	166	87.37 %
Officers Designated Military Occupational Specialty	2002	2,076	8,100	7,149	88.26 %	1,733	83.48 %
	2003	849	1,679	1,441	85.82 %	497	58.54 %
	2004	394	790	670	85.00 %	264	68.27 %
Graduates of Navy Officers for Designated Occupation	2002	184	332	232	69.88 %	87	47.28 %
	2003	226	204	188	92.16 %	87	38.50 %
	2004	226	180	148	82.22 %	77	34.07 %
Air Force Standing Flight Class	2002	46	204	143	70.10 %	44	95.65 %
	2003	52	148	138	93.24 %	31	59.62 %
	2004	42	58	53	91.38 %	22	52.38 %
Air Force Institute of Technology Officer Class	2002	81	510	147	28.82 %	81	100.00 %
	2003	295	573	396	69.11 %	260	88.14 %
	2004	192	660	282	42.73 %	132	68.75 %
Chung-Cheng Armed Forces Preparatory School	2002	553	1,274	982	77.08 %	429	77.58 %
	2003	411	1,094	1,094	100 %	327	79.56 %
	2004	300	721	721	100 %	250	83.33 %
Junior College for Sergeants	2002	725	4,020	1,867	46.44 %	611	84.28 %
	2003	639	2,371	1,494	63.01 %	540	84.51 %
	2004	552	2,429	1,552	63.89 %	526	95.29 %
NCOs of Standing NCO Class	2002	1,847	4,887	2,706	55.37 %	1,258	68.11 %
	2003	1,384	6,856	5,671	82.72 %	1,105	79.84 %
	2004	1,070	1,158	861	74 %	841	78.60 %
NCOs with Designated Military Occupational Specialty	2002	5,506	10,652	8,493	79.73 %	3,984	72.36 %
	2003	2,863	7,173	5,938	82.78 %	1,287	44.95 %
	2004	1,834	236	Dec. 4, 2004 Entrance Exam.		Jan. 1, 2004 Enrollment	
NCOs for Designated Occupation of Navy NCO Class	2002	560	797	566	71.02 %	108	19.29 %
	2003	426	398	318	79.90 %	98	23.00 %
	2004	300	261	214	81.99 %	149	49.67 %
NCOs for Designated Occupation of NCO Class (female)	2002	299	4,568	3,830	83.84 %	255	85.28 %
	2003	118	4,549	3,553	78.11 %	95	80.51 %
Enlisted Soldier	2003	647	1,410	896	63.55 %	271	41.89 %
	2004	364	405	301	74.32 %	129	35.44 %

Note: Enlisted soldiers did not recruit in 2002. Class of NCOs for Designated Occupation (female) was combined with the Class for NCOs with Designated Military Occupational Specialty beginning in 2004.

Date: November 1, 2004

November 2004, a total of 1,847 personnel were dismissed, including 91 involved in criminal acts, 222 dismissed due to assessment results, 1,216 rejected for retention, 318 whose performance evaluation was listed "C". After the implementation of "Two Defense Acts" and in coping with civil officials introduced into various units, under the "Civil Service Performance Evaluation Act," the "MND Civil Service Performance Evaluation Committee" was established responsible for reviewing rewards, punishments and performance evaluation of civil officials.

4. Vocational Training for Retired Military Personnel

To bear the brunt of better optimizing the manpower resources of retired military personnel in national development, the MND has established annual vocational training programs conducted via the following four methods:

(1) Bonded with the National Youth Commission, Council of Labor Affairs and Veterans Affairs Commission, the MND held "Iterant Seminars on Job Services for Retired Military Personnel" in northern, central, southern and eastern Taiwan, Penghu and Kinmen to offer job seeking and counseling services. From July 2002 to November 2004, 24 seminars in total were held, with 54,305 attendees.

(2) The MND coordinated with the Council of Labor Affairs to hold "Vocational Training Programs for Pending Retired Conscripted Personnel" with 1,909 attendees from July 2002 to November 2004. Participants were able to seek jobs through job brokerage institutions or start a new business after acquiring a national technician verified examination certificate.

(3) The MND contracted non-government institutions through public tender to conduct vocational training for retired lieutenant colonel and colonel. The courses were offered in four sessions, including Industrial Engineering Class, Business Administration Class and Entrepreneurship Class. After four months of professional training courses, the attendees were recommended to take management positions in private enterprises. A total of 231 retired colonels and 306 retired lieutenant colonels attended the training programs from July 2002 to November 2004, with an average rate of 50% to seek a job successfully.

(4) To expedite the enlistment system, the MND will cooperate with Taoyuan Vocational Training Center of the Veterans Affairs Commission to offer pending retired conscripted soldiers training courses, including machinery, electric and plumbing, auto repair, computer and fire fighting. Such courses will assist retired personnel to participate in the economy with the learned skills. Furthermore, depending on personal needs, they could also seek a job or pursue advanced studies via the assistance offered by the Veterans Affairs Commission.

5. Gender Equality

In coordination with the promulgation of "Gender Equality in Employment Law," to

ensure equal employment rights and to highlight the implication of equality status as stipulated in the law, the MND revised and promulgated regulations including the "Operational Guidelines for Enlisted Officers and Non-commissioned Officers Applying for Unpaid Parental Leave for Raising Children," "Regulations Governing Female Physiological Leave, Maternity Leave and Family Leave," "Regulations Governing the Management of Female Military Personnel Living in Barracks of the Armed Forces," "Regulations Governing the Management and Punishment for Co-ed Army Barracks of the Armed Forces" and "Rules for Establishing and Providing Child-Care Facilities in the Armed Forces." In order to foster a friendly and gender-parity work environment, the MND shall make major commitment to create a friendly and gender equal environment by carrying out the laws regarding gender equality laws and creating counseling and complaint channels as well.

IV. Vision

1. To Establish a Healthy System for Civil Officials

The total number of civil officials recruited shall not be less than one-third of the total personnel in the MND headquarters under Organization Act of the Ministry of National Defense. The employment of civil officials shall be based on individual proficiencies and effected through comprehensive and healthy systems, including "promotion and management, reward, punishment and assessment and education and training systems." Thus, the MND hopes right people can be put in the right places to fully display their professional skills. In addition, the MND will continue to promote a benign military and civil relationship to foster the civil official system.

2. To Innovate the Military Service System

With New generation weaponry becoming operational step by step, the highly skilled personnel will become a long-term demanding to put the capabilities of the weapons into full play. To implement the newly revised military service system, the military service policy of the Armed Forces shall redesign toward "the main force based on enlists, with an enlistment system and a conscription system concurrently adopted." The number of conscripted servicemen (including officers, NCOs and soldiers) will be reduced, while enlisted servicemen will be increased gradually over the years. At the same time, the MND shall review the early retirement plan once the enlisted soldiers recruited can satisfy the needs of the armed forces.

3. To Improve the Recruitment System

To meet the following ends, including responding to manpower shortage resulting from the changing society; combining recruitment advertisements with affairs of recruitment exams; and carrying out the policy of the "separation of regular forces and reserved

forces," the MND is vigorous on its part to plan new recruitment policies and operating procedure and to task Reserve Command in charge of the overall responsibilities. The duties and responsibilities of recruiting institutions of all levels are defined clearly to establish a professional, efficient recruiting organization under a coherent command to improve overall recruitment accomplishments.

4. To Upgrade the Overall Quality of Manpower

To improve the quality of manpower, the MND adopts "quality above quantity" guideline, implemented through professional multi-marketing approaches. The MND shall cultivate modern and professional military personnel through continuously conducting education assessment, C4ISR education and joint forces operation training" and consistently enhancing "servicemen's disposition" and "basic learning capability" as well. Furthermore, to upgrade the quality of military cadre, the MND will create a complete lifelong learning environment to assist commissioned officers to earn Master degrees and non-commissioned officers achieve college or higher degrees or relevant certificates.

5. To Implement the Personnel Management and Planning System

In response to organization restructuring, the MND shall set up the civil and military personnel management systems to achieve the goals that the personnel will develop his career according to his specialization or job nature and the right people are employed in the right places. Civil officials tasked with different job duties shall be rotated within the same job category to foster fully rounded civil officials capable of joining in future policy planning. As to military personnel, their training shall adopt the policy of "personnel being trained for military purposes; personnel being appointed after prepared." This policy will enable them to advance in their fields of specialization with specific, essential skills.

6. To Strengthen Vocational Training Programs for Veterans

Due to the society changing dramatically and the military downsizing gradually, commissioned and non-commissioned officers and soldiers of various services will have to retire from the military once his service term is finished. In the future, the personnel training and manpower employment programs shall dwell on the needs of personal career development planning, bringing promising hopes that veterans could exploit what they have acquired in the military to pursue new careers in the private sector.

Chapter 11

■ National Defense Financial Resources

National defense financial policies are established in line with the factors including the overall national economic development, government financial capacity and national security. With the very notion of "optimizing the resources," the policies shall aim, on a yearly sequential basis effectively in preparation for the goals of combat readiness and military buildup, to effectively optimize the defense budget and financial resources towards the missions of higher priority.

I. National Defense Financial Strategies

According to the mid- and long-term budgetary systems of the Executive Yuan, the MND shall complete mid-term budgetary planning in line with the budget appropriated in the Executive Yuan's mid-term budget plan. With the spirit of "budgeting ahead of planning," the mid-term and long-term planning of financial resource shall be allocated to the missions of higher priority under the Armed Forces budgetary system which aims to optimize defense resources to support military missions.

In terms of financial resources management and evaluation, based on the military buildup concept and force restructuring program, the MND shall aim to optimize the annual budget by following the procedures of the five-year implementation plan. The MND shall allocate monthly budget and resources to each echelon of the Armed Forces according to program progress. It is expected that defense budget can sufficiently support combat readiness through the efforts of controlling the progress of budget execution, conducting internal auditing and assessing budget execution.

II. National Defense Budget

The national defense budget is an essential investment as it is the key to secure national security. The effectiveness of defense budget can be proved only through the efforts of comprehensively reviewing military priorities, reducing personnel and general administration expenses, satisfying the needs of combat readiness and acquiring high-technology weaponry.

1. Comparison of Total Central Government Budget, Gross National Product (GNP) and National Defense Budget in the Last Ten Years

(1) The proportion of national defense budget in total central government budget and

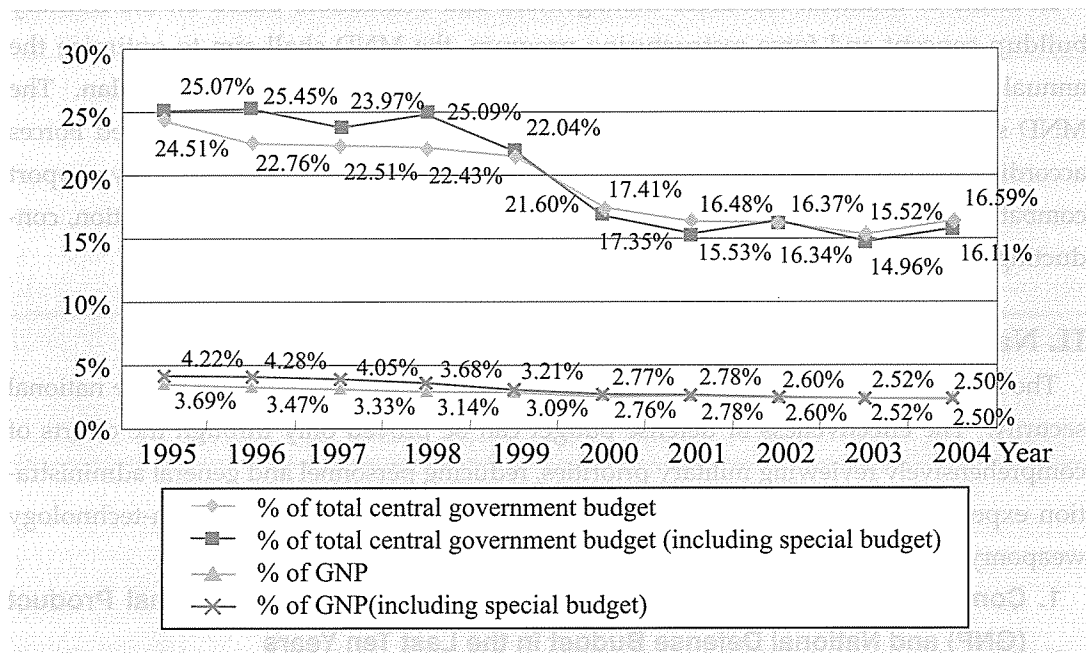
GNP (Figure 4-5)

Due to the diversified development of the society, the increasing expenditure in social welfare and overall national economic development as well, the proportion of defense budget in total central government budget has declined from 24.51% in 1995 to 16.59% in 2004. The actual defense outlay accounts for only 16.08% of the total central government budget after deducting the non-defense budget of NT\$4.95 billion from the "Regulations of Compensation for Damages to the Public from Military Activities" and "Dingyuan Project." If special budget is included, the proportion of defense budget in the total central government budget declined from 25.07% from 1995 to 16.11% in 2004. The proportion of defense budget to GNP has declined gradually over the years from 3.69% in 1995 to 2.50% in 2004 (The actual defense outlay accounts for only 2.45% of GNP). The proportion of defense budget (including special budget) to GNP has also declined gradually over the years from 4.22% in 1995 to 2.50% in 2004.

(2) Comparison of growth rates of total central government budget and national defense budget (Figure 4-6)

The ROC's total central government budget increased by NT\$562.4 billion and grew 54.64% from NT\$1.0292 trillion in 1995 to NT\$1.5916 trillion in 2004. If special budget

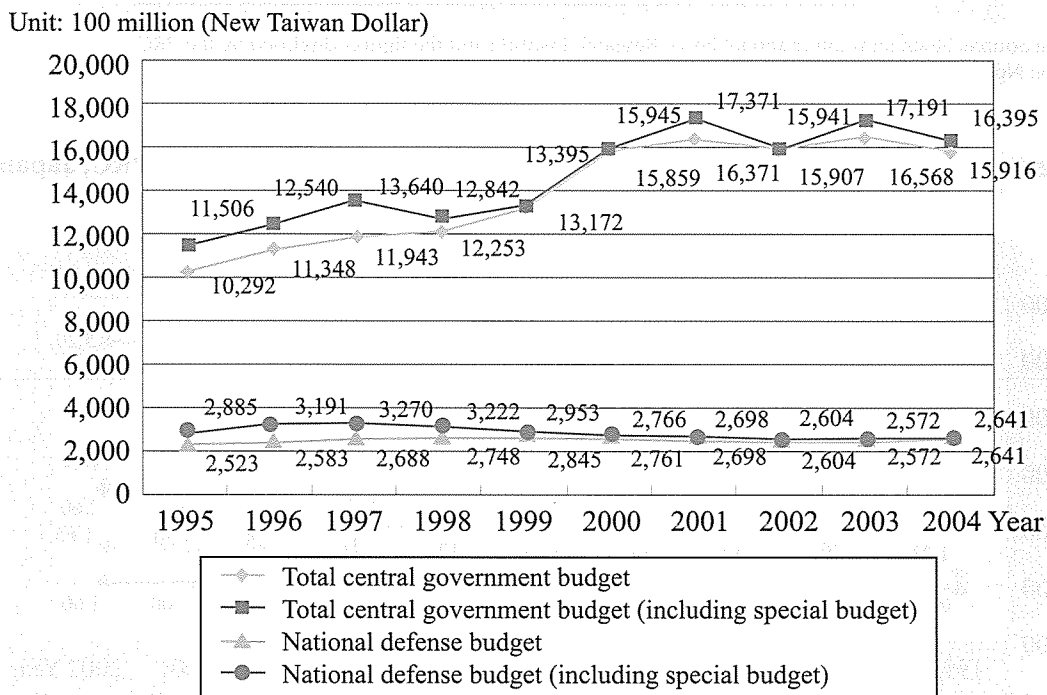
Figure 4-5 The Proportion of Defense Budget in Total Central Government Budget and GNP from 1995 to 2004



is included, the total central government budget increased by NT\$488.9 billion and grew 42.49% from NT\$1.1506 trillion in 1995 to NT\$1.6395 trillion in 2004. However, defense budget only increased by NT\$11.8 billion and grew 4.68% from NT\$252.3 billion in 1995 to NT\$264.1 billion in 2004. If special budget is included, defense budget decreased greatly by NT\$24.4 billion and posted a growth rate of -8.46% from NT\$288.5 billion in 1995 to NT\$264.1 billion in 2004.

As stated above, comparing the defense budgets of PRC, Japan, South Korea and Singapore, ROC's defense budget is only higher than that of Singapore's. The proportion of ROC's defense budget in total GNP is higher than those of PRC's and Japan's but lower than those of Singapore's and South Korea's (as shown in Figure 4-7 and 4-8). The growth rate of defense budget fluctuated in the past ten years. In the past five years, defense budget posted a negative growth rate (average rate was -1.5%). On the contrary, the PRC posted a double-digit growth rate of defense budget in the past ten years. According to research institutions in the U.S. and U.K., the PRC's undisclosed defense budget was three

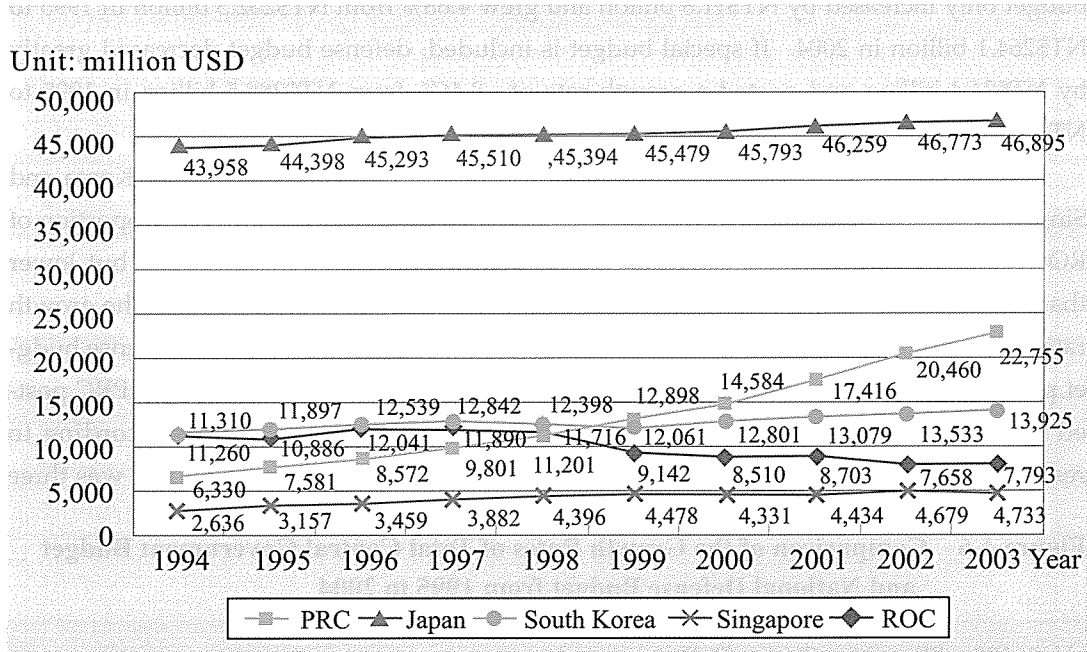
Figure 4-6 Comparison of the Growth Rates of Total Central Government Budget and National Defense Budget from 1995 to 2004



Remarks: The budget appropriated in 2000 was for a period of one year and six months. To facilitate the data analysis, the MND re-calculated the budget amount for a period of one year (divide by 1.4596 according to the regulations stipulated by the Executive Yuan).

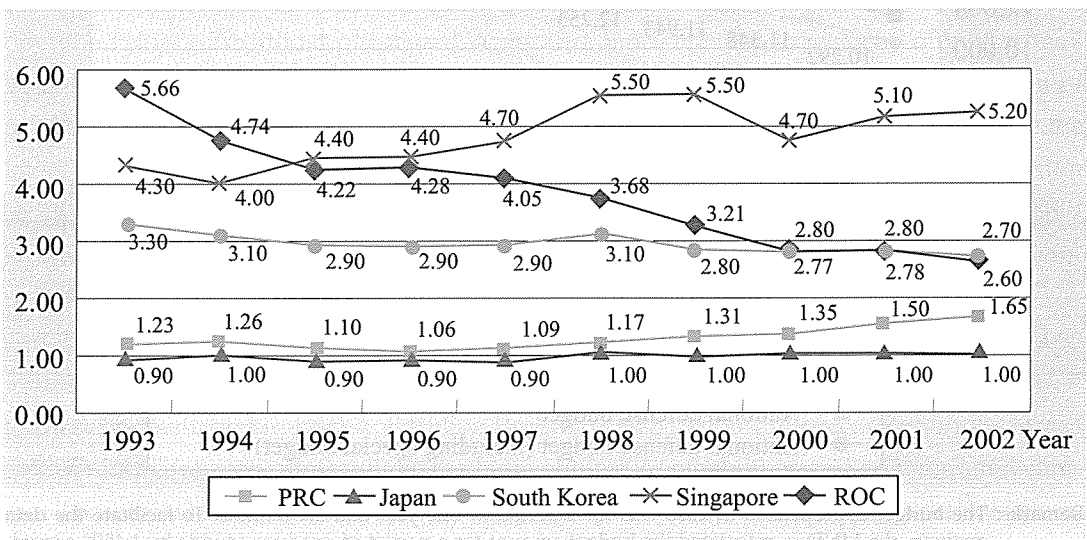
Date: November 1, 2004

Figure 4-7 The Defense Budget of the ROC, PRC, Japan, South Korea and Singapore from 1994 to 2003



Data Source: Stockholm International Peace Research Institute and the figures disclosed by the PRC
Date: November 1, 2004

Figure 4-8 The Proportion of Defense Budget in Total GNP of the ROC, PRC, Japan, South Korea and Singapore from 1994 to 2003



Data Source: Stockholm International Peace Research Institute and the figures disclosed by the PRC
Date: November 1, 2004

times more than it announced. According to the mid-term budget appropriated to the MND by the Executive Yuan from 2005 to 2008, the following are the forecast of ROC's annual defense budget made in 2005: the defense budget from 2005 to 2008 totals NT\$1.0344 trillion, with NT\$260.7 billion for 2005, NT\$258 billion for 2006, NT\$257.9 billion for 2007, and NT\$257.8 billion for 2008. The budget for 2009 is temporarily posted at NT\$257.8 billion (as the sum prepared for 2008). It is estimated that the MND can receive a total budget of NT\$1.2922 trillion from 2005 to 2009. However this budget cannot meet the needs of beefing up the military strength. In addition to sparing no efforts to seek additional budget from the Executive Yuan, the MND shall manage to prioritize the appropriated budget to the missions of top priority.

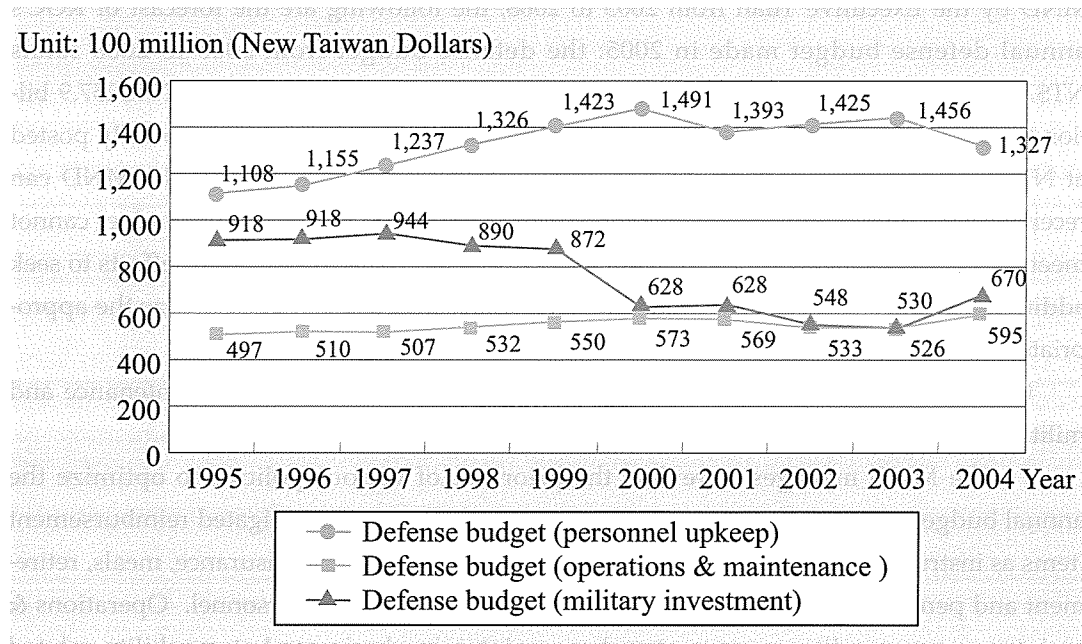
(3) Comparison of growth rates in personnel upkeep, operations & maintenance and military investment in the past ten years

The MND manages to review the priorities of various policies to optimize the annual budget. Expenditure on personnel upkeep shall meet the obligated reimbursement items as instructed by the Executive Yuan's policy including salary, insurance, meals, retirement and pension, subsidies for dependents of military and civil personnel. Operations & maintenance expenditures are centered on maintaining basic combat capability related items, such as weaponry replenishment and maintenance of weapon and equipment, and fuel and ammunition supplies. Secondary, the focus is laid on maintaining the officers and soldiers' basic living standards, including facilities maintenance, medical services, uniforms and utilities. Finally, those items regarding general operations shall be also properly supported, including political warfare, administrative operations and the first reserve fund. According to the guideline for military and force buildup programs, military investment shall focus on the capabilities of information & electronic warfare, missile defense system and operations for sea dominance. The MND shall review the minimum budget required for ongoing projects and prioritize the budget to major military procurement (as shown in Figure 4-9 and 4-10).

2. The Proportion of Non-classified and Classified National Defense Budget in the Past Ten Years (Figure 4-11)

Guided by Law for Protection of National Secrets and Guidelines for the Categorization of Military Secrets, the MND laid down Guidelines for Planning Classified Defense Budget, which clearly separates non-classified from classified budgets, further providing hope that the balance between the "public's rights to know" and "national security to be ensured" could be half met. In 1995, the proportion of classified budget accounted for 36.92% of total defense budget, while the proportion declined by 17.98% to 18.94% in 2004. These efforts demonstrate the MND is striving to accelerate the development of a transparent defense budget.

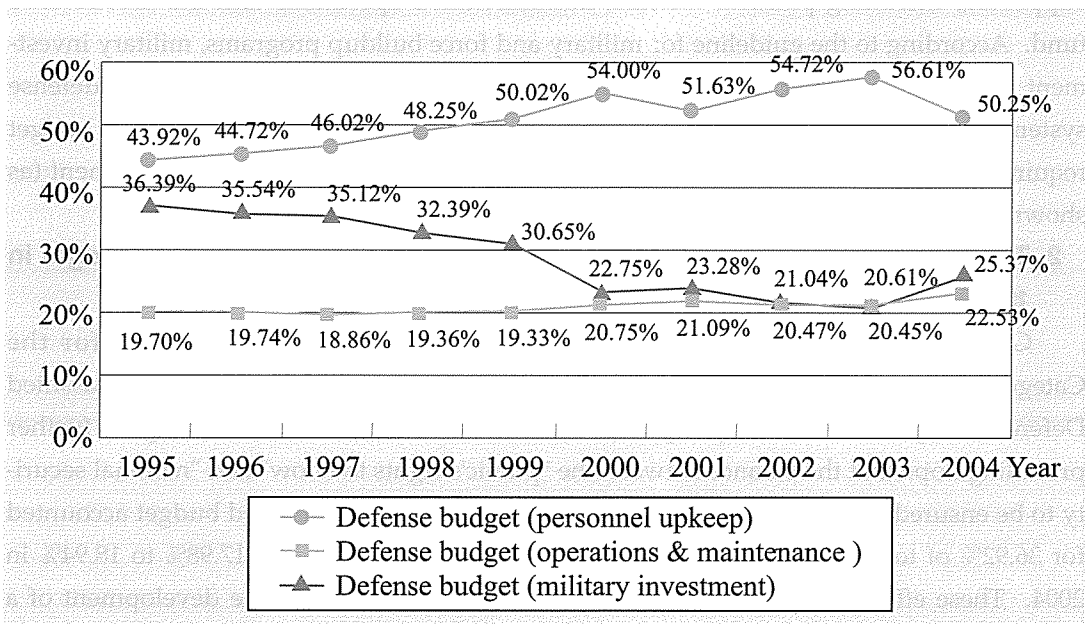
Figure 4-9 Comparison of the Categories of the Defense Budget from 1995 to 2004



Remarks: The original meal reimbursement for regular staff and allowances for reserved forces have been transferred to the budget of operations & maintenance in 2004.

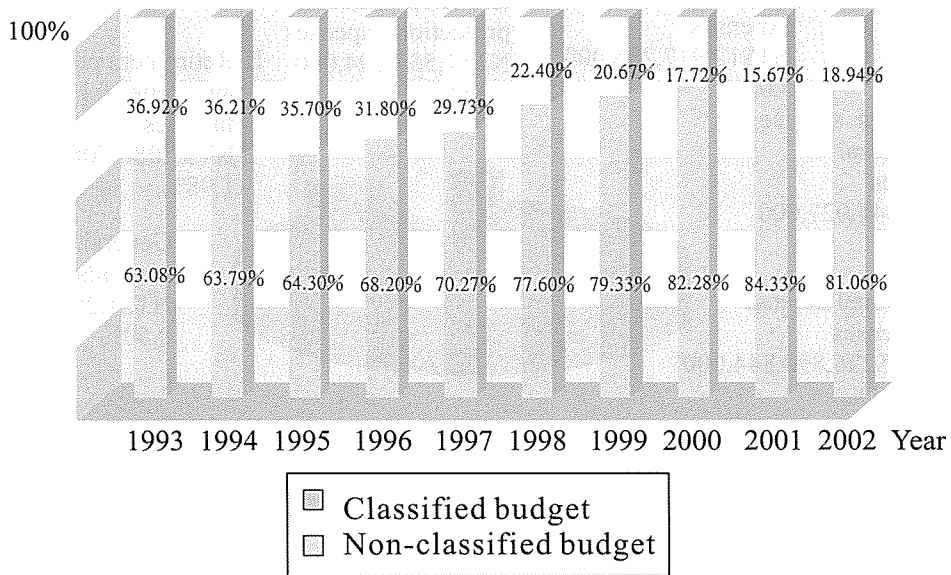
Date: November 1, 2004

Figure 4-10 Percentage of the Categories of Defense Budget in Total Defense Budget from 1995 to 2004



Date: November 1, 2004

Figure 4-11 The Proportion of Non-classified and Classified Defense Budget from 1995 to 2004



Date: November 1, 2004

3. Overview of the Defense Budget Prepared in FY2003 and FY2004

(1) FY 2003 budget: The defense budget prepared for FY2003 was NT\$257,194,358,000. The analysis in detail is as follows:

a. The annual expenditure items were categorized according to the "Operation Manual for Central Government Budgeting" (Figure 4-12).

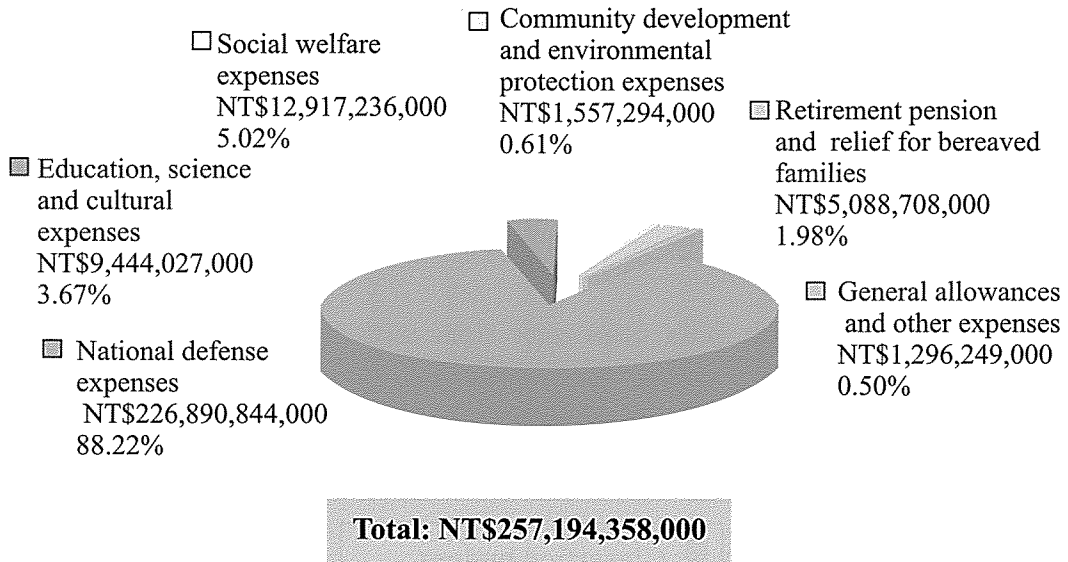
(a) National defense expenses: The items involved include equipment, military infrastructure, construction and facilities, administration, political warfare, education and training, intelligence collection, communications, supply and maintenance, logistic support, personnel and other military expenses of the MND and its subordinate agencies.

(b) Education, science and cultural expenses: The items involved include scientific research equipment and related expenses.

(c) Social welfare expenses: The items involved include military, labor, group insurance and accident insurance, national health insurance subsidies and compensation for unfair verdict cases on espionage during the Martial Law period.

(d) Community development and environmental protection expenses: The items involved include environmental protection expenses and housing loan programs for servicemen.

Figure 4-12 Budget Items of Defense Budget in 2003



Date: November 1, 2004

(e) Retirement pension and relief for the bereaved families: The items involved include retirement pension, relief for the bereaved families and other operational expenses.

(f) General allowances and other expenses: The items involved include various allowances for military dependents.

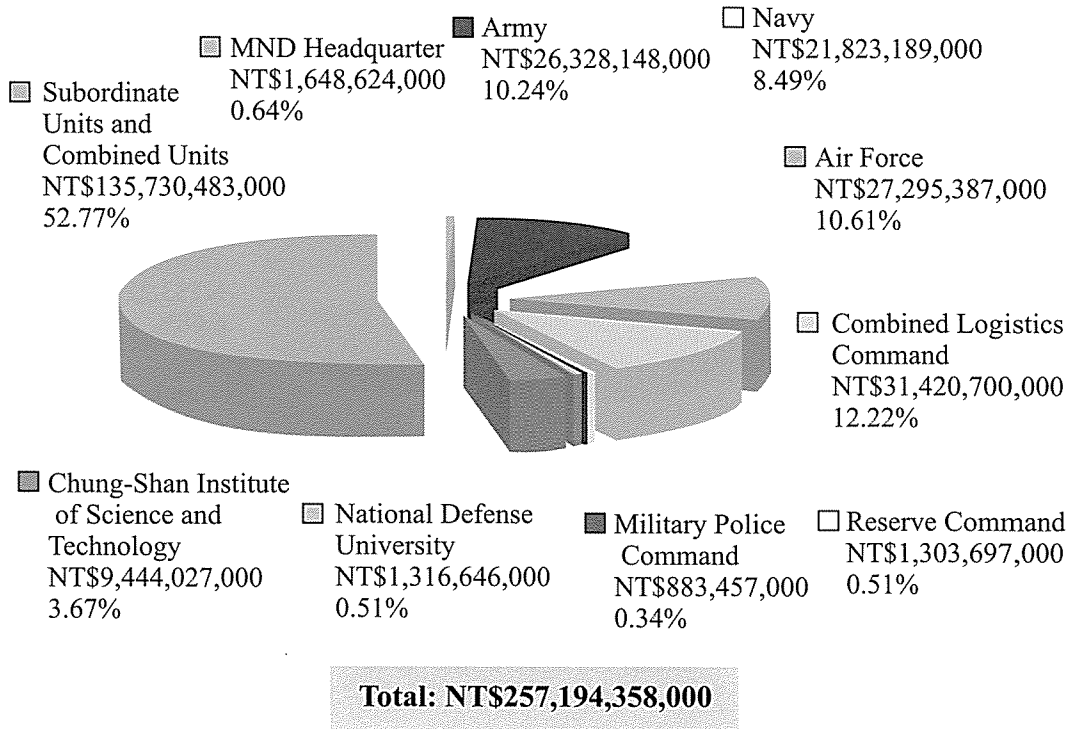
b. Defense budget sharing by components (Figure 4-13)

(a) MND Headquarters: The total budget was NT\$1,648,624,000 mainly used for national defense administration, policy research, organization restructuring and the creation of a modern defense system in "consolidation of military policy and command branches system."

(b) Organic Units of the MND: The total budget was NT\$255,545,734,000, including the budget for the Army, the Navy, the Air Force, the Combined Logistics Command, the Reserve Command, the Military Police Command and organic units. The budget appropriated shall focus on establishing elite armed forces, enhancing the capabilities of air dominance and command of the sea, deploying the capabilities of ground defense operations, selecting personnel for mobilization operations, improving R&D and production of weapons, implementing computerization of military administrations, strengthening overall logistic support and rebuilding old living quarters of military dependents.

(c) The total defense budget prepared in FY 2003 was NT\$257,194,358,000 with NT\$52.9 billion on the production, R&D and procurement of weapons and equipment.

Figure 4-13 Defense Budget Sharing Structure by Component in 2003



Date: November 1, 2004

According to military investment items, the budget was divided into ten categories, including counter-measure weapons and defensive operations, information and electronic warfare equipment, weapon replenishment, joint operations for air and sea dominance, ground defense weapons, military infrastructure, education and training, combat support and living facilities (Figure 4-14).

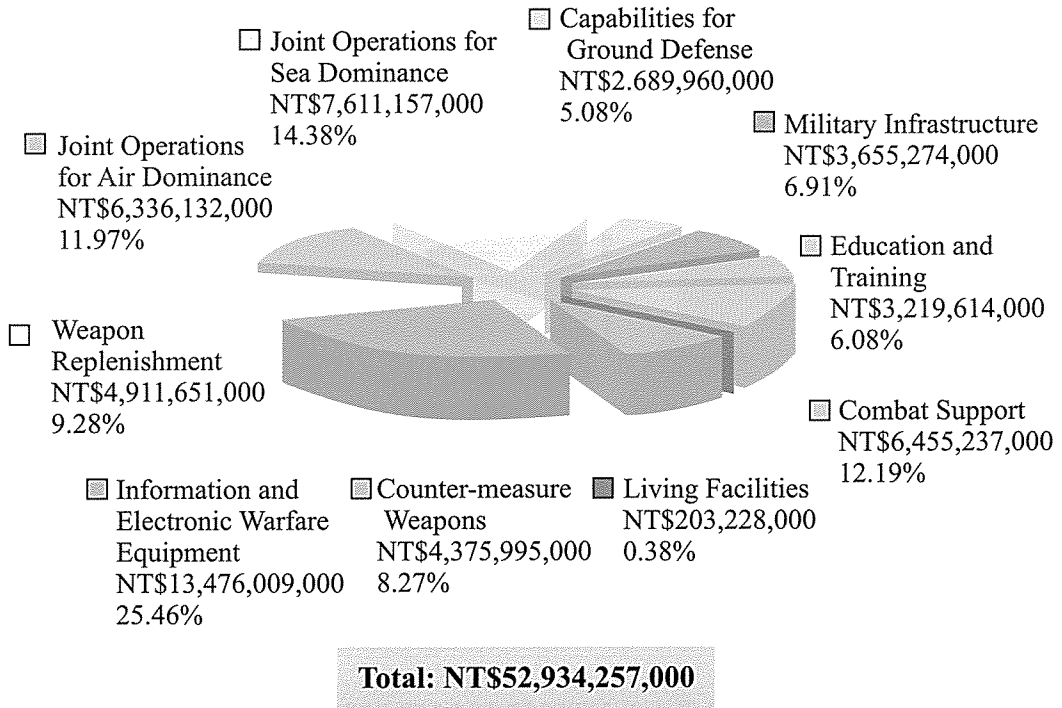
(2)FY 2004 budget: The defense budget prepared in FY2004 is NT\$264,074,502,000. The analysis in detail is as follows:

a. The annual expenditure items are categorized according to the "Operation Manual for Central Government Budgeting" (Figure 4-15).

(a)Defense expenses: The items involved include equipment, military infrastructure, construction and facilities, administration, political warfare, education and training, intelligence collection, communications, supply and maintenance, logistic support, personnel, and other military expenses of the MND and its organic units.

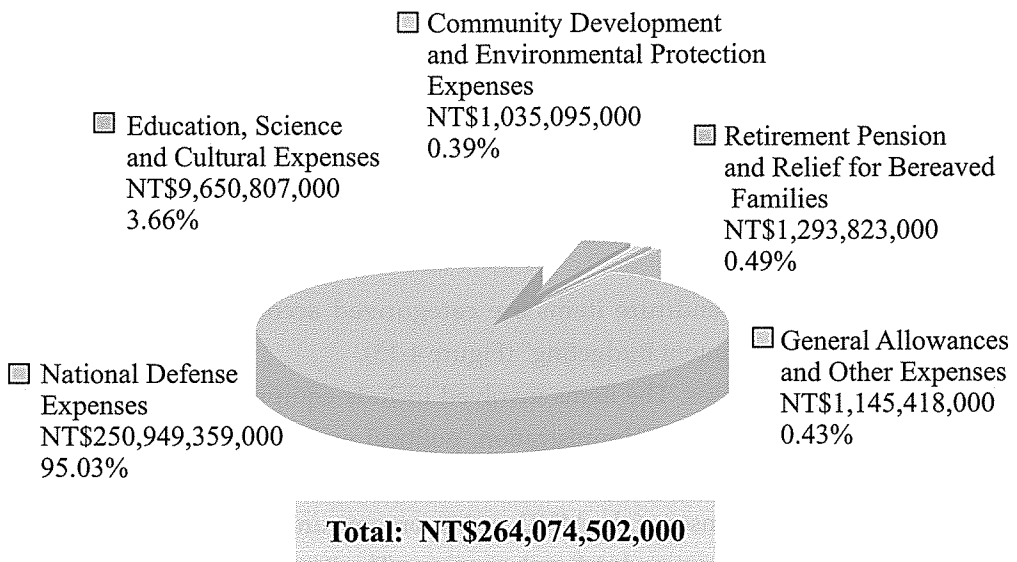
(b)Education, science and cultural expenses: The items involved include scientific research equipment and related expenses.

Figure 4-14 Categories of Military Investment of Defense Budget in 2003



Date: November 1, 2004

Figure 4-15 Budget Items of Defense Budget in 2004



Date: November 1, 2004

(c)Community development and environmental protection expenses: The items involved include environmental protection expenses and housing loan programs for servicemen.

(d)Retirement pension and relief for the bereaved families: The items involved include retirement pension, relief for bereaved families and other operational expenses.

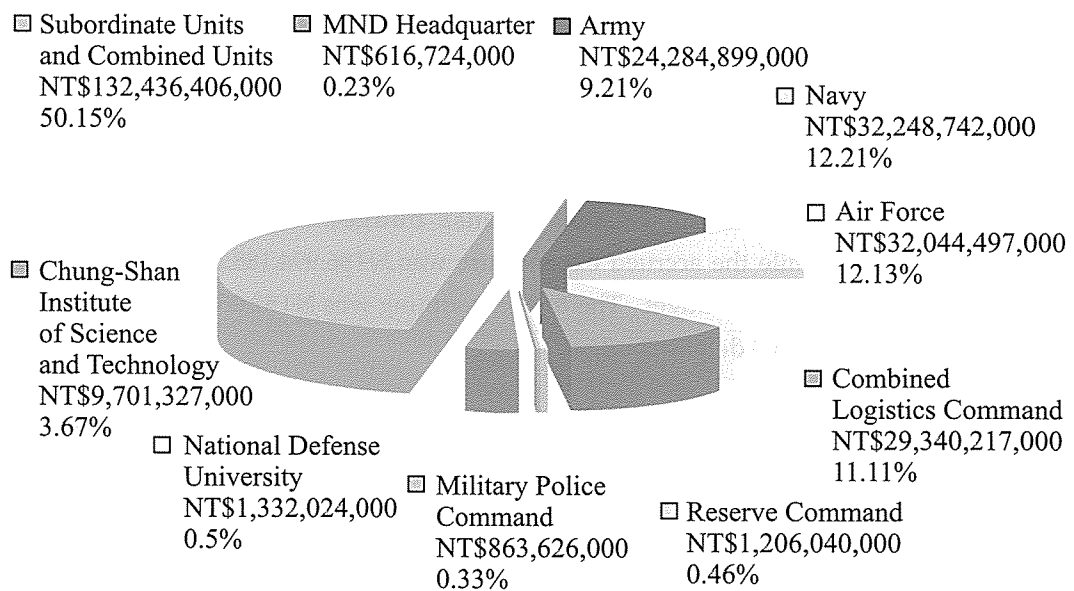
(e)General allowances and other expenses: The items involved include various allowances for military dependents.

b. Categorized according to units and services (Figure 4-16)

(a)MND Headquarters: The total budget was NT\$616,724,000 used mainly for executing general defense affairs and policy research, integrating "defense and daily needs", and conveying the notion of national defense involved by all people.

(b) Organic Units of the MND: The total budget was NT\$263,457,778,000 including the budget for the Army, the Navy, the Air Force, the Combined Logistics Command, Reserve Command, Military Police Command, and organic units. The budget will focus on improving the overall information operation capability of the Armed Forces, accelerating

Figure 4-16 Defense Budget Sharing Structure by Component in 2004



Total: NT\$264,074,502,000

Remarks: The Combined Logistics Command budget includes food budget for the army, navy and air force.
Date: November 1, 2004

the integration of the C4ISR system (command, control, communications, computer, information, surveillance, reconnaissance), enhancing joint operational trainings, completing mobilization operations, developing key advanced defense technologies, establishing a comprehensive logistic support system, accelerating the restructuring of army barracks and rebuilding old dependents' quarters.

c. The total defense budget prepared in FY 2004 is NT\$264,074,502,000, with NT\$66,972,756,000 allocated on the production, R&D and procurement of weapons and equipment. According to military investment items, the budget was divided into ten categories by military investment items, including counter-measure weapons and defensive operations, information and electronic warfare equipment, weapon replenishment, joint operations for air and sea dominance, ground defense weapons, military infrastructure, education and training, combat support and living facilities (Figure 4-17).

4. Execution of the Defense Budget in FY2002 and FY2003

(1) Execution of the defense budget for FY2002 (Figure 4-18)

The defense budget appropriated and approved to the MND for FY2002 was NT\$261,052,513,000 (including the use of the second reserve fund of NT\$660 million). The actual outlay was NT\$242,842,046,949, accounting for 93.02% of the FY2002 defense budget. The accrued expenditure was NT\$16,150,280,869, accounting for 6.19% of the FY2002 defense budget. The final accounting was NT\$258,992,327,818, accounting for 0.79% of the FY2002 defense budget. The remaining balance was NT\$2,060,185,182.

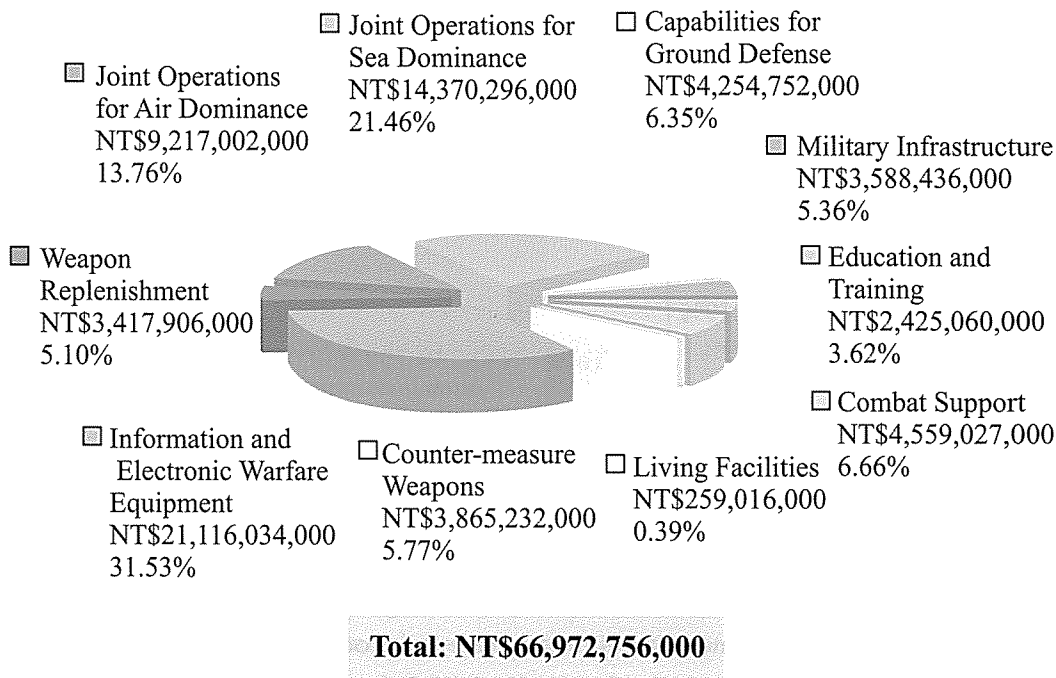
(2) Execution of the defense budget in FY2003 (Figure 4-19)

The defense budget appropriated and approved to the MND for FY2003 was NT\$258,798,008,000 (including the use of the second reserve fund of NT\$163,650,000), accounting for 96.50% of the FY2003 defense budget. The actual outlay was NT\$249,744,802,146; while the accrued expenditure was NT\$6,994,188,533, accounting for 2.70% of the FY2003 defense budget. The final accounting was NT\$2,059,017,321, accounting for 0.80% of the FY2003 defense budget.

III. Budget for Funds

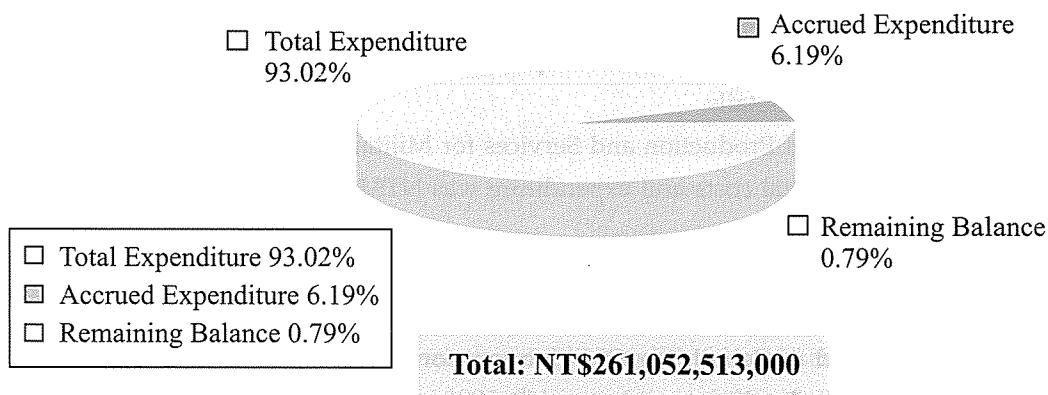
There are four special funds managed by the MND, including the Fund of Housing Loan, the Fund of Rebuilding Old Quarters for Military Dependents, the Fund of Rebuilding Old Military Barracks and the Fund of Production and Services for Military Personnel. These funds are managed to underpin the main policies with assorted purposes, including to construct housing and offer steady living conditions for servicemen and military dependents; to expedite the rebuilding of old living military dependents' quarters to optimize national land resources; to transfer the ownership of military barracks in line with urban development to increase the economic efficiency of land use; to increase the

Figure 4-17 Categories of Military Investment of Defense Budget in 2004



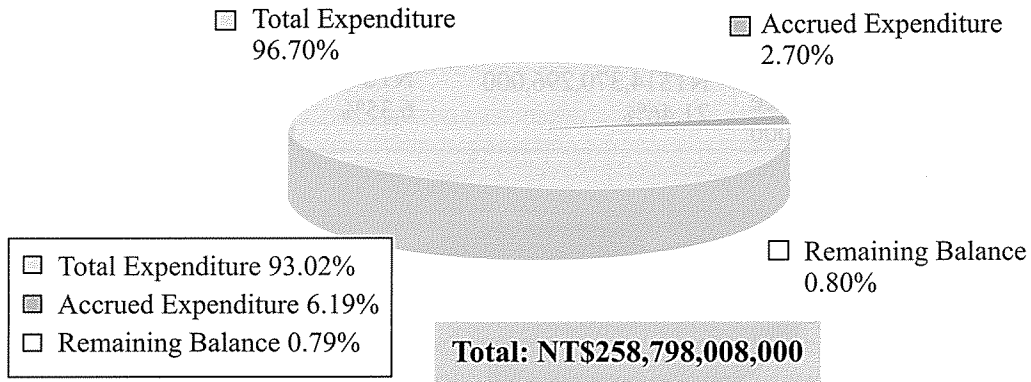
Date: November 1, 2004

Figure 4-18 Overview of the Defense Budget Execution in 2002



Date: November 1, 2004

Figure 4-19 Overview of the Defense Budget Execution in 2003



Date: November 1, 2004

quality of medical services; to train and equip criminals with skills; to provide leisure and recreation places for servicemen and staff; to publicize government policies; to promote welfare enterprises of the Armed Forces; to improve the production management and the quality of the products so as to meet the needs of combat readiness; to provide the R&D accomplishments of military and civilian dual technology to enable domestic industries with competitive capacity. With the very notion that defense financial resources shall be best exploited in line with the approaches of corporate management, the MND shall boost the overall effectiveness of the funds in a way that the funds integrate with limited defense budget under law. It is hoped that combat readiness can be assured and the pressure of defense budget shortage can be alleviated through these efforts.

1. Overview of Budget for Funds Prepared in FY2003 and FY2004

(1)FY2003 budget details

a. The Fund of Production and Services for Military Personnel: Total revenue was NT\$48,235,013,000. Total costs and expenditure was NT\$47,174,467,000. Total surplus was NT\$1,060,546,000.

b. The Fund of Housing Loan: Total revenue was NT\$1,262,242,000. Total costs and expenditure was NT\$138,518,000. Total surplus was NT\$1,123,720,000.

c. The Fund of Rebuilding Old Quarters for Military Dependents: Total revenue was NT\$58,160,000. Total costs and expenditure was NT\$5,236,820,000. Total deficit was NT\$4,728,118,000.

d. The Fund of Rebuilding Old Military Barracks: Total revenue was NT\$254,239,000. Total costs and expenditure was NT\$3,624,833,000. Total deficit was

NT\$1,620,590,000.

(2)FY2004 budget details

a. The Fund of Production and Services for Military Personnel: Total revenue is expected to be NT\$47,099,069,000. Total costs and expenditure is expected to be NT\$45,132,563,000. Total surplus is expected to be NT\$1,966,506,000.

b. The Fund of Housing Loan: Total revenue is expected to be NT\$887,703,000. Total costs and expenditure is expected to be NT\$68,859,000. Total surplus is expected to be NT\$818,854,000.

c. The Fund of Rebuilding Old Quarters for Military Dependents: Total revenue is expected to be NT\$541,332,000. Total costs and expenditure is expected to be NT\$1,344,245,000. Total deficit is expected to be NT\$12,862,913,000.

d. The Fund of Rebuilding Old Military Barracks: Total revenue is expected to be NT\$7,632,728,000. Total costs and expenditure is expected to be NT\$1,592,555,000. Total surplus is expected to be NT\$6,040,173,000.

2. Budget Execution of Funds in FY2002 and 2003

Following is the overview of the fund operations and assets in the recent two years:

(1)Overview of budget execution and assets in FY2002

a. The Fund of Production and Services for Military Personnel: Total revenue was NT\$48,340,186,284. Total costs and expenditure was NT\$47,016,244,211. Total surplus was NT\$1,323,942,073.

b. The Fund of Housing Loan: Total revenue was NT\$1,346,148,962. Total costs and expenditure was NT\$91,283,219. Total surplus was NT\$1,254,865,473.

c. The Fund of Rebuilding Old Quarters for Military Dependents: Total revenue was NT\$2,763,399,879. Total costs and expenditure was NT\$3,625,375,234. Total deficit was NT\$861,975,355, resulting from distributing allowances according to the amended regulations governing the living quarters of military dependents.

d. The Fund of Rebuilding Old Military Barracks: Total revenue was NT\$197,383,639. Total costs and expenditure was NT\$31,766,002. Total surplus was NT\$1,875,617,637. (The fund has been shifted to government funds and the asset was re-classified.)

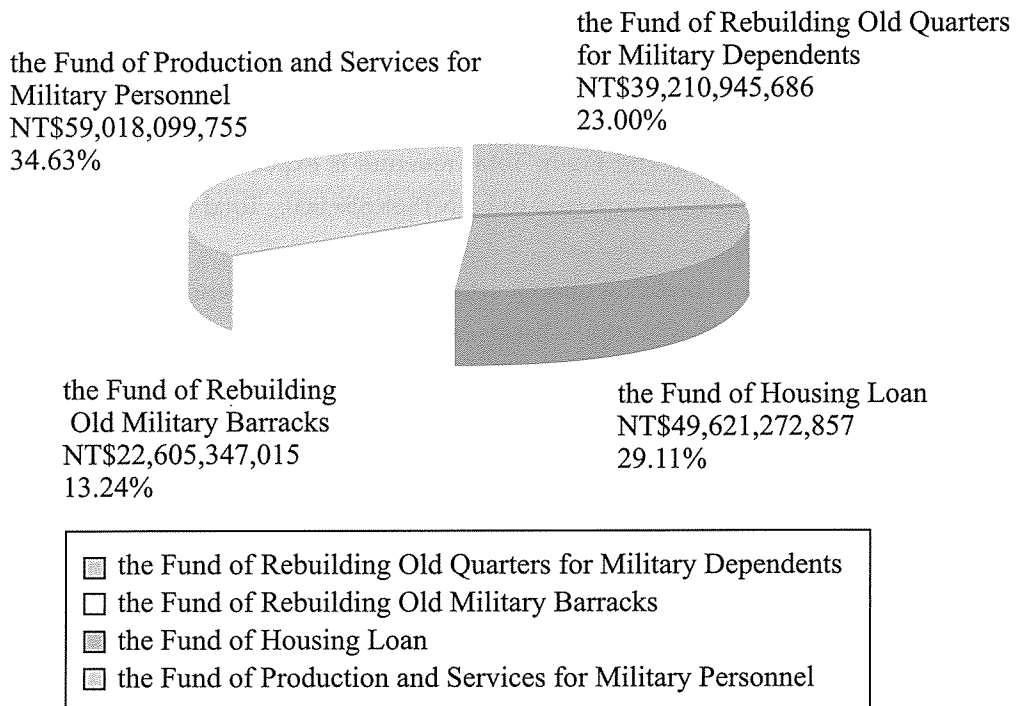
e. Total assets at the beginning was NT\$ 161,751,586,809 and the final total assets was NT\$170,455,665,313 (Figure 4-20).

(2)Overview of budget execution and assets in FY2003

a. The Fund of Production and Services for Military Personnel: Total revenue was NT\$46,357,651,283. Total costs and expenditure was NT\$4,532,729,659. Total surplus was NT\$1,054,831,624.

b. The Fund of Housing Loan: Total revenue was NT\$822,923,275. Total costs and

Figure 4-20 Overview of the Assets of Funds in 2002



Date: November 1, 2004

expenditure was NT\$134,117,561. Total surplus was NT\$688,805,714.

c. The Fund of Rebuilding Old Quarters for Military Dependents: Total revenue was NT\$3,242,650,917. Total costs and expenditure was NT\$4,422,014,802. Total deficit was NT\$1,126,973,885, resulting from distributing allowances according to the amended regulations governing the living quarters of military dependents.

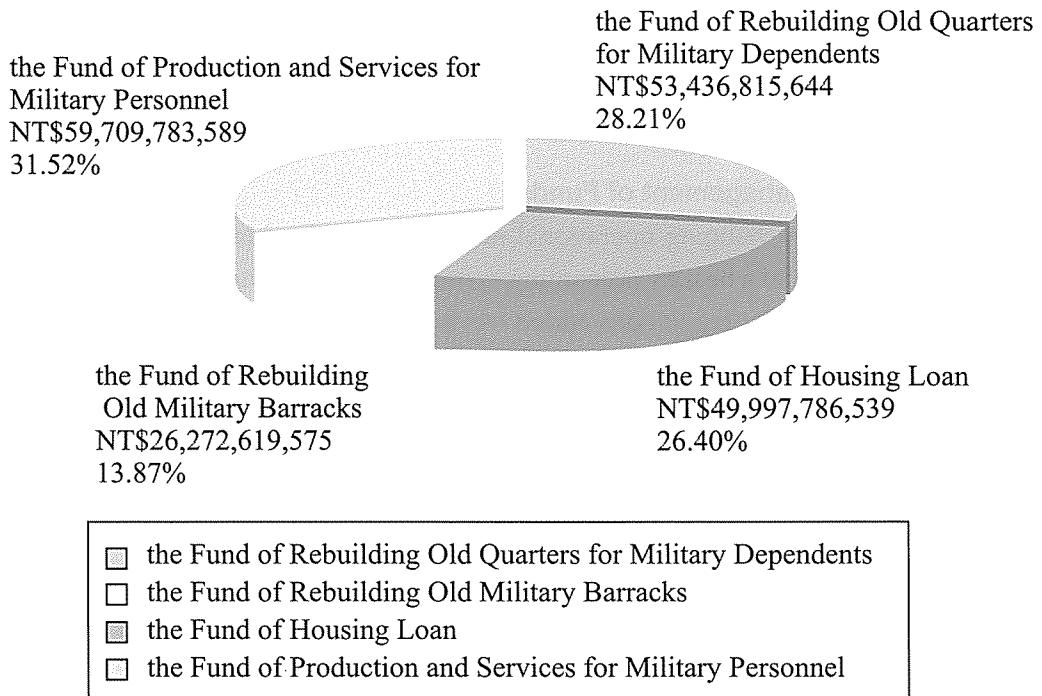
d. The Fund of Rebuilding Old Military Barracks: Total revenue was NT\$2,748,985,863. Total costs and expenditure was NT\$1,983,335,477. Total surplus was NT\$765,655,386.

e. Total assets at the beginning was NT\$170,455,665,313 and the final total assets was NT\$189,417,005,347(Figure 4-21).

IV. Management of the National Defense Budget

The goal of defense budget management is to expedite policies implemented on planned schedule and in a high quality matter such that the resources needed and the missions demanded are closely coordinated by the management system. It is hoped that healthy accounting and financial systems can bring forth the following benefits, including

Figure4-21 Overview of the Assets of Funds in 2003



Date: November 1, 2004

assisting to management decisions, developing a budget management information system capable of providing update information, strengthening internal management and the concept of cost effective, improving performance assessment and more. The management system is expected to enable the MND to optimize the limited financial resources to foster military buildup and combat capabilities.

1. Accounting Management of Defense Expenditure

(1) The MND reviewed various accounting regulations and added (revised) fourteen accounting regulations, including the "Regulations Governing the Collection and Processing of Military Funds," to enhance accounting functions.

(2) To improve the internal control of financial administration departments and the professional knowledge and skills of internal comptroller of the Armed Forces, the MND formulated the "Internal Audit Training Program for Units under the ROC's Armed Forces" comprehensively combining the characteristics of the missions assigned. This Program, consisting of four main sections, shall improve the control functions and meet the requirement of "administration according to law and implementation of expenditure in accordance with law." The main sections comprise "Guidelines on Internal Control System for

Supervisors of Financial Administration Departments of the Armed Forces, "Duties Performed by the Staff Responsible for Internal Comptroller and Finance System of the Armed Forces," "Internal Control Guidelines for Comptroller Staff of the Armed Forces in Assisting Departments in Optimizing Small Amount Procurement Cases" and "Guidelines for Budget, Accounting and Statistical Departments of the Armed Forces on Conducting Annual Internal Audits."

2. Operational Management of Funds

(1) To cope with changing operational needs, the MND added (revised) regulations with the expectation of a healthy accounting system capable of enhancing internal management of the funds. The regulations added (revised) were the "Accounting System of the Fund of Production and Services for Military Personnel," "Accounting System of the Fund of Housing Loan," "Budgeting Standards for Subordinate Units of MND's Special Funds," "Semi-annual Accounting Report Guidelines for Subordinate Units of MND's Special Funds" and "Final Accounting Guidelines for Subordinate Units of MND's Special Funds."

(2) Based on the "Budget Manual for Subordinate Units of the Central Government" and "Final Statement Guidelines for Subordinate Units of the Central Government," the MND completed the budgeting and final accounting operations abided by its subordinate funds, including "the Fund of Housing Loan," "the Fund of Rebuilding Old Quarters for Military Dependents," "the Fund of Rebuilding Old Military Barracks" and "the Fund of Production and Services for Military Personnel."

(3) To manifest the management function, the MND established the verification program for its subordinate units of the special funds in accordance with Article 20 of Financial Statement Act. The MND shall conduct on-site inspection to various operation units to check the actual execution process to enhance cost control and increase the effectiveness of the funds.

V. Vision

1. National Defense Budget

A healthy defense structure with rational operational model is pivotal to underpin national security. Long-term planning and heavy investment of resources is required to construct a comprehensive defense system. Thus, to optimize limited defense resources to decently meet the needs of the ROC's Armed Forces is a top priority in military buildup and military preparation.

(1) To construct a comprehensive "defense cost analysis model" to control the allocation of defense resources

The government has suffered serious financial deficit due to gradual decrease in tax revenue over the years, which in turn adversely impacted the defense budget and the

implementation of defense policies. In 2002 the Executive Yuan formulated the "Mid-term Policy Budgeting System" addressing important mid- and long-term policies carried out with affordable finance. The Armed Forces is committed to setting up a comprehensive "defense cost analysis model" to control and optimize the defense resources to sustain the demands of combat readiness.

(2) To develop the "National Defense Program Prediction Model" to secure sufficient defense budget

The scale of defense budget appropriated in each country varies with the hostile threat confronted, its strategy concept, financial capabilities and defense policy. As the ROC is constantly faced with highly hostile threats, the national defense policies have been premised on achieving "effective deterrence and resolute defense." Thus, the "National Defense Program Prediction Model" is pivotal to the MND's efforts in improving the structure of armed forces, phasing out obsolete weapons and equipment, enhancing the availability of weapon systems and establishing a "compact but elite and powerful" modern military force. This Model, capable of bringing forth the convincing statistics relevant to bridge the gap between rational force structure and combat capabilities, will enable the MND to acquire sufficient defense budget. In recent years, declining defense budget and insufficient defense resources have affected the implementation of defense policies adversely. In stark contrast, the defense budget of the PRC has been growing at a double-digit rate since 1995. The budget of PRC has increased by 237.17% in the last ten years. Hence, with the very emphasis of rational allocation of defense budget and effective use of defense resources, the "National Defense Program Prediction Model," in line with the economy development, shall seek to secure sufficient defense budget required for strong combat readiness guaranteed to ensure national security.

2. Management of National Defense Budget

In response to the changing society and the evolution management theories, the MND shall establish cost development policies, create cost database, develop cost analysis tools and promote cost operations of the Armed Forces to optimize the budget and to control costs. To increase the efficiency of budget expenditures, the MND shall also consistently review relevant accounting and internal audit regulations to enhance the performance of accounting management and internal audit. In order to less rely on defense budget in a gradual manner, each operational fund will expand its services to generate more revenues from its increased capacity of productivity, which will in turn enable each operational fund more flexible and nimble as revenues are developed. The detailed actions shall be as follows:

(1) The MND shall conduct a bottom-up review to various accounting systems and relevant regulations in a bid to build a healthy accounting management system.

(2) The MND shall consistently promote the concept of "administration executed by law and expenditures spent by law" by reviewing, evaluating and tailing deficiencies to prevent repeated misconduct. Several measures shall be taken to fully realize the concept, including regular trainings and seminars to improve the professionalism of staff; an early warning mechanism for enhancing internal audit and control to prevent any wrongdoings.

(3) The MND shall conduct a bottom-up review of the effectiveness of all the resources employed. As to those operational funds with poor performance, the MND shall consider to either outsource or eliminate. Additionally, the operational funds will be permitted to generate more income through the extended services they offer.

(4) In response to the trends of organization restructuring, computerization of information and internal control system, the MND shall spare no efforts to strengthen internal accounting control measures and information decisions thereby fully realizing the functions of "control, management and service."

Chapter 12

■ National Defense Material

The materials required to construct national defense include, but are not limited to weapons, equipment, supplies and infrastructure and serve as the key elements of concrete military capabilities. Thus, wise policy planning and management are indispensable to effectively review, allocate and employ the limited resources.

I. Policies of National Defense Material

With the premise of establishing a self-reliant defense, the MND shall root its industrial capacity into private sector by involving industry, government, academic and research sectors to achieve the goals of involving the private sector in the development of defense technology industry, procurement made primarily from domestic industries, foreign procurement of domestically unavailable materiel only otherwise unavailable, effecting the terms of technological transfer in foreign procurement and better integration of private resources by way of cooperation, co-consigning or consigning management.

To meet the demands of national economic development and to optimize land in compliance with national land development policies, the MND conduct a bottom-up review of military land use in accordance with premise of military buildup and combat readiness. In a bid to optimize military land to better suit national economic development, and through the principle of no impact on military buildup and combat readiness, the MND shall release, in a timely manner, unused or unsuitable military land under the policies of "combining small and large barracks and relocating unnecessary urban barracks and training sites to suburban or mountain areas."

II. National Defense Industries

Guided by Article 22 of "National Defense Act" that Government agencies under the Executive Yuan shall follow national defense policies to consolidate efforts of the private sector to develop defense technology industries and acquisition of weapon equipment shall firstly consider those built domestically," the MND shall step up efforts to integrate relevant industries, covering aviation, shipbuilding, automobile, electronic, electric machinery, information, machinery, chemicals material and environmental protection. Accordingly, the MND will also invest the efforts of the industrial, governmental and academic and research sectors in researching and developing advanced defense technology via the Committee for Promoting Defense Technology Development. Through these

efforts, industry will be provided with the resources required for initial research and technology transfer; its capacity of research and maintenance will take root by means of defense outsourcing and finally the ultimate goal of establishing a self-reliant defense will be thus achieved.

1. Implementation Results

(1) National technology development plans

a. To improve the coordination mechanism of the combined defense technology development

In May 2003 the MND restructured the inter-agency coordination system named as the "Committee for Promoting Defense Technology Development" which redirects secretariat duties from the Chung-Shan Institute of Science and Technology to the MND. Under the Secretariat, the industrial and academic co-development seminar was set up to formulate the "National Defense Technology Industrial Development Project" responsible for implanting defense industrial capability in non-government sectors through measures, ranging from integrating the needs of military buildup, improving the standards of defense technology, involving domestic industries and academic sectors to participate in the R&D, production and maintenance of weapon systems and consolidating the comments voiced by various parties.

b. To enhance the training, recruitment and employment of technological talents

The MND completed a defense technological personnel system to better exploit defense technological talents. A total of 3,107 technological talents were selected from the eligible conscripts in 2003, an increase of 95 compared to 3,012 in 2002. This measure provided a channel for the exchange of talents between military and private sectors.

(2) To release the defense resources to local industries

a. According to the original plan, NT\$55.4 billion in total was appropriated for domestic procurement in 2003, of which NT\$35.8 billion was for general military supplies, covering construction, transportation and services and NT\$19.6 billion was for weapon procurement and maintenance. The sum of NT\$35.85 billion for general military supplies was totally used for domestic procurement in line with the original plan. Due to the increasing military items verified, Factory 302 of the Manufacturing Center was contracted to the private sector and the maintenance of 7 types of fighters was outsourced strategically (including IDF Fighter), actual amount released to local industries at NT\$19.95 billion. The total released amount was NT\$55.8 billion, exceeding the targeted amount.

b. The outsourcing amount in 2004 is targeted at NT\$58.2 billion. In addition to consistently complying with the policy of general military supplies, the MND shall stride forward major outsourcing plans, ranging from developing and manufacturing military aircraft, contracting with the private sector, managing the Air Force Second Logistics

Command, and manufacturing light and medium tactical wheeled vehicles and producing and repairing frequency-hopping radios.

(3) To promote aviation industry development project

In October 2001, the Executive Yuan formed the "Advisory Team for Aviation Industrial Developments" responsible for overall issues regarding the R&D, production and maintenance of military and civil aircraft. In July 2003 the MND promulgated the "Aviation Industry Development Project" responsible for boosting civil aviation industries stimulated by the needs of military aviation, such as the R&D and production of training jets, the privatization of state-owned military factories and strategically commercial maintenance of military aircraft.

(4) To hold workshops for legal practices

To enable mid-level managing staff to fully understand the scope and duties of paragraph 3 of Article 22 of National Defense Act, the MND has held workshops for Legal Practices for Mid-level Managing Staff in Technology Industrial Institutions annually since 2002. In October 2003, the Research and Development Institute of Vocational Training of ROC was entrusted to take up the workshops in northern, central and southern Taiwan with 180 attendees in total.

(5) The overview of industrial trade-off projects

a. Industrial trade-off projects consist of joint production, domestic investment, technology transfer, joint R&D, personnel training, procurement of domestic products, assistance for international marketing, and other affairs related to improving the domestic investment environment. The current amount of trade-offs is US\$1,002,000,000/point, with 26 projects conducted in cooperation with foreign contractors (25 projects have been completed). Among the projects, the "Technology Transfer Project of the 40mm Grenade" of the Combined Logistics Command and the "Construction and Technology Transfer Project for the Missile Factory-level Maintenance Capability of Mirage-2000 Fighters" of the Chung-Shan Institute of Science and Technology are the key index projects. In addition, under the overall planning conducted by the Ministry of Economic Affairs, the trade-off amount exploited by the private sectors has reached US\$3.6 billion/point providing concrete benefits to boost the capacity of industrial technology and to increase domestic procurement as well.

b. Following is an overview of benefits derived from the industrial trade-off projects:

(a) Domestic procurement: 317 cases of aircraft spare parts procurement were brought about, with newly procured sum amounting to NT\$27.7 billion.

(b) Domestic investment: 24 cases of joint venture with foreign corporations were brought about, with NT\$77 billion foreign capital flowing into the country.

(c) Marketing assistance: 43 supplier fairs were held to promote international markets.

(d) Technology transfer: 183 sorts of advanced technology were introduced, including small air turbine engines, with predicted production value at NT\$65 billion.

(e) Personnel training: 64 training courses were held, with 3,350 attendees in total.

(f) Joint R&D: 12 joint R&D programs were completed, including the development of the 16G aviation seats, and international technology exchange was conducted through these programs.

(6) The central satellite system for defense industry

To set up a domestic supply chain system for the military factories, the Ministry of Economic Affairs and the MND jointly established the "Cooperative Development Conference of State-owned and Private Industries." The system has managed to build a database of 230 qualified defense enterprises serving as the central satellite factories for public production & maintenance, research methods and trials. These central satellite factories were capable of producing or repairing 4,854 varieties of qualified military components and sub-systems.

2. Vision

(1) To promote the acquisition and production of military products domestically

To encourage domestic high-technology enterprises involved in the research and development of defense technology, guided by the policy of releasing defense resources to local industries, the MND and the Ministry of Economic Affairs jointly formulated Operational Guidelines for Evaluating Domestic Production Capabilities of Military Weapons and Equipment. In the future, the MND shall entrust the Ministry of Economic Affairs to conduct industrial integration for newly acquired weapons and equipment. Furthermore, domestically manufactured products shall be given higher priority in the acquisition list. The MND shall seek to involve the combined private enterprises in the initial R&D of military equipment after considering the conclusion of "Industrial Development Strategy of Implanting National Defense Technology in Private Industries during the 2003 Industry Technology Strategic Conference of the Executive Yuan" and with reference to the methods adopted by the Defense Advanced Research Projects Agency of the U.S Department of Defense. Through this measure, the MND hopes to create a win-win situation, in which enterprises would run less risk for researching key breakthrough technologies, and military and civil dual technologies can mutually benefit.

(2) To promote the policy of releasing defense resources to local industries

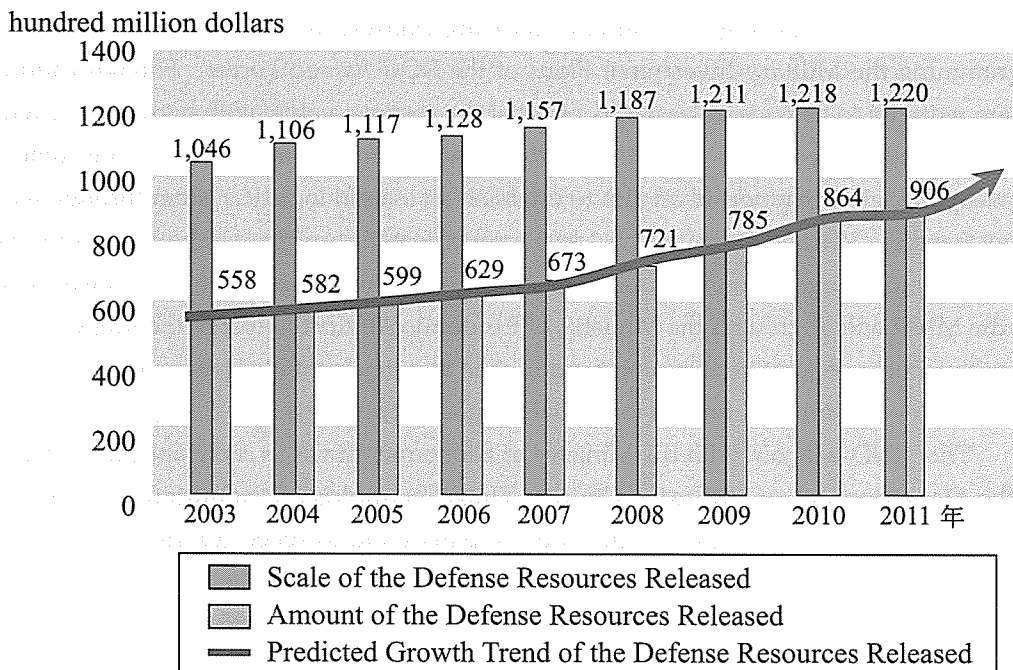
Premised on the principles of procurement prioritized on indigenous weaponry, procurement made primarily from domestic industries, foreign procurement made only when domestic materiel is unavailable, and fostering technology transfer in instances of

foreign materiel procurement, the MND shall establish the "predicted growth of the annual amount released to private sectors from 2003 to 2011" with reference to the future estimated (as shown in Figure 4-22). Following are the actions to be taken:

a. General military supplies (e.g. construction of facilities, transportation, meals, fuel supplies, medical equipment and sanitation materials, cleaning and other services): Under Government Procurement Act, general military supplies shall be procured or leased from domestic suppliers. Such procurement shall prioritize the products developed and manufactured by private sectors in a manner that integrates private enterprises and is determined in advance by the Ministry of Economic Affairs. Once foreign procurement is otherwise unavoidable, the terms of technology transfer negotiated in a manner to improve self-reliant defense capabilities. As to the weapon systems in service, the MND shall strive to outsource those non-core weapons and equipment (non-confidential and non-urgent but of military/civilian dual purpose) to the private sectors by means of the "strategically commercial maintenance" and "state-owned enterprises operated by the private sector".

b. Long-term major outsourcing plans: In 2004 the operation of the Air Force Second Logistics Command was contracted to the private sector. In addition, the MND

Figure 4-22 The Growth Trend of the Defense Resources Released to Local Industry Predicted from 2003 to 2011



was also actively planning major outsourcing efforts, covering the strategic outsourcing of light and medium tactical wheeled vehicles, frequency-hopping radios and military aircraft, warships, vehicles and tanks, with a total amount expected at NT\$128 billion.

c. Future repair and maintenance of weapons and equipment:

The MND shall adopt a model of strategically commercial maintenance to contract qualified domestic enterprises via long-term contracts. The MND shall also make use of the industrial trade-off mechanism to introduce professional repair and maintenance technology to foster an autonomous commercial maintenance system to keep the needed weapons systems in a constant state of readiness. The outsourcing plans are also under way according to the planned schedule. 24 cases of repair and maintenance will expect to outsource in the next five years. The MND has also planned the outsourcing model for military vehicles, tanks and warships.

d. The MND shall enable military production and repair factories to improve their efficiency by introducing business management methods adopted in the private sectors. Non-confidential military/civilian dual purpose factories shall be prioritized for privatization in a bid to reduce maintenance cost, at the same time providing private sectors certain incentives to invest in the defense industry. Through these efforts, it is hoped to boost overall economic development.

(3) To promote industrial trade-offs through foreign procurement

The MND has requested "industry offset" to be included in the very initial programming stage (according to different reporting phases) as stated in Regulations for Programming the Military Investment Plans of the ROC Armed Forces. Foreign contractors are required to provide at least 40% offset of the contract value, with higher percentage to be increased in the future. The MND will exploit the "industrial offset" for new generation weapon logistic support in an aim to establish an overall logistic system through technology transfer. Various units involved in the procurement process will have roles to play during the initial stage of foreign procurement. As to the implementation of "industrial offset," the MND will align with the Ministry of Economic Affairs to enlarge the scope of "offset," with focuses on joint venture, joint production and key technology transfer.

(4) To develop military and civilian dual purpose technology

The MND will join with the Ministry of Economic Affairs to carry out the "Program for the Development of Military/Civilian Dual Technology Orientated at Scientific Process." In a bid to foster relevant defense companies and to speed up the pace of transferring the defense R&D results to the private sector, the MND will commission the Chung-Shan Institute of Science and Technology to cooperate with selected domestic factories to jointly manufacture the products of dual purposes. In order to implant defense technologies in private sector and to increase military-civil exchanges, the budget shall be

increased gradually depending on annual accomplishment.

III. National Defense Procurement

The procurement of weapons and equipment of the Armed Forces shall comply with the principle of procurement prioritized on indigenous weaponry. Military supplies or services that can be produced, supplied and developed domestically should be given a priority to increase momentum in overall economic development. In case that the products or services are unavailable domestically, procurement may be made from abroad or via military sales according to stipulated procedures.

1. Implementation Results

(1) Procurement projects were completed under the law to support combat readiness.

From 2002 to 2004, the Armed Forces executed a total of 27,766 procurement projects worth NT\$247,878,020,000 (including the ongoing budget to be executed for future years):

- a. 26,913 domestic procurement projects worth NT\$139,611,330,000.
- b. 726 foreign procurement projects worth NT\$30,069,360,000.
- c. 127 military sale projects worth NT\$78,197,330,000.

(2) To implement centralized procurement program with benefits of cost and manpower reduction

The MND employed a centralized procurement method to purchase weapons, fuel, materials, supplies and drugs for subordinate medical institutions. According to 2003 statistics, a total of 9 procurement projects including 11 items for 92 unleaded petroleum, joint bidding for labels for supplies, joint bidding for drugs, repair and maintenance of vehicles for civil use, white ribbed underwear, transportation insurance for military supplies, group insurance, two items for transportation of military supplies, outsourcing the repair and maintenance of lift trucks worth NT\$11,679,700,000. In addition to saving costs and manpower, favorable prices can be negotiated because the procurement was conducted in a manner of a huge quantity. The MND also expected that procurement disputes could also be thus reduced.

(3) To establish an audit system to create a fair environment

In accordance with Article 108 of the "Government Procurement Act, on May 7 2002 the MND formed the "National Defense Procurement Audit Team" responsible for auditing and supervising procurement matters. The MND shall adopt auditing and supervising measures to enable the Armed Forces to conduct procurement projects according to law in a bid to create an open and fair procurement environment. A total of 427 written cases, projects and appeals from suppliers were completed in 2003.

(4) To boost domestic demands and to promote industrial development

The average domestic procurement amount of the MND between 1993 and 1999 was NT\$21.1 billion. From 2000 to 2003, the average procurement amount increased by 88% to NT\$ 39.6 billion, which helped to stimulate industrial development and to promote economic recovery.

(5) To utilize private logistics and to build supply and distribution channels

Since December 24, 2002, the MND has signed small-amount procurement agreements with qualified private companies through a public solicitation process, thereby hoping to meet the following ends: meeting military demands by simplified procurement procedures, promoting industrial development through boosting domestic needs, reducing inventory overstock. The MND can conduct small-amount procurement projects under NT\$100,000 from private logistics suppliers and wholesalers.

2. Vision

(1) The MND shall conduct weaponry procurement according to law and consistently strengthen audit operations and anti-fraud system to prevent any misconduct.

(2) The MND shall promote standardized and systematic "inter-entity supply contract and wholesale procurement' operations" to shorten procurement schedules and ease personnel's workload and thereby to prevent any wrongdoings and negligence .

(3) To offer professional training to beef up professional proficiency of procurement personnel: The MND will conduct a professional certification program following the operational standards set forth in the "Regulations for Governing the Certificate Issued to the Professional Procurement Personnel Passing the Qualified Examination and its Management Regulations" established by the Public Construction Commission of the Executive Yuan.

IV. Military Land Use

In recent years, military barracks, military control regions and training grounds have cast grim prospects to local development. In accommodation of the demands of national security, local development and civilian needs, the MND, operating on the premise that there will be no adverse impact on military buildup and the minimum requirements of land demand should be satisfied, will conduct, in line with "Jingjin Program," a bottom-up review to the efficiency of military land use. Guided by the principle of merging small barracks into large barracks and relocating military sites in municipal areas or the countryside, the MND will release surplus military land in hopes of boosting integrated defense and civil development. Following are the actions to be taken:

● Areas Prioritized for Military Use

Given no alternative sites, military facilities, such as strategic control zones, important military zones, restricted coastal and mountain zones, and large training ranges, should be

classified as "restricted development zones" prioritized for military use.

● Areas for General Military Use

Although not directly relevant to military operations, facilities such as logistic plants and warehouses, office buildings, academies and small training fields that are necessary for military readiness can be conditionally relocated to suburban or nearby mountain areas in line with urban development plans.

● Areas without Direct Military Purpose

Those areas of no military purpose, such as old military dependents' quarters and empty barracks, shall be reconstructed in line with individual development plans chartered by local governments to cast a renew life to a certain district and to settle down the issue of rebuilding old military dependents' quarters as well.

1. Implementation Results

(1) To actively resolve discontinued, barely used and illegally occupied land

According to the resolution of National Assets Management Committee dictating that various institutions concerned should actively review discontinued, barely used and illegally occupied land and plan to increase the effectiveness of land utilization. The Armed Forces, under the principle of "deliberating every individual case carefully and acting according to law," continued to review individual cases of military barracks using public or privately owned land, and of squatters occupying military barracks. In terms of barracks using public or privately owned land, property of discontinued military purpose will be returned to its original owner immediately; yet the land still of military purpose shall be purchased or acquired according to regulations. Concerning occupied property, the MND shall recover those military barracks of military purpose by law, while converting land of discontinued military purpose into non-government owned property and transferring it to National Property Bureau for further management. Implementation results of 2003 and 2004 are shown in Table 4-4.

(2) To release the military land of discontinued purpose

To ease the burden of maintenance brought onto basic military units, military land of discontinued purpose will be returned to the original owner or transferred to National Property Bureau for further management. As of 2003 and 2004, the Armed Forces cleared out over 196 military barracks, total 290.7052 hectares, including: Yunlin Huwei Military Camp to be used respectively by National Taiwan University, Yunlin County Government (for cultural and lifelong learning center) and Huwei Township Office (administration building); Sungshan (Taipei), Hualien, Fengnien (Taitung) and Shangyi (Kinmen) airports to be constructed into civil aeronautics stations, radar stations and airports by Civil Aeronautics Administration Ministry; Kaohsiung Daliao Range to be used by Kaohsiung County Government, Chiayi Meishan Training Ground to be constructed into

Table 4-4 Military and Civilian Land Management from 2002 to 2004

Category	Plan	Area (in hectares)	Management Principle
Public Land	Utilized	238.6013	The military barracks are planned according to the operation concept, not suitable for relocation. The MND requests GHQs of each Service to review: 1. The land should be returned to its original owner without military purposes. 2. For land with military purposes, each Service coordinates with relevant agencies for allocating the land according to law.
	Unutilized	16.5364	
Private Land	Utilized	67.0456	1. Under the principle that "land without utilization purposes should be returned to its original owner, otherwise the budget shall be allocated to acquire the land" 2. Each service acquires the prioritized land within affordable defense budget annually.
	Unutilized	14.9142	
Camp Area	Utilized	9.2160	1. Each Service reviews the status of illegally occupied land thoroughly, and systematically recovers the land through legal actions; submit complaint if the occupants reject any cooperation. 2. The land, if permitted, should be transferred to National Property Bureau responsible for converting the land into non-public property for leasing or purchasing.
	Unutilized	24.9957	

Date: November 1, 2004

Meishan Junior High School; Hsinchu Dusing Military Camp to be constructed into Phase III of Hsinchu Science Park and Taipei Dingpu Military Camp into a high technology industrial park by Taipei County Government. Currently work is being done to convert Kaohsiung Weiwu Military Camp to be used as a municipal park. In the future, with the premise of not affecting combat readiness, the Armed Forces will conduct force redeployment in line with major national development policies, and continue to release military land to the use of government units.

(3) To reduce restricted military zones on offshore islands

a. Kinmen: The third bottom-up review has been conducted, and actual reduction is planned to begin from 2004 to 2005, with approximately 800 hectares expected to be released.

b. Matsu: In conjunction with the planning of scenic areas, the following eight areas will be released for local government use: Nangan Beihai Tunnel, Dahan foothold, Beigan Guest House, Wusha Tunnel, 33 foothold, Dongju 54, 55 foothold and Antung Tunnel.

c. Penghu: In conjunction with Makong city plan and opening up of "Tungtai Castle on Western Island" to visitors, two strategic control zones Neian on Western Island and Mt. Gongbei will be released. In addition, military facilities at strategically control zones will

now be classified as "control zones for key military facilities," with nearly 20 hectares of land to be released and the restrictions on land use to be lifted.

2. Vision

(1) With the very spirit of "being pragmatic and lawful," the MND shall reasonably chart the use of military land according to law, will better manage military property within planned schedules, and will proactively resolve land disputes between the military and civilians to protect the rights and interests of both the parties. Furthermore, in conjunction with promotion and development of the prosperity of local governments, adjustments in military barracks will be continually made for better use of military land.

(2) In order to achieve a delicate balance between local development and combat readiness, and in line with "Jingjin Program," the MND will redeploy military facilities, while consistently lifting restrictions on military control zones on offshore islands.

V. MND Acquisition Management

Guided by the spirit and logic of systematic integration and professional labor division, the MND's Acquisition Management, comprising the acquisition of main weapon systems and equipment, takes the primary role in acquiring weapons systems required for combat readiness at reasonable prices within planned schedules and through legal process. Various devices have been employed to this end, including employing organizational, legal and job planning skills, case management, systems engineering, test evaluations and over-all logistic support.

1. Implementation Results

(1) To formulate a logistic strategy and to develop a management system for service life cycle

In order to guide each military service in making policies and plans for improving their organizational and operational effectiveness, and in light of future development of logistics, the MND shall set up a "Logistic Strategy Plan" to meet the needs of ten-year, long-term military strategic development. Furthermore, in order to set up the operational capacity for managing the service life cycle of the weapons acquired, the MND shall develop the "Operation Manual for the Management of Service Life Cycle" which will enable the Armed Forces to acquire the qualified weapon systems required for combat readiness at reasonable prices within planned schedules. It is hoped that the weapons acquired will maintain combat strength until being replaced.

(2) To promulgate operational regulations and to establish a comprehensive management system

In line with force restructure and with the spirit of systematic integration and professional labor division, the MND promulgated the following in June 2003: Doctrine for the

Procurement Management of Main Weapon Systems and Equipment of the ROC Armed Forces, Doctrine for System Engineering of Main Weapon Systems and Equipment of the ROC Armed Forces, Doctrine for Test and Evaluation of Main Weapon Systems and Equipment of the ROC Armed Forces. In June 2004 the MND also revised "Doctrine for Overall Logistic Support of Main Weapon Systems." The MND is now stepping up its effort to set up a management system for project managers over the service life cycle of the main weapons. Such a system will create a legal, open, just, fair and transparent environment for acquisition management and set up a standard operational procedure (SOP) to be abided by the personnel concerned.

2. Vision

Inspired by "revolution in military affairs" (RMA) and referring to military procurement systems adopted in the advanced countries, the MND will make changes in organization structure, doctrinal development, the SOP model and education & training, while proceeding with the ongoing military acquisition mechanism and formulating relevant management acquisition policies. In addition, various procedures and regulations will be amended in gradual manner depending on the feedback data collected from the actual progress of policy implementation, changes in technological advances and innovative concepts. The MND hopes these efforts can set up a practical and up-to-date SOP model incompatible with current trends and thus an acquisition management of proven effectiveness and efficiency can be established.

Chapter 13

■ National Defense Technology

In line with the guidance of "the advanced technology as the front burner in defense technology formulation" which integrates future operational requirement, the MND shall focus on the R&D of key weapons and advanced technology and then enable defense technology to take a lead in promoting the progress and transformation of private sectors capable of enhancing the competitiveness of the nation as a whole.

I. Policy of National Defense Technology

The policy of national defense technology plays a role in leading the R&D of state-of-the-art technology and integrating the strength of private sectors and professional personnel, thereby rooting defense technology capacity in the private sector. The policy in details is as follows:

1. To integrate future operational requirements: In coping with the demands of future operational requirements, the MND will actively improve the capabilities of high-tech weaponry, such as "early warning, quick response and accurate counter-attack," to create and secure advantageous combat conditions.

2. To focus on the development and production of key weaponry: The MND will establish an information and electronic defense system in exploiting of advanced information and electronic technology to enhance the capabilities of joint operations. At the same time, the pace of developing accurate guided missiles will also be accelerated in order to deter any hostile intentions of invading Taiwan.

3. To develop R&D of state-of-the-art technology: The MND is actively involved in the development of state-of-the-art technologies, such as high temperature superconductor and nanotechnology, in order to upgrade the capabilities of weaponry miniaturization and to ensure the technological lead.

4. To combine military and civilian technology resources: The MND will integrate military and civilian technology capacities by way of enhancing the cooperation among industrial, government, academic and research sectors with the expectations of advancing the development of defense technology and promoting technological upgrades in the private sectors.

5. To realize the policy of a self-reliant defense: Under the principle of "procurement from domestic industries as top priority, while acquiring foreign technologies by way of

technology transfer to private sectors," the MND will establish a mechanism to evaluate domestic manufacturing capabilities.

II. Research and Development Strategy

The MND will formulate the strategies for defense technology development that bolster defense technology R&D of and that establish a self-reliant defense system that integrates the capabilities of joint military-civilian reach and production. It is hoped that the capabilities of defense buildup can take root in the private sectors through these efforts and the purpose of total civilian involvement in the defense can be realized. The efforts are described as follows:

1. To Accelerate R&D Efforts with the Emphasis of "Advanced Technology as the Front Burner"

With defense technology policy centered on meeting future operational requirements and advanced technology serving as the front burner, the MND will concentrate on R&D of key technologies such as information technology and electronic warfare, information operation and C4ISR, and will contract domestic scientific research institutions through academic cooperation programs to develop and produce those promising weapons and key technologies such as aviation, missile, electronic, chemical and material technologies. Furthermore, to meet the demands of defense needs, R&D in the areas of advanced technologies aerospace, advanced information technology, stealth technology and nanotechnology will also be listed a high priority.

2. To Secure Information and Electronic Superiority and to Establish the Core Capacity

Based up the combat readiness planning of advanced technology acting as the front burner, obtaining the information technology advantage, jointly intercepting the intruding enemies, defending the homeland security, and envisioning to achieve a digitalized managed battlefield, the MND will integrate the ROC Armed Forces' C4ISR system in order to achieve a "digitally managed battlefield" and to realize comprehensive detection, protection and deterrence capabilities. R&D efforts will be focused on ballistic missile, electronic and information operation systems, with special emphasis on C4ISR, missile defense and naval superiority capabilities as top priorities. These efforts will serve to enhance the overall joint operation capabilities.

3. To Increase Military and Civilian Exchange and to Integrate Technology Resources

To carry out the policy of releasing defense resources to local industry in a way of benefiting from civilian technology capacity, the MND will be more vigorous in its efforts to promote the programs of outsourcing military materiel, including consistently integrating

the technologies of dual purposes into private sector by way of technology transfer, in such areas as applied electronics, mechanical, chemical, photonic, computer modeling, materials, systems and maintenance. In addition, the MND is also planning to carry out joint venture with private sector, which would in turn result in the practical application of successful R&D results.

4. To Integrate Private Sector and to Establish a Self-reliant Defense

(1) To boost the economy by stimulating domestic demands: Abiding by the policy of "releasing defense resources to local industry" and considering the assessment of domestic production capabilities made by Ministry of Economic Affairs, the MND will contract private enterprises to manufacture weapons and equipment in hopes of boosting economic development.

(2) To realize a defense capacity of self-reliance: From 1993 to date, the amount of industrial offset in total was US\$5.9 billion, of which 72% was secured by the MND during the period of negotiating foreign procurement of major weapon and equipment. The amount has been distributed to domestic manufacturers by way of the coordination of the Ministry of Economic Affairs. Employing negotiation strategies and adopting a proactive planning initiative, the MND will foremost insist key technology transfer be in line with the required items of related projects.

III. Current Implementation Result

In accordance with the doctrines of "upgrading the military strength of electronic and information operation, constructing a low level missile defense network and anti-missile ability, strengthening C4ISR capability and enhancing the security of key facilities" and in the face of the grim challenges posed by the PRC's high-tech weaponry, the ROC Armed Forces will focus the R&D efforts of defense technology on ballistic missiles and information and electronic weaponry systems in order to establish an effective defensive and strategic deterrence force.

1. Electronic Warfare System

The ROC Armed Forces' electronic warfare concept is premised on building an electromagnetic shelter over the Taiwan Strait and securing electromagnetic superiority, adopting the strategies of integrated information, joint surveillance and early warning, and constructing electronic surveillance, countermeasure and defense network capabilities to counter against any offensive attacks. In addition, the capabilities will further boost combat efficiency by way of the integrated capabilities of simulated electronic countermeasure evaluation in turn resulting in "intimidation, resistance and annihilation" of electronic warfare and the attainment of electromagnetic and overall combat superiority. The relevant accomplishments are as follows:

(1) To establish electronic surveillance network, to provide early warning and electronic warfare intelligence and to develop countermeasures, to develop remote control unmanned detection and search equipment, battlefield frequency spectrum management, electronic intelligence warfare analysis electronic surveillance systems and identification friend or foe (IFF).

(2) To establish the electronic countermeasure network, to develop counteroffensive capabilities for deterring adversary detection, acquisition, trace and location, and to construct stand off (oblique) electronic countermeasures and anti-frequency-hopping communications systems.

(3) To establish the ROC Armed Forces' electronic defense network to ensure combat capabilities under electronic warfare conditions; to construct systems such as shipboard and onboard electronic warfare, radar protection, command and control data-link, counter-countermeasure, electromagnetic pulse defense, infrared countermeasure and laser early warning systems.

(4) To establish the ROC Armed Forces' electronic countermeasure simulation evaluation and training environment and to develop electronic warfare simulation and evaluation laboratory, to obtain digital databases for defense countermeasures and signals and to assist the ROC Armed Forces' new generation main combat force in executing electronic countermeasure, integration of interfaces and simulated evaluation of military tactics, to establish the ROC Armed Forces' capability of conducting electronic countermeasure simulation exercises.

2. Information Operation System

In order to establish offensive and defensive capabilities for information operation, and to prevent PRC from exploiting computer viruses and hackers to launch attacks against ROC's computer networks and communications systems, the ROC Armed Forces is actively engaged in the establishment of optical fiber networks, development of automated command, information safety and protection system, and is developing computer networking talents required for "information operation." Several measures were taken, including protection of external communication channels, security code and firewall and the general examination of security and protection functions. Furthermore, several projects are also being developed in stages, such as technology development and production of communications security equipment of the ROC Armed Forces, establishment of initial system protection technology of national defense information system, establishment of initial technology for instant monitoring systems and intelligent information exchange control equipment of defense combat information network, and research and development of technologies related to the emergency response system of the ROC Armed Forces' computers.

3. Main Weapon Systems

a. Weapons for Air dominance

Based on the increasing threat posed by PRC's missiles, the ROC Armed Forces must actively establish a missile defense system. Based on the existing air defense deployments, and in consideration of the ROC Armed Forces' overall anti-missile defense plan, the MND will develop advanced anti-missile systems such as air vehicles and ground-based launching, and prioritize the construction a lower level anti-missile system in order to adapt quickly to enemy changes.

(1) Tien-Kung (Sky Bow) II ground-to-air missile system: A long range, multiple airborne target attack capable system, being manufactured and deployed for combat in stages.

(2) Tien-Chien (Sky sword) II air-to-air missile system: A beyond-visual-range and fire-and-forget capable system, being manufactured and assigned to Ching-Kuo Indigenous Defense Fighter in stages.

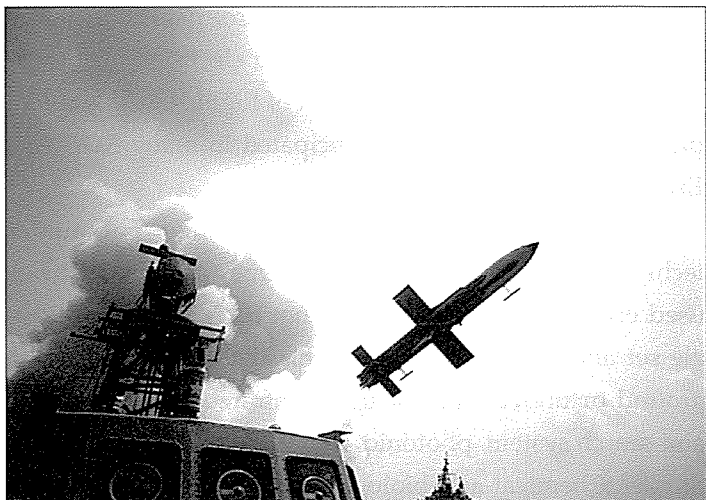
(3) Vehicle-based Tien-Chien (Sky sword) I Missile System: A modified based on Skysword I air-to-air missile, the initial production and development of the prototype is completed, and the system is expected to be first employed at bases for air defense purposes.

(4) Anti-Tactical Ballistic Missile (ATBM): System development and evaluation is currently under way. Future system deployments can be integrated into the overall defense system of our country, capable of taking the lead in intercepting the incoming cruise missiles at the open sea.

b. Weapons for Sea Dominance

In response to threats posed by surface and submarine weaponry, a new generation of warships or shore-based positions will serve as the platform of advanced combat systems and long-range, highly penetrative anti-ship missiles.

(1) Surface weapon systems: Besides being deployed on the navy's Cheng Kung Class and Kang Ding Class Frigates, Hsiung Feng II missile system was also deployed on the new generation Kuang Hua IV Fast Attack Boat in September 2003 and sea tri-



Launching of Hsiung Feng II Anti-ship Missile

als have been successful; hence the following deployment can be executed. In coordination with shore-based Hsiung Feng position, and integration with C4ISR system, Taiwan's complete naval defense capability can be established.

(2) Underwater weapon systems: In order to counter the threat of submarines, development of key underwater weaponry technologies such as "wire guided torpedo, composite induced mine" will keep going. In addition, development tests and evaluations will also be carried out to improve antisubmarine capability, including sonar buoy, shipboard sonar system, underwater surveillance and identification system, and anti-torpedo decoy system.

(3) Ground defense weaponry: The long range and extensive coverage capabilities of the new generation "Ray-Ting (Thunder) 2000 Artillery Multiple Launch Rocket System" have been proven.

4. Key Defense Technology

(1) Ballistic missile development: Many key technologies required for ballistic missile defense have been completed, such as small liquid rocket and propellant storage and ballistic missile flight attitude monitoring technologies, as well as other advanced warhead technologies capable of overcoming the problem of insufficient motive power, such as is often faced by conventional warhead missiles.

(2) Key radar technology: The research and production capabilities for various radar systems have been established. Over the years, the MND has completed the mass production and deployment of Tien-Kung (Sky Bow) short, medium and long-range surface search radar, as well as shipboard firing control radar system and navigation radar systems.

(3) Unmanned aerial vehicles: The development of the "Tien Sun II" and "Chung Hsiang II" all weather unmanned patrol planes has been completed. These units feature such capabilities as high payload and electronic anti-jamming, long term loiter, short take-off and landing, and transmission of flight status, and real time image and electronic flight path data abilities. They participated in many ROC Armed Forces' Han Kuang Military Exercises with predicted achievements.

(4) Photonics materials and technology: The fundamental capabilities of photonics technologies and materials have been established. These include such technologies as are used on missile system radome, hot battery, rubber oil bag, outer covering of engine, nozzle set and infrared seekers of missile system, and equipment for use on seas, in air, on ground or underwater including infrared thermal imaging radiometer, infrared detection and search system, photonics indicator and torpedo battery.

(5) Chemical and biological protection: The entire biological defense project for key command centers and military sites has been completed, along with the R&D and produc-

tion of heavy-duty decontamination equipment and simplified protective clothing for biological war in coordination with the need of large scale chemical warfare agent decontamination. The research and development of an "anti-terrorist and nuclear, biological and chemical detection vehicle" is currently under way and will be handed over to the Army.

5. Technologies of Military and Civilian Purposes

(1) Technology development programs

a. In coordination with the government's property development and industry demands, the Chung-Shan Institute of Science and Technology under the Armaments Bureau is involved in technology programs proposed by the Ministry of Economic Affairs such as "communications and photonics, machinery and aerospace, material and chemical engineering, biotechnology and pharmaceutical," and the results are favorable. According to the Ministry of Economic Affairs' stipulations on technology transfer to domestic manufacturers, case of propagating and applying of project's successes have reached 235 in the recent two years; in the area of intellectual rights, there were 146 patent applications and 83 were approved. R&D successes have created considerable value after adaptation for civilian use. After investigating the actual industrial investment, the cases of applications were over 70. Various project's R&D results have already created significant benefits to domestic industries.

b. The WCDMA transceiver was developed in coordination with the development program of broadband wireless communication system of the Ministry of Economic Affairs, using FPGA and DSP to develop circuit boards, and creating channel coding/deciphering and spread/non-spread spectrum function required for the transmitting and receiving ends. Its R&D achievements can be applied in the military's wireless communication system in the future, and can also be applied civilian purposes such as 3G cellular phones or base stations.

(2) Academic cooperation plan

In order to gather the R&D capacity of the manufacturing, government, academic and private sectors, to train and recruit talent in national defense technology R&D and to encourage the academia to participate in the R&D of national defense technology, the MND entrusted public and private universities including National Taiwan University, National Chiao Tung University and Tsing Hua University to conduct cooperative research projects in such fields as aviation technology, ballistic missile rockets, electronic information, electronic weaponry systems, chemical and material technologies. The research results are all utilized in weapon systems development and related domestic industries.

(3) Technology support and promotion

a. Commensurate with the needs of national development policy and domestic industrial adaptation, the MND provided external technology support and continued to

release common technology applicable for military and civilian purposes, including various professional fields such as aviation, machinery, information communications, chemical, material and photoelectric, electronic, logistics, manufacturing and asset management, with 1,285 support service cases and a total of 156 of conducting technology promotion exchange activities with manufacturing sectors.

b. The MND created a consummate platform for promoting the R&D of dual purpose technology through collaboration between the Chingshan, Lungyuan and Taichung Research Science Parks. In line with the Small and Medium Enterprise Administration of MOEA, an innovative incubation center was established and played a role in supporting domestic small- and middle-scale enterprises thereby boosting industrial development, 43 manufacturers expected to join by June 2004.

c. By way of interacting with domestic industries, exploiting opportunities for international cooperation and realizing industrial benefits from the execution of technology development programs sponsored by the Ministry of Economic Affairs, the MND assisted the German company Beck in establishing Asian's first research center in the field of navigation power in Lungshan Science Park, and carried out research in areas of certification for navigation power technology, display system, digital communication device and key core modules.

d. In coordination with "key national development plans," in July 2002 Council of Economic Planning and Development proved the plan of "Taoyuan Lungyuan Mobile Communications Engineering Center" to serve as 3G wireless communications research center. Expected to be completed in 2005 and to begin operation in 2006, this Center will assist the development of commercial wireless communications products and technology transfer in the private sectors. It is hoped that this Center will create significant benefits for the development of domestic wireless networks and electronic communications.

e. Due to the relocation of Taichung Shuinan Airport, the MND vigorously requested Taichung City Government to allocate more land for airport, and to also expand the innovative incubation center of Taichung Research Science Park, which could provide much more education and counseling to manufacturers in central Taiwan in the future.

(4) Plan for spin-off companies

Article 22 of "National Defense Act" dictates that agencies under the Executive Yuan shall develop defense technology industries with civilian strength in line with relevant policies. Guided by the MND's "Action for Planning the Vision of National Defense Technology Industry Conference," the Chung-Shan Institute of Science and Technology will take the primary role in establishing spin-off companies. Analysis regarding technological, strategic and legal, a feasibility appraisal regarding "repair and maintenance capabilities of FL missile factory, the integration and development of microelectronic technology, technol-

ogy and capacity of special metals and development and production of nano-chemicals" must be completed.

(5) The MND thoroughly participated in "Alpha Magnetic Spectrometer (AMS) program" led by the academician, Ding Chao-Chong, which already produced research successes, and undertook the successful production and testing of "Global Data Acquisition System, GDAS."

(6) The MND actively participated in "Sub-Millimeter Array (SMA)" astronomical observation experimental project with Institute of Astronomy and Astrophysics, Academia Sinica and U.S. Smithsonian Astrophysical Observatory of Massachusetts, and developed two sub-millimeter wave telescopes which rotate in sync with the six radio telescopes manufactured by the U.S. Smithsonian Astrophysical Observatory. In particular, this system has successfully passed all tests in the U.S., laying a deep foundation for the development of our country's high precision astronomical instruments.

IV. Vision

In response to the PRC's threats and in order to deter any enemy intentions to invade Taiwan, the MND will step up production of accurate guided missiles, accelerate the development of ABM (Antiballistic Missile) capabilities with the ballistic R&D capability as the foundation, produce the new multiple rocket system and mobile anti-ship missile, develop reconnaissance and offensive information abilities, develop electronic warfare equipment to attain superiority in electromagnetism, emphasize long range engagement and counter unrestricted warfare methods and also support the setup of domestic defense technology industries. It is hoped that the goal of the defense involved by all people as a whole will be better suited.

1. In the Aspect of Electronic Warfare Systems

(1) To strength the ROC Armed Forces' electronic surveillance capabilities with focuses on enhancing frequency and band coverage, to increase investigation and detection capabilities, and to establish 3-D electronic detection network, particularly the capability of detecting incoming cruise missiles.

(2) To strengthen the ROC Armed Forces' electronic countermeasure capability, to paralyze enemy's command and control and remote control capabilities, to establish our deterrence against electronic warfare attack, and to best use the timing of electromagnetism to protect and support the Armed Forces in conducting military operations.

(3) To strength the ROC Armed Forces' electronic protection capability, to reinforce battlefield management, to accelerate the completion of various military units' important command headquarters and military equipment such as countermeasure infrared images, laser, precise GPS guided attack capability, and anti-EMP protection, in order to improve

combat survival rate.

(4) To enhance the ROC Armed Forces' electronic counter attack simulation environment and common simulation environment platform, to continuously improve software such as detection of electronic battle and disturbance modules and electromagnetic environment simulation database, to accelerate the integration of the ROC Armed Forces' "battle effectiveness and technology" and "software and hardware" of electronic warfare, to shorten the schedule for the weaponry to become operational, to reduce training costs, to avoid electromagnetic radiation, and to guarantee the security of electromagnetism.

2. In the Aspect of Information Operation Systems

(1) To continuously strengthen the safety protection of the ROC Armed Forces' information transmission networks and various electronic/electromagnetism protection measures as well, including radar systems, communications systems, missile positions and command center facilities; thereby effectively suppressing enemy threats to our C4ISR capabilities in all areas, and appropriately integrating with our C4ISR system to display cohesive combat strength.

(2) To address the threat of the PRC opting to exploit its satellite superiority to conduct precision strikes against ROC, the ROC Armed Forces in the active defense plan, developing satellite detection, communications and disturbance to GPS (positioning guidance countermeasure) weapon systems, which can cause disruptions to PRC's communications satellites once completed. Furthermore, passive defense measures shall also be adopted, such as camouflage, cover and hardened strongholds. In addition, to prepare the integrated combat capabilities for responding to emergencies, several near- and long-term measures shall be taken, such as constructing the battlefield management, the commanding channel and combat organizations, fixed or mobile satellite receiving stations capable of high resolution and the equipment and technology capable of satellite intelligence.

3. In the Aspect of Primary Weapon Systems

(1) Weaponry for air dominance

a. To introduce R&D expertise on automatic radar guidance, detection and tracking and operational capabilities; to upgrade current surface-to-air Tien-Kung II (Sky Bow) Missile System to Anti-Tactical Ballistic Missile (including early warning system) capable of anti-jamming, automatic computation of ballistic path and tracking; to develop air-to-air missiles, accurate remote control weapon system and tactical air reconnaissance pod system (TARPS) for the new generation of fighters; to strengthen mobile air detection capability; and to develop t stealth fighter technology, unmanned vehicle, infrared detection and tracking systems.

b. To improve Ching Kuo Indigenous Defense Fighter's electronic warfare system; to strengthen complex radar capable of integrated air and surface capabilities; to upgrade

Tien-Chien II (Sky Sword) Mid-range Missile System capable of rail launching to enable stand-off operations possible by means of its integrated air dominance and compressive capabilities of ground attack.

(2) Weaponry for sea dominance

a. To develop weapon systems such as stealth warships, electronic warfare systems, torpedoes and decoys, shipboard three-dimensional multi-function phased array radars, vertical launching air defense or anti-ship missiles.

b. To develop fast and highly penetrative supersonic anti-ship missiles and other anti-ship missile mixed arrangement, which will form a multi-level offensive superiority, and achieve effective "deterrence".

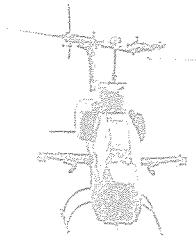
(3) Weaponry for surface defense

To produce long range precision weaponry required for destroying anchored ships, and to compliment anti-air weaponry such as mid-air and low-level search radar and photo tracking systems, and laser guided anti-armor weaponry; to develop stealth tactical unmanned combat aerial vehicles (UCAV) with integrated reconnaissance and attack capabilities.

(4) In the aspect of common technology of military and civilian purposes

a. With the strategic goals of translating defense technology into industrial output and a military/civilian dual supply system capable of producing indigenous weapons and equipment, Chung-Shan Institute of Science and Technology proposed "Releasing Defense Resources to Local Industry Program" to the Ministry of Economic Affairs and took the primary role in enabling domestic manufacturers to become military suppliers by way of participating in the development of military products. The spin-off companies shall also foster, through cooperation, contracting and technology transfer, the interests of boosting industrial technology and setting up a self-sustainable defense industry.

b. The defense industry, a technology-intensive industry by nature, plays a role in boosting the upgrade of industrial technology by integrating various fields in the industrial domain such as machinery, electronics, chemical and materials. Secondly, since the investment required to develop defense industry is tremendously great, it can boost domestic demand and create job opportunities once it is directed into domestic industries. The MND will harness the outstanding integrated capabilities of Chung-Shan Institute of Science and Technology to actively promote large-scale cooperation projects by integrating intra-agency resources and exploiting the edge in electronics and information industries as well. It is hoped that the efforts will boost domestic manufacturers and better garner R&D and production achievements.



Major National Defense Policy Implementation (I)
— Legal Affairs

5



■ Summary

1. Predicting the prospective developmental tendency of the country and following the principle of "administration according to law," the Ministry of National Defense (MND) continues enacting, amending and reviewing laws and regulations in accordance with the national defense policy and the practical requirements of military buildup. Currently, there are 159 valid and effective defense laws and regulations.
2. The military mobilization preparation of the ROC focuses on national defense as well as civilian development. In peacetime, the mobilization follows the principle of "blending mobilization within policy implementation and basing combat readiness within economic infrastructure," nurtures warfighting capacity, and provide disaster relief assistance. In wartime, the "all-out defense mobilization" will be realized so as to develop strength from the general population and to win the defense war.
3. The civil defense efforts of the ROC has switched to some active-oriented measures of "civil defense," "air raid protection," and "supporting military service in wartime." Among them, those related to military services are supervised by both the Ministry of the Interior (MOI) and the MND in peacetime; while the MND is responsible for coordinating with the MOI to employ civil defense groups in support of the military services in wartime.

Chapter 14

■ National Defense Laws and Regulations

In order to fulfill the goal of legalizing national defense system, the MND has actively reviewed and formulated (or amend) important laws and regulations so as to comply with the principle of administration according to law and to establish a democratized and legalized national defense system. It is hoped that integrated national power can be obtained and the goal of effective national defense can be implemented subsequently.

I. Laws and Regulations Review

In view of the prospective development of the ROC, the implementation of national defense policy and following the principle of "administration according to law," the MND has conducted a law and regulation review plan. It also complies with social changes to actively amend outdated laws and regulations so as to meet the requirements of national defense policy and military buildup. From July 2002 to November 2004, the MND has already enacted 24 laws and regulations (see Table 5-1), including the "Organization Act of the Armaments Bureau of the Ministry of National Defense," amended 56 laws and regulations (see Table 5-2), including the "Military Justice Law," and annulled 12 laws and regulations (see Table 5-3), including the "Military Law in Wartime." In November 2004, there are a total of 159 valid and effective defense laws and regulations.

II. Enactment and Amendment of Major Laws and Regulations

1. Laws Relevant to the Organization of the Ministry of National Defense

Based on the stipulations of the "National Defense Act" and the "Organization Act of the Ministry of National Defense" (hereafter referred to as the "Two Defense Acts"), the MND enacted the "Organization Act of the Armaments Bureau of the Ministry of National Defense" and promulgated "The Bylaw of Armaments Bureau, Ministry of National Defense" accordingly. The overall military armament system could thus be established and the military armament preparedness could be achieved. Moreover, the MND promulgated the "Jingjin Program" (the ROC Armed Forces Streamlining Program) which specified the reorganization and readjustment plans of the high-echelon institutions of the MND on July 25, 2003 in accordance with the evaluations done after the implementation of the "Two Defense Acts" and the organizational readjustment plans of the high-echelon units of the

Table 5-1 National Defense Laws and Regulations Enacted in the Past 2 Years

Organization Act of the Armaments Bureau of the Ministry of National Defense	Organization Regulations for the Military Academy
Demarcation Regulations of the Military Secrets and the National Defense Secrets	Management Regulations of the Armed Forces Service Units and the Hero Houses
Regulations for the Allocation of Military Manpower in Mobilization Execution Phase	Establishment Regulations of the Service Organizations for Reservist
The Regulations for the Maneuver of National Defensive Industrial Production Conversion	Regulations for Procurement, Requisition, Requisition-off and Compensation of Property in Total Defense Mobilization Preparation Maneuver Phase
Regulations of Traffic Control for Military Supplies Transporting in Mobilization Execution Phase	Enforcement Rules of Lifelong Learning for Military Servicemen of the Armed Forces
Regulations for the Compensation of Tearing Pigeon Houses Near the Military Airport	Enforcement Rules of Total Defense Mobilization Preparation Act
Enforcement Rules of the Air Defense Maneuver	Regulations for Procurement, Requisition and Compensation of Materials and Facilities in Total Defense Mobilization Execution Phase
Regulations of Utilizing and Controlling Communication Facilities of Official and Private Sectors to Support Military Activities in the Phases of Combat Readiness	Administrative Regulations for the Armaments Bureau of the Ministry of National Defense
Regulations of Selecting and Training for Volunteer Enlisted Men	Regulations of Keeping Secrets for Military Judicial Units in Dealing with Classified National Security Cases
Standard Rules for Establishment, Change, and Suspension of Military Academies and Attached Units	Regulations of Casualties Compensation for Non-Labor Standard Law Granted Injury or Death of Military Employees
Regulations of Allowances for Military School Cadets' Injury and Death	Regulations of Allowances for Injury and Death of Compulsory Military Servicemen During the Period of Suspension in Military Service
Regulations of Allowances for Injury or Death of Compulsory Military Servicemen During the Period of Exemption	Regulations of Pensions and Subsidies for Retired and Discharged Officers and NCOs Permanent Residence in Mainland China
Total: 24	

Update : November 1, 2004

MND. Subsequently, the "Organization Act of the Ministry of National Defense" and its relevant regulations were enacted and amended. Amended drafts,, including "Organization Act of the Ministry of National Defense," "Organization Act of the General Staff Headquarters of the Ministry of National Defense," and "Organization Act of the General Political Warfare Bureau of the Ministry of National Defense," were submitted to the Executive Yuan for discussion in March 2004. In May 2004 the reply of the Executive Yuan requested the MND to refer to relevant institutions and make necessary revisions. In this respect, the MND will revise the organization acts mentioned above in accordance with the "Organic Standard Law of Central Government Agencies" and the amended draft

Table 5-2 National Defense Laws and Regulations Amended in the Past 2 Years

Military Justice Law	Act of Compensation for Military Personnel
National Defense Act	Act of Military Education
Act of Military Service for Volunteer Enlisted Men	Article 5, Act of Ensign of the Armed Forces
Act of Compensation for Damages to the Public by Military Activities	Enforcement Rules of Act of Ensign of the Armed Forces
The Furlough Regulations for Military Officers and Sergeants	Regulations for the Act of Meritorious Achievement to Armed Forces
Standard Rules for the Compensation of Injury or Death of Civilians by Military Activities	Examination Standards for Service Termination of Standing Armed Soldiers due to Illness or Injuries
Voluntary Extend Re-enlist Service Regulations for Military Officers and Noncommissioned Officers of the Armed Forces	Establishment Regulations of the Service Organization for Reservist
Standard Rules for the Demobilization and the Release Service Examination for the Disability Wounded Military Officers and Noncommissioned-Officers of the Armed forces	Regulations for Distributing Allowances & Pensions to Those Fighting for ROC Armed Forces in Mainland China During the Initial Period of Taiwan's Recovery
Indemnification Fee Regulations for Transferred, Dropout, and Expelled Students of Military Schools	Regulations of Allowances for Dependents of Deceased Decorated Servicemen, Injured and Disabled Servicemen and Dependents of Deceased Servicemen
Implementation Regulations of Servicemen Studying in Respective Unit or in Civilian Institutions	Enforcement Rules of Act of Castigation of the Armed Forces
Standard Rules of the Augmentation for Additional Radix of First Compensation for Servicemen	Regulations for the Distribution of Military Manpower in Mobilization Execution Phase
Verification Standards for the Casualties Disability	Regulations for Selecting and Training for volunteer Enlisted Men
Enforcement Rules of Act of Compensation for Military Personnel	Management Regulations of Authority and Liability for Non-Government Funding Military School Cadets
Demarcation Regulations of the Military Secrets and the National Defense Secrets	Course Regulations of Military Academies Students
Standard Rules for Physical Categorization	Recognized Registration Regulations for Students and Graduates of Military Academies
Enforcement Rules of Act of Ensign to the Armed Forces	Enforcement Rules of Act of Merit for Officers and Noncommissioned Officers of the Armed Forces
Regulations of Allowances for Dependents of Deceased Decorated Servicemen, Injured and Disabled Servicemen and Dependents of Deceased Servicemen	Regulations for Managing and Using the Fund of Rebuilding Old Quarters for Military Dependents
Organizational Regulations for the National Defense University	Organizational Regulations for the Navy GHQs in the Ministry of National Defense
Organizational Regulations for the Army GHQs in the Ministry of National Defense	Organizational Regulations for the Combined Logistics Command GHQs in the Ministry of National Defense
Organizational Regulations for the Air Force GHQs in the Ministry of National Defense	Organizational Regulations for the Military Police Command GHQs in the Ministry of National Defense
Organizational Regulations for the Reserve Command GHQs in the Ministry of National Defense	Regulations of Treatment for Dependents of Military Servicemen Missing or Captured in Action or Other Military Mission
Organizational Regulations for the Reserve Mobilization Management School	Entry Regulations for Military Preparatory School
Enforcement Rules of Act of Military Service for Officers and Noncommissioned Officers of the Armed Forces	Regulations of Utilizing and Controlling Communication Facilities of the Public and Private Sectors to Support Military Activities in Phases of Combat Readiness
Regulations of the Allowances & Compensation of Government Funded for Military Preparatory School Students and Cadets	Organizational Regulations for the Armor School
Organizational Regulations for the Infantry School	Organizational Regulations for the Naval Academy
Organizational Regulations for the Naval Technical School	Organizational Regulations for the Combined Logistics School
Organizational Regulations for the Artillery and Missile School	Organizational Regulations for the Military Police School
Enforcement Rules for ROTC's Selection, Training, and Service	Management and Assignment Regulations for Replacement Servicemen and National Guardsmen Before the Amendment to Military Service Law
Ttotal:56	

Update : November 1, 2004

Table 5-3 National Defense Laws and Regulations Annulled in the Past 2 Years

Military Law in Wartime	Act of Punishment for Violation to Military Secrets
Regulations of Export for Military Equipment from Military Units	Act of Military Draft
Enforcement Rules of Act of Military Draft	Regulations of Compensation for Military Academies of the Armed Forces
Regulations for Dealing with Affairs of Military Personnel Dependents of the Armed Forces	Regulations of Procurement and Requisition in Total Defense Mobilization Execution Phase
Regulations of Allowances and Compensation for Military Employees	Regulations of Casualties Compensation for Members of Self Defense Forces in Kimen and Matsu Area
Management Rules for Military Employees in the Armed Forces	Demarcation Regulations of the Classification of Military Secrets
Total: 12	

Update : November 1, 2004

of the "Organizational Act of the Executive Yuan." The latter is under legislation. The amendments to organization regulations of Headquarters and Commands were completed by October 2004.

2. Laws Relevant to Military Service System

In order to establish an all-voluntary army, the MND formulated the amendment of the "Act of Military Service for Volunteer Enlisted Men" in light of the "Act of Military Service System" and enacted the "Regulations for Selecting and Training for Volunteer Enlisted Men" accordingly. Therefore, the selecting and training of the voluntary enlistees had the legal bases. Furthermore, in line with the restructuring of the ROC Armed Forces and the streamlining of personnel, the MND also turned the amended drafts of the "Act of Commission for Officers and Noncommissioned Officers of the Armed Forces," "Act of Assignment for Officers and Noncommissioned Officers of the Armed Forces," and "Act of Military Service for Officers and Noncommissioned Officers of the Armed Forces," to the Executive Yuan, which, in turn, was submitted to the Legislative Yuan for deliberation.

3. Laws Relevant to the Military Judicial System

The MND has finished the amended draft of the "Military Justice Law." Issues related to maintaining evidences, search warrants and military prosecutors' appeal for a third trial was thoroughly included. Apart from that, the MND also amended the "Demarcation Regulations of the Military Secrets and the National Defense Secrets," and enacted the "Regulations of Keeping Secrets for Military Judicial Units in Dealing with Classified National Security Cases" under the authorization of the "National Secrets Protection Law" so as to protect confidentiality of national defense.

4. Laws Relevant to Military Education

In order to facilitate the research, extension education, cooperative extension service, and the development of the military academies, and to promote their research ability and teaching quality, the MND has completed the amendment of the "Act of Military Education" and enacted and promulgated the "Standard Rules for Establishment, Change and Suspension of Military Academies and Attached Units" and amended relevant regulations including "Regulations for Rights, Obligations, and Management of Self-Funding Cadets," "Recognized Registration Regulations for Students and Graduates of Military Academies," and "Course Regulations of Military Academies Students" accordingly. It is hoped that regulations can keep up with the practice of military education, and the content and quality of military education can be improved.

5. Laws Relevant to Rights of Military Servicemen

(1) Authorized by the "Act of Compensation for Military Personnel," which was amended and promulgated on December 27, 2002, the MND has enacted the "Regulations of Allowances for Injured or Deceased Compulsory Military Servicemen During the Period of Exemption," "Regulations of Allowances for Military School Cadet's Injury and Death," and "Regulations of Allowances for Non-Labor Standards Law Granted Injury or Death of Military Employees." Besides, the MND also amended the "Enforcement Regulations of Act of Compensation for Military Personnel" and "Regulations of Allowances for Dependents of Deceased Decorated Servicemen, Injured and Disabled Servicemen and Dependents of Deceased Servicemen." The rights, responsibilities and benefits of the servicemen and their dependents were assured respectively

(2) Currently, the MND is working on drafts of "Act of Military Servicemen" and "Regulations of Welfare for Military Servicemen of the ROC Armed Forces." Once completing the legislation process, the benefits and welfare of the military servicemen shall be more reasonable and legalized.

6. Laws Relevant to Rights of Civilians

The MND has thoroughly reviewed all outdated and obsolete laws annulled a total of 12 acts and regulations, including the "Act of Punishment for Violation to Military Secrets," the "Demarcation Regulations of the Classification of Military Secrets," the "Act of Military Draft," the "Enforcement Regulations of Military Draft," and the "Military Laws in Wartime." The MND also planned to make an annulment of the "Air Defense Act," which has already been turned into the Executive Yuan and submitted to the Legislative Yuan for discussion.

III. Vision

Currently, the MND is engaging in the revolution in military affairs (RMA) and shows plenty of achievements in the fields of perfecting the national defense system, readjusting

the force structure, strengthening the combat readiness and putting the military education and training into effect. Moreover, in order to continuously follow the national defense policy of "consolidation of military policy and command branches," "civilian control of the military," and "all-out defense," the MND, in accordance with the high-echelon staff institutions restructuring program, "Jingjin Program" (The Armed Forces Streamlining Program), has planned to enact 3 regulations, including the "Act for Military Servicemen," and to further amend 10 laws. (see Table 5-4) According to the requirements of military buildup policy and the revolution in military affairs in the future, the MND will actively review varieties of laws and regulations to meet the needs of the implementation of national defense policy and military buildup.

Table 5-4 National Defense Laws and Regulations Planned to be Reviewed

Enactment: 3	
Act of Military Servicemen	Regulations of Welfare for Military Servicemen of the ROC Armed Forces
Enforcement Regulations of Belongings for Science and Technology in National Defense	
Amendment: 10	
Act of Insurance for Military Personnel	Regulations for Capture on Sea
Act of Assignment for Officers and Noncommissioned Officers of the Armed Forces	Enforcement Rules of Military Armament Bureau of the Ministry of National Defense
Regulations for Reserves Summons	Regulations of Managing and Using the Fund of Housing Loan
Enforcement Rules of Act of Military Service for Officers and Noncommissioned Officers of the Armed Forces	Enforcement Rules of Act of Insurance for Military Personnel
Administrative Regulations for the General Staff Division of the Ministry of National Defense	Administrative Regulations of the Ministry of National Defense

Update : November 1, 2004

Chapter 15

■ All-out Defense

Modern war and modern national defense are not simply a pure military action; they are, instead, a comprehensive performance of overall national power, military strength, civilian capability, and will power. And the threat to national security comes not only from external military threat but also from natural as well as artificial internal threats. Hence, the creation of a consensus regarding the concept of comprehensive security is considered to be a necessity in the 21st century. In this regard, as the Article 3 of the "National Defense Act" stipulates: "The national defense of the Republic of China is of all-out national defense." This means an all-out defense must depend on the civilians and national policy. It is a defense uniting people's will to fight and a war of protecting our home, property, and hometown through the comprehensive power of the civilian and the military. An all-out defense mobilization is a specific realization of all-out national defense. The power it coordinated can not only support military operations in wartime, but can also integrate with the civil defense system to support disaster relief in peacetime.

I. All-out Defense Mobilization

In accordance with the strategic concept of "effective deterrence, resolute defense," the all-out defense mobilization is a strategic defense practice of national mobilization. It enhances national security through utilizing comprehensive power in political, economic, military, psychological and technological dimensions. The Executive Yuan follows the stipulation of the "Act of All-out Defense Mobilization Preparation" to set up the "Conference for All-out Defense Mobilization Preparation of the Executive Yuan." The MND serves concurrently as the secretary of this conference. It coordinates 8 ministerial conferences on matters regarding morale, manpower, material & economy, transportation, finance, health, technology and military affairs. It also participates in 25 conferences of mobilization preparations with local governments of all echelons. It is hoped to realize the all-out defense mobilization efforts cooperatively. (see Figure 5-1)

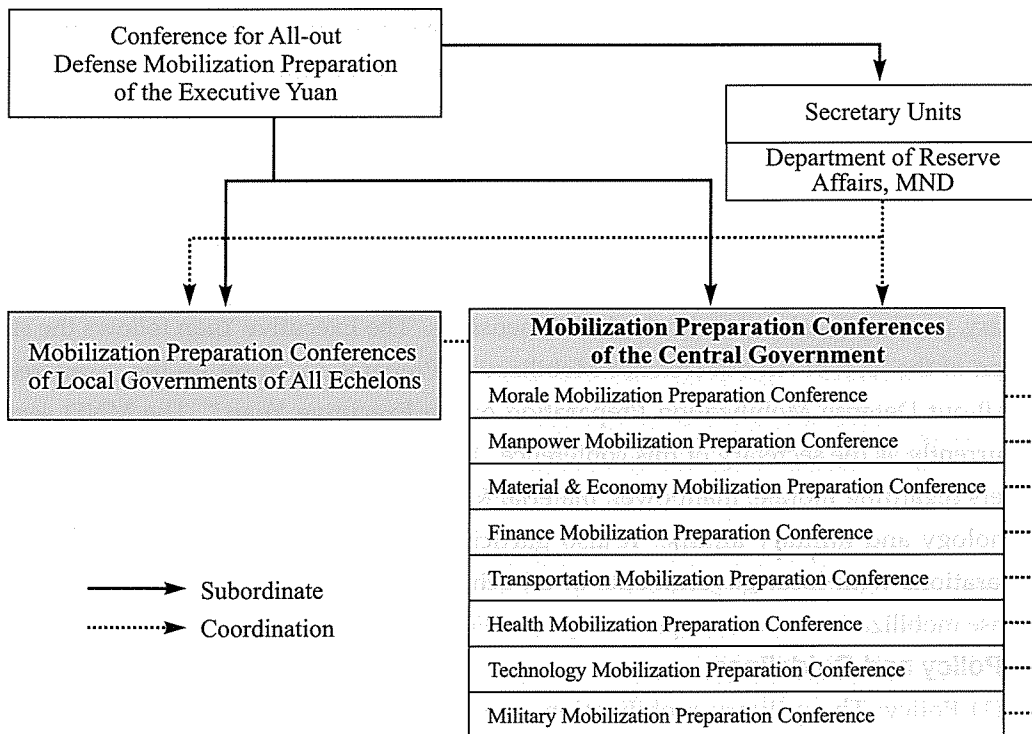
1. Policy and Guidelines

(1) Policy: The military mobilization preparation of the ROC focuses on national defense as well as civilian development. In peacetime, the mobilization follows the principle of "blending mobilization within policy implementation and basing combat readiness

within economic infrastructure," nurtures warfighting capacity, and provide disaster relief assistance. In wartime, the "all-out defense mobilization" will be realized so as to develop strength from the general population and to win the defense war.

(2) Guidelines: In the face of potential threat to national security, the MND abides by the strategic concept of "effective deterrence, resolute defense." In peacetime, central governmental agencies and local governments reinforce aspects of mobilization in areas such as morale, manpower, material & economy, transportation, finance, health, technology and the military so as to strengthen preparedness for war and associated contingencies. All these are connected with emergency systems of disaster prevention and relief, contagious disease prevention, radiological disaster contingency, as well as anti-terrorist action and serves as the support axis for the "homeland security network." In wartime or a crisis, through the mechanism of mobilization conferences in all levels, the comprehensive powers of the nation will be mobilized to support military operations, maintain basic capabilities of the public sector and to meet the requirements of the people's livelihood.

Figure 5-1 Chart of the Conference of All-out Defense Mobilization Preparation



Source: reference to article 7, 8, 10 & 12 of the "Act of All-out Defense Mobilization Preparation."
 Update: November 1, 2004

2. Objectives

(1) To propagate the idea of all-out defense, to nurture people's consensus on national defense, and to achieve an all-out defense with natures of all-dimensional development, participation of the people, integrated defense and being trusted by the people.

(2) To deal with the possibility of complex crises and to carry out all-out defense mobilization systems so as to connect all contingency systems and to facilitate the functions of related supporting mechanism for disaster contingency.

(3) To lay down the guiding principles of "blending mobilization within policy implementation and basing combat readiness within economic infrastructure," to carry out the policy of "integrating the national defense with the people's livelihood," and to reserve the dynamics of comprehensive mobilization so as to reinforce war preparedness.

(4) To upgrade the function of the "Coordination Organization of All-out Defense Combat Capabilities" as an interface and to coordinate with the mobilization conferences of local governments so as to "shift the people's power to defense power and incorporate defense power into combat power."

(5) To enhance contingency management response capabilities for multi-dimensional disasters and to establish operating procedures for coordination and to meet the requirements for defense so as to put various contingency management mechanisms into assessment in annual "Wan-an Exercise," by which all-out defense capability can be strengthened.

(6) To focus on being "skillful in mobilization, swift in troop formation, and fast in replenishment of combat strength" and thereby to improve reserve units' personnel, equipment and training readiness and integration so as to effect the capabilities of timely mobilization and combat.

3. Annual Seminars

In order to realize all-out defense mobilization and to effectively integrate "administrative mobilization" and "military mobilization" mechanisms, the MND, conducted two batches of "Executive Seminars of All-out Defense Mobilization Preparation" in mid-August and late-August 2004 respectively. There are 40 people in each batch (20 civilians & 20 military servicemen). The seminars was held in Reserve Mobilization and Management School of the MND and lasted for three and half days. Trainees were executives of mobilization preparation from central governmental agencies, Headquarters and Commands of all services, operational areas and local governments. Lectures, military specialty courses and wargaming were given during the seminar. Through this centralized education measure, it is hoped that the functions, related laws and operational functions of mobilization preparation conferences can be enhanced; the knowledge of all-level leaders can be increased; the coordination effectiveness can be improved; and the all-out defense mobilization readiness can be realized.

4. Mobilization Exercises

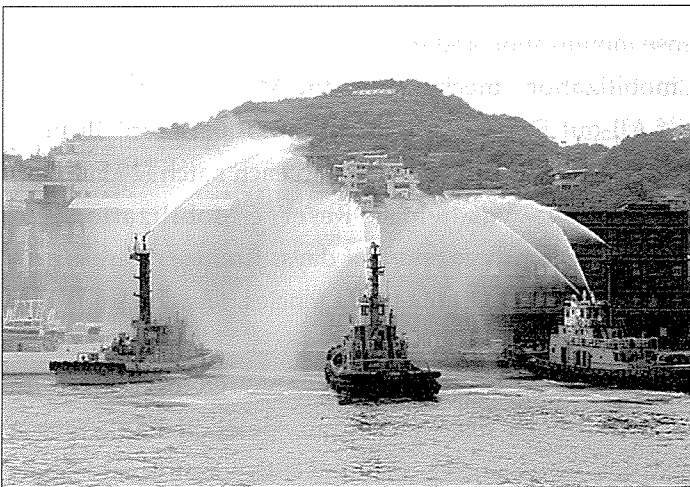
(1) Mobilization to Support the Defense Operation Exercises

In order to validate the practicability of annual mobilization preparatory plans and to enhance mobilization capability in contingencies, the MND invites central governmental agencies, local governments, and key public sectors to participate in wargaming and force on force exercises in the "Hanguang Exercise" annually.

a. In 2002, the MND performed 10 mobilization preparation exercises involving the preparation of petroleum, electricity, water and reservoirs so as to increase capabilities in contingencies.

b. In 2003, exercises of fueling-at-sea (FAS) from conscripted and leased oil tanker were held to ensure the fulfillment of military operations.

c. In order to verify the administrative mobilization effectiveness of all reserve



Circumspectly implementing mobilization exercises, effectively improving the defense capabilities.

units after realizing the concept of "separation of active and reserve forces," the MND conducted the combat readiness trainings on the Jialuhtarng coast of Fangliao, Chaozhou, and Laiyi in Pingtung in September 9, 2004 in accordance with Phase III practices of the "Hanguang No. 20 Exercise." Meanwhile, by directing the total power of military non-combatants and by carrying out township defense combat drills in Chaozhou, the people's awareness of our national destiny was enhanced and the ideal of all-out defense was fulfilled.

(2) Wan-an Exercise

These exercises aim at turning passive air defense into proactive pre-

ventive security measures. In order to meet the special needs of local governments, and to reach the goal of all-out defense, mayors and officials of local governments all personally join the exercises to practice commanding, integrating and employing mechanisms in contingencies.

a. In 2002, a joint exercise was conducted to test the synergy of mobilization, civil defense, and disaster prevention and rescue. Over 40,000 civilians, 4,000 more vehicles, 12 vessels, and 7 helicopters participated in the exercise. During the exercise, local governments of all echelons demonstrated high cooperation and the realization of an all-out national defense.

b. In 2003, drills and exercises involving the protection of important political and economic infrastructures, and disaster prevention in wartime were carried out at local government level. A total of over 50,000 military personnel, police and civilian participants, more than 4,000 vehicles and heavy machines, 38 vessels, and 8 helicopters joined these drills and exercises. Among them, the anti-terrorist drill held at the Sixth Naphtha Cracking Plant in Mailiao, Yunlin was a large-scale demonstration, which effectively strengthened the crisis management ability of local governments in contingencies and promoted the effectiveness of all-out defense mobilization preparation.

c. During the period of August 2004 to October 2004, the drill which focused on all-out air defense in the past few years was transformed to one that concentrated on all-out homeland security protection drill and exercise so as to combine the mechanisms of mobilization, civil defense, medical emergency, anti-terrorism, disaster prevention and rescue, and nuclear accident response. The goal is to establish a strong "homeland security network." A total of over 50,000 military personnel, policemen, and civilians, over 2,000 vehicles and heavy machines, more than 20 vessels, and 13 helicopters were involved.

II. System of Civil Defense

In response to the environmental change, the civil defense of the ROC has shifted from the passive concept of "civilian air defense" to aggressive measures of "civil defense," "air raid protection," and "supporting military service in wartime." In peacetime, military service related issues are coordinated and supervised by the MOI in conjunction with the MND. In wartime, the MND will coordinate with civil defense groups, which are employed by the MOI, to support military service. In this respect, civil defense should be considered as internal national defense due to its close relations with national defense affairs.

1. Scope of Duty

The scope of duty for civil defense covers sending air alert notice, broadcasting alarms, and air raid disaster protection. Other duties include practicing serious disaster

rescue efforts, maintaining social order, supporting military service, and organizing, training and maneuvering of vehicles, vessels and aircrafts. All the tasks mentioned-above are all related to all-out defense mobilization; therefore, they are now included as part of the manpower mobilization preparation of the all-out defense.

2. Mission Related Organization

(1) Two special municipalities and other local governments are obliged to organize civil defense brigades; township (town, city and district) should form civil defense groups; villages (neighborhood) ought to organize civil defense sub-groups.

(2) Public and private sectors of railway, highway, harbor, airport terminal, telecommunications, power plant, petroleum refinery, and water company are responsible for organizing special civil defense groups.

(3) Aside from the above mentioned organizations, any institutions consisted of more than 100 persons, including corporations, schools, groups, companies, factories, are obliged to form civil defense groups. Those institutions with less than 100 employees shall form a joint civil defense groups with other institutions in the same building or industrial area.

3. Training, Exercise and Duties

(1) Training: According to operational requirements, training for civil defense personnel can be divided into leader training, basic training, and routine training. There trainings follow the principles of not causing career and production interruption. The content of the training includes introduction to civil defense, military background knowledge, and service techniques. The focal points are protection, rescue and repair in case of air raid, and service supporting skills in peacetime.

(2) Exercise: This consists of all kinds of rehearsals, including disaster prevention and rescue exercises, all-out defense mobilization exercise, all-out air defense exercises, and other related exercises.

(3) Duties: This refers to the following operations performed by civil defense personnel:

- a. Sending air-raid alerts, broadcasting alarms, evacuating and providing refuge, and disaster protection in air raid;
- b. Supporting serious disaster rescue effort;
- c. Supporting the maintenance of social order, or serving as the civilian self-defense guard;
- d. Supporting military operations.

In order to achieve the goal of "accumulating overall combat capabilities in civilian sector in peacetime and combining national defense with people's livelihood," civil defense training, exercises, and services are implemented through civil defense personnel organization, training, and propaganda, the organization and drills of vehicles and vessels, medical

emergency and aid drills, and NBC decontamination drills; while the morale, manpower, transportation, health and technology mobilization preparations will act as supporting roles.

III. Promotion of the Concept of All-out Defense

In order to foster the awareness toward potential threats, to realize the concept that "national security is everyone's duty, and everyone is responsible for national defense construction," and to consolidate the consensus of organic community, the ROC government has been integrated powers of communities, schools, military education institutes, and mass media to promote the idea of all-out national defense so that our fellow compatriots will be willing to support and participate in national defense. In compliance with measures of the government, the MND has the following accomplishments so far:

1. Through the propaganda and education channels of the "Jyuguang Program" (political education TV program), Youth Daily News, Voice of Han Broadcasting Network, military periodicals and newspapers, and "Patriotic Education" for reservist during a muster, the MND has produced special programs and monographs so as to enhance servicemen's crisis awareness and establish all-out national defense awareness.

2. The MND held three one-month long "internet prize-giving quiz" activities about all-out defense in the second-half year of 2002, 2003, and 2004 respectively. The number of participants increased from 130,000 persons in 2002 to more than 258,000 persons in 2003. This demonstrated that integrating education with recreation has acquired widespread national support.



Properly establishing civil defense organization, effectively maintaining security.

3. The MND and the Ministry of Education (MOE) jointly sponsored the workshop of visiting ROC Armed Forces during October and November 2003. This workshop was divided into 3 batches (northern Taiwan, central Taiwan, and southern Taiwan). Each batch lasted for 3 days and 2 nights. Principals of high schools and vocational schools nationwide were invited to pay visits to our troops. It is hoped that the participants could have a better understanding of the national defense readiness and enforce the consensus toward all-out defense.

4. From October 2003 to December 2003, the MND coordinated with the MOE to hold inter-university debate competitions about all-out defense. Fourteen debates competitions were held with 139 universities and colleges involved, including National Taiwan University. It is hoped that the concept of all-out defense would be spread, patriotism of the students would be nurtured, and national defense knowledge would be increased.

5. All-out defense itinerary education and live fire experience activities for sophomores of senior and vocational high schools were jointly held by the MND and the MOE. These activities were divided into two phases and were held during the summer vacation. The first phase, all-out defense itinerary education and live fire experiences, was held respectively in northern, central, southern, and eastern Taiwan in July 2004. The second phase, shooting contests and troop visits, took place in Kaohsiung. The goals are to enforce national defense education toward students and to promote their understanding of national defense.

An aerial, black and white photograph showing four F-16 fighter jets flying in a staggered formation over a landscape. The jets are positioned diagonally from the top left towards the bottom right. The terrain below shows a mix of fields and roads. The overall image has a grainy, high-contrast appearance.

Major National Defense Policy Implementation (II)
— Readiness

6

■ Summary

1. The renovation of military education of the ROC Armed Forces aims at the concentration of finite educational resources. Through a systematic curriculum design, the development of a military school evaluation system and the promotion of "Lifelong Learning," the renovation focuses on the development of quality junior officers, who possess international horizons, gain insight into high-technology, and involve in society. The renovation will eventually realize an overall quality enhancement of the ROC Armed Forces cadre.
2. The general objective of military training is to enhance joint operational capability and to promote the effectiveness of the common and synchronized engagement capability of the services. Based on the above objective, the military training programs are developed accordingly in order to shape "high-quality, streamlined, and powerful" armed forces.
3. With an aim to streamline existing hierarchy and processes and to fulfill logistics support requirements more effectively and efficiently, the ROC Armed Forces have been conducting a holistic logistics system plan, based on the directive "concentrated preparedness and mobile support."
4. The strategy for the development of IO/EW capabilities of the ROC Armed Forces is to build up information and electronic superiority. In particular, it centers on the development of a digital nerve network to support the joint operations command mechanism and to achieve the effect of network-centric warfare (NCW), forestalling the windows of opportunity in the future battlefield.
5. Based on the tenet "maintaining minimal standing forces during peacetime and having large mobilization capability for wartime," the force structure of the ROC Armed Forces is to streamline the active components pool and expand the reserve components pool. Meantime, a proper military mobilization system is developed in order to support this policy and to employ total national resources more effectively when a war is inevitable.

Chapter 16

■ Military Education

In line with the "Two Defense Acts" ("National Defense Act" and "Organization Act of the Ministry of National Defense"), the ROC Armed Forces have been implementing organizational reengineering to streamline force structure and to modernize military operational capability. Meanwhile, in compliance with the "Act of Military Education," the revolution in military affairs (RMA) trend, the objective of next generation force development, and the concept of education resources integration, the ROC Armed Forces have conducted military education renovation to enhance the quality of its human resources, and to support defense modernization initiatives.

I. Policy

Military education renovation and the related planning are based on the tenet "military education must be focused on battle preparation." While reengineering the military educational system, it is a prerequisite that the ROC Armed Forces define the war in the future, the requirements of human resources, the recruitment & retention strategies, and the professional development system. The major thrust for the force development of the ROC Armed Forces is to effectively exploit and integrate the advantages of modern technologies — information and electronic technologies in particular. Therefore, it is required that the ROC Armed Forces establish a dual-track (operations vs. support) professional development system to cultivate and retain its human resources.

The core of the military education renovation is to concentrate its finite educational resources, and to integrate the quality faculty of various military colleges and schools. The development of military colleges and schools simultaneously centers on the areas of defense technology research, defense resource management and military social science, and attaches importance to teaching quality, curriculum design, research papers and theses, and high-standard student performance evaluation. Furthermore, lifelong learning is also emphasized in order to develop quality junior officers. For the military education renovation planning, please refer to Figure 6-1.

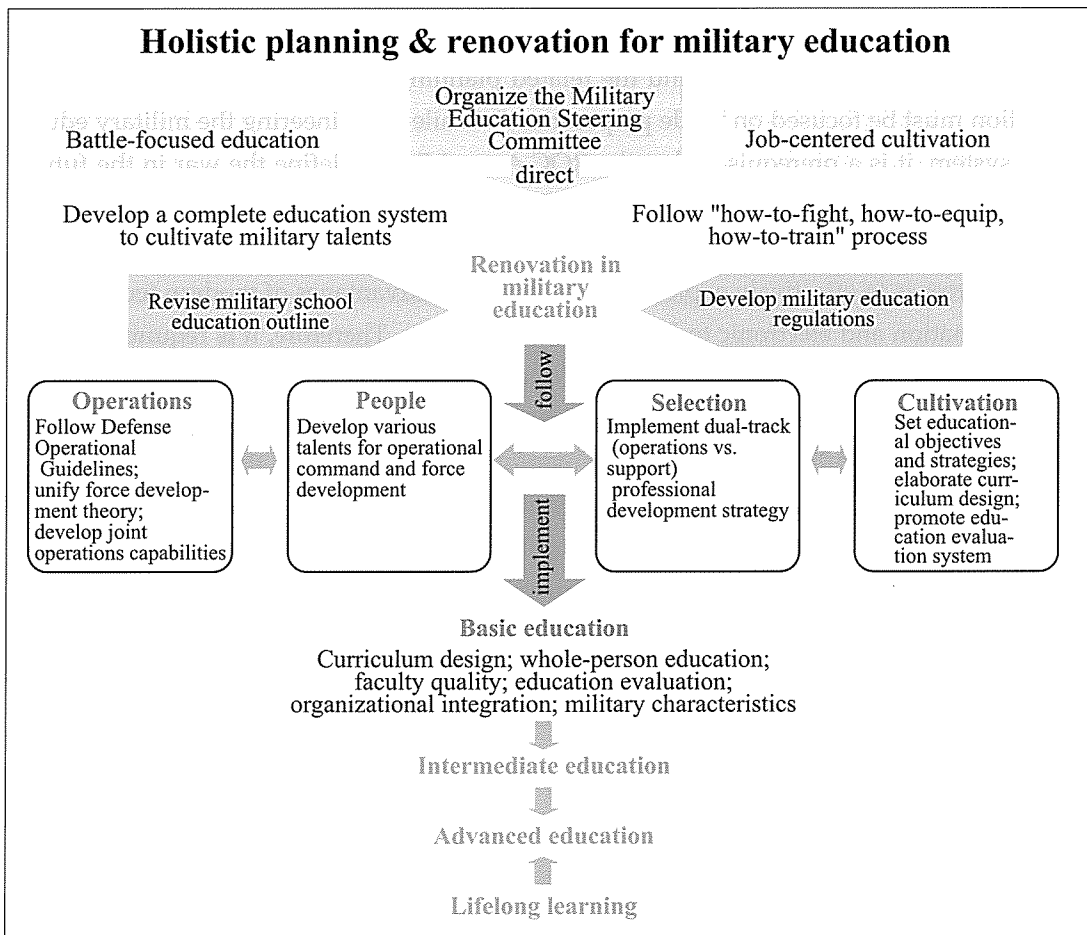
II. Implementation

1. Military Education System

Since the officers of the ROC Armed Forces play a key role in operational command,

morale maintenance, and unit training, the acquisition of high-quality junior officers is a task of very high priority. Therefore, the success of military academies, which aims at the cultivation of volunteer junior officers, will have long-term effects on the quality of the officer corps as well as the success of the future force development of the ROC Armed Forces. Due to the multiple recruitment avenues of junior officers developed lately, such as Officer with Designated Military Occupational Specialty, Officer for Designated Occupation, and Reserve Officer Training Corps (ROTC), the quantity demand for junior officers has been largely met. However, the cost-effectiveness of the existing educational resources allotment for the military academies needs to be elaborated. In field units, noncommissioned officers (NCOs) are not only the assistants and technical advisers to officers, but also the tutors to privates. They also play a major role as the communication bridge between officers and privates. Therefore, the NCOs' education system must be developed in terms of

Figure 6-1 The Holistic Planning for Military Education



both quantity and quality. Specifically, the concrete measures for this development include integrating educational resources, advocating lifelong learning, furthering the earning of vocational certifications, and enhancing occupational specialty training. The ultimate goal for the development of noncommissioned officer corps is to make it the pillar of field units.

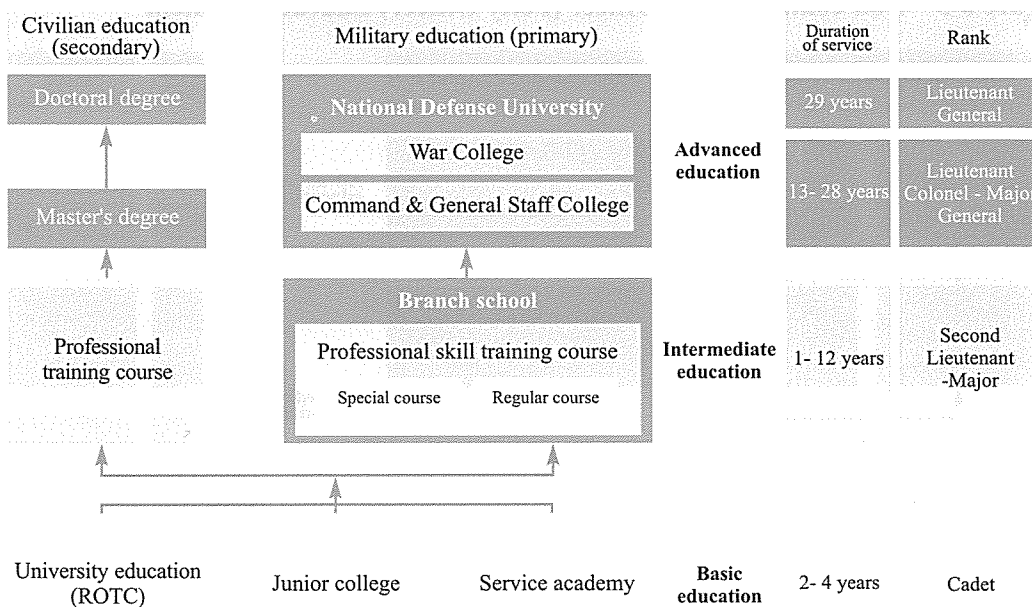
The military education system, which is developed in accordance with the relevant military education policies, directives and regulations, is classified as the following: (for the officer education system, please refer to Figure 6-2; for the NCO education system, please refer to Figure 6-3)

(1) Basic education

The goal of basic education for officers is to complete the "Whole Person Education" curriculum, and to earn a bachelor degree. This program is designed to fashion a cadet into an officer of military professionalism, physical fitness, morality, technical skill, and self-learning initiative, while the goal of basic education for noncommissioned officers is to complete the required curriculum, and earn a high school or college degree. In addition, the noncommissioned officer cadets are also required to earn relevant military or civilian vocational certificates to ensure professionalism in their future branches or functional areas.

(2) Intermediate education

Figure 6-2 Officer Education System



The goal of intermediate education for both officers and noncommissioned officer is to extend the professional knowledge and skills to satisfy the demand of their jobs while serving in the field units.

(3) Advanced education

The goal of advanced education is to develop leadership in areas such as command and general staff, strategic and tactical research, defense resource management, technical service support.

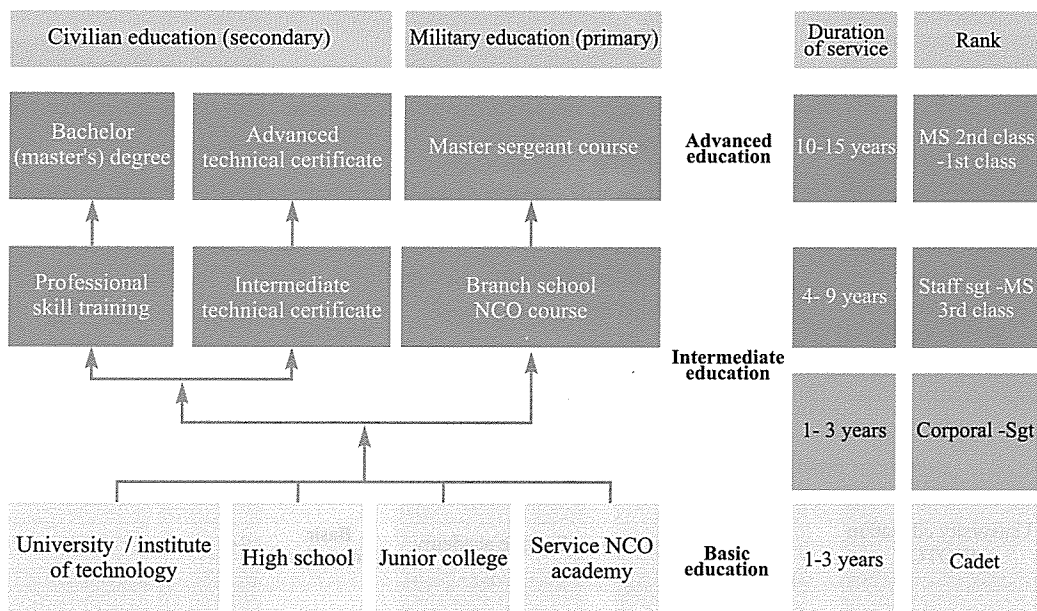
2. Curriculum Design

For institutions of basic education, the curriculum design committee of each institution is responsible for re-engineering the curriculum, which centers on the development of military professionalism, and reflects service specific requirements and military education vision. It stresses that the related curriculum design, program of instruction, and teaching methods, must accord with the nature of military education and field unit training. It must strike a balance between theory and practice, and will be followed by the subsequent intermediate and advanced education. The content of basic education is categorized into four areas: academic courses, military courses, moral cultivation courses and physical fitness courses.

(1) Academic courses

Academic courses encompass core general courses and professional courses; the

Figure 6-3 Non-commissioned Officer (Petty Officer) Education System



former is designed to develop cadets' common knowledge, self-learning initiative, independent thinking, and his potential for personal development in the future; the latter is designed to develop cadets' service specific professional knowledge and skills.

(2) Military courses

Military courses aim at the development of cadets' basic combat skills and relevant battlefield knowledge. These courses are provided through recruit training, military training camps (summer camp and winter camp), observation training with field units, and military theory and war history workshops.

(3) Moral cultivation courses

Moral cultivation courses aim at developing cadets' values such as patriotism, obedience, duty, discipline, and building up their leadership abilities. These courses emphasize the "honor code system," the "cadets government system," "patriotism education," and "ethics education," and are embedded in cadets' barracks life on a day-to-day basis.

(4) Physical fitness courses

The design of physical fitness courses is based on the principle "physical strength is the cornerstone of combat skills." The courses are taught in forms of regular physical education, physical strength and combat skill drills and athletic competition.

3. Military Education Evaluation Program

(1) Since 2002, the ROC Armed Forces have launched a self-evaluation program for all institutions of basic education to evaluate their implementation of the battle-focused education policy. The criteria for the program are vision, role and mission, core capabilities, values, curriculum design, officer personality development, teaching methods & techniques, professional ethics development, leadership development, and physical training, thereby ensuring that the cadets are educated to meet the objectives of force development and the institution itself.

(2) The self-evaluation program is generally divided into two parts: comprehensive evaluation on the institution's administration and self-evaluation for respective discipline. From September 2004 on, a circuit investigation team, consisting of scholars of distinguished civilian universities, educational experts, representative instructors of each military education institution, and representatives from each military branch and service, will visit military education institutions for the implementation of their self-evaluation programs.

4. Lifelong Learning

Based on the principles "off-duty learning" and "at one's own expense," lifelong learning for the cadres of the ROC Armed Forces aims at:

- Officers pursuing academic degrees;
- Noncommissioned officers pursuing vocational certificates;
- Both officers and noncommissioned officers pursuing occupational specialties.

(1) Academic degree

Both officers and noncommissioned officers are encouraged to pursue master's degrees, but the officer corps is the primary target to be encouraged. Academic degrees will be awarded by military education institutions, civilian education institutions in a strategic partnership capacity with military education institutions, and the National Open University. There are 2,859 officers who have earned their master's degrees as yet.

(2) Vocational certificate

Both officers and noncommissioned officers are encouraged to pursue job related vocational certificates, and the noncommissioned officer corps is the primary target to be encouraged. The vocational certificate will be awarded by the ROC Armed Forces Vocational Skill Training Center, military education institutions, and the relevant governmental vocational skill training courses sponsored by the Vocational Skill Development Bureau. There are 9,541 noncommissioned officers or officers who have earned their certificates so far.

(3) Occupational specialty

Both officers and noncommissioned officers are encouraged to pursue their assignment related occupational specialties to strengthen their knowledge and capabilities, particularly in areas such as management, information technology and foreign languages. There are 21,713 noncommissioned officers or officers who have earned their specialties so far.

5. Cadet Performance Evaluation Standards

It is imperative to set performance evaluation standards to facilitate the development of cadet's knowledge, personality and physical strength. The Cadet Academic Performance Evaluation Standard was published after holding a series of discussions and hearings. The standard also serves as the basis for the design of the "Common Core Courses" of each military academy.

6. Academic Research for Teaching Staff

In order to raise the quality of teaching staff of the military education institutions, selected teaching staff is sent to distinguished domestic or foreign universities, research laboratories or think tanks for short-term studies. These studies are sponsored by the Ministry of National Defense in accordance with the relevant policies and regulations.

III. Vision

1. Establish the Military Education Consultation Committee

In order to support military education policy formulations, develop proper visions for military education institutions, meet the realistic needs of field units and future force development, the ROC Armed Forces will establish a consultation committee composed of

scholars and experts in the relevant fields.

2. Enhance the Function of the Military Education Center of Excellence

In order to improve methods and techniques of teaching staff, counseling skills for the faculty members, and the quality of administrative operations, the ROC Armed Forces organized a Military Education Center of Excellence in August 2002. It provides short-period, intensive and rotational training workshops for the faculty members of all military education institutions.

3. Improve the Master's and Doctoral Degree Candidate Selection Process

In order to promote the professionalism of the officer corps, the Ministry-sponsored master degree candidates will be selected through a prescribed process; the research subjects for the doctor degree candidates must accord with the mission requirements of their units in order to develop teaching staff, military technology research and development talents, and professional staff officers of high-level commands. In addition, in order to encourage cadets to pursue a balanced development among academic study, personality development, physical fitness, and combat skill, the graduates with an outstanding and balanced performance will be recommended to compete for the Ministry-sponsored master's degree candidates.

4. Strengthen Foreign Military Sale (FMS) Related Training Operations

To implement the military education policy "What you are trained is what you will use," it is imperative to review the Foreign Military Sale training areas and prioritize the training resource allocation accordingly. The prioritized Foreign Military Sale training areas should include courses at foreign command and general staff colleges and war colleges, C4ISR training courses, and modern weapon and equipment operations and maintenance courses.

5. Increase Exchanges between Military and Civilian Education Institutions

Based on the beliefs "exchange is the multiplier for superiority" and "exchange must be conducted on the basis of equity and reciprocity," the military education institutions have been aggressively promoting inter-collegial academic exchanges with civilian education institutions. For example, National Defense University has signed academic exchange agreements in the disciplines of management and education with Taiwan University and Taiwan Normal University respectively; the Naval Academy has signed educational cooperation agreements with Taiwan Ocean University and Kaohsiung Maritime University respectively; Fu Hsing Kang College has signed a strategic alliance agreement with Taiwan Police University; and Air Force Aviation Technology College has signed agreements with thirty civilian vocational colleges in southern Taiwan, all in order to form educational strategic alliances, and to strengthen the constitution and competitiveness of military education institutions.

Chapter 17

■ Training

In response to the changing strategic environment and the implementation of the "Two Defense Acts" as well as the Jingjin Program (the ROC Armed Forces Streamlining Program), the general objective for the training of the ROC Armed Forces is to materialize joint operational capability. Based on the policy guidance "military training should be battle-focused," and referring to China's strategic direction — "winning a campaign in remote area quickly, winning the first campaign decisively," the ROC Armed Forces consolidates Taiwan, Penghu, Machu, and Kinmen into a single theater of operations, and stresses the development of common and synchronized engagement capability and of relevant doctrines among all services. This will serve as the major thrust for the ROC Armed Forces' training, and thus develop a quality, streamlined, and capable force to defend Taiwan.

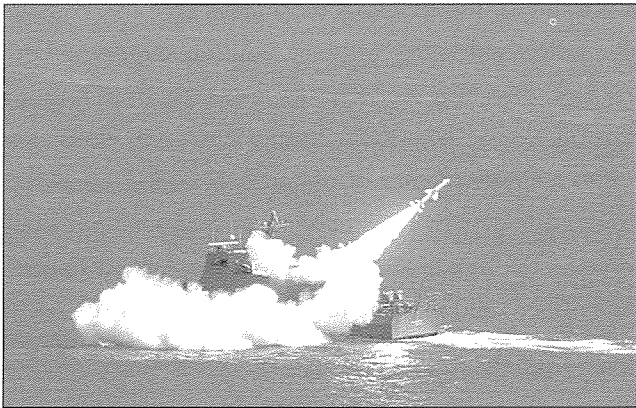
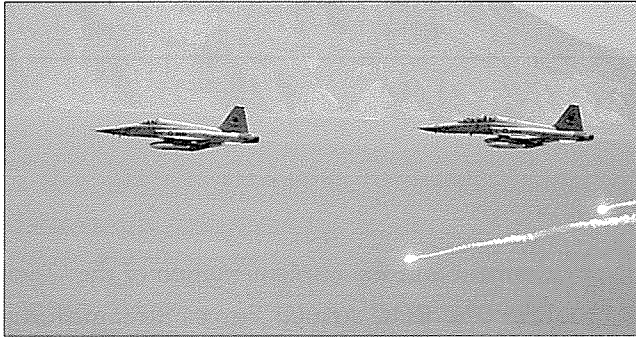
I. Joint Operations

Joint operations, combining two and more services or branches to achieve a common objective, has been the mainstream of modern operations. Since the Gulf War in 1991, joint operations have been drastically improved due to the development of advanced technology and the associated "revolution in military affairs" (RMA). In view of the above trend, the ROC Armed Forces have made efforts to promote its tangible and intangible combat power and to develop a quality force capable of meeting the patterns of future warfare.

1. Promote Joint Operations Effectiveness

(1) Since the implementation of the "Two Defense Acts," the General Staff Headquarters has served as staff organization of the command system, and command mechanism of joint operations to the Minister of National Defense. Since 2001, in view of the trend of future warfare development, two major systems — joint operation command system and operational support system — have been organized. By using multiple communication and information networks, it is expected to put forth joint operation effectiveness with simplified force employment processes, flat command structure, high-speed command dissemination, and rapid warfighting sustainability support.

(2) Referring to the lessons learned from the foregone annual joint training exercises — Hanguang No. 18 and 19, the ROC Armed Forces have formulated the process and structure for the joint command mechanism. For the joint operation command system, two layers are identified — strategic decision-making and command, and execution of strate-



Hanguang No. 19 Exercise

gic decision. As for the operational support system, two layers are also identified — inter-government agency coordination and inter-service coordination. The two systems perform their functions through a network-centric structure, supported by multiple communication and information networks.

(3) Following the success of the previous Hanguang No. 18 and 19 Exercises, the Hanguang No. 20 Exercise was completed by August 2004. Besides verification of solutions for the existing readiness problems, the Hanguang No. 20 Exercise was particularly designed to verify the joint command and control

mechanism developed by the recent Jingjin Program, the suitability of force development, and readiness management.

The Hanguang No. 20 Exercise was conducted in three phases. Serving as the basis for the next phase, phase one was to verify the materialization of the joint operations planning, which was completed on April 30, 2004. Phase two was to collect necessary parameters through wargaming, supported by a newly installed "Joint Theater of War Simulation System." The wargaming was based on the estimated relative military power of Taiwan and of China in 2006. The scenario was that the invader would launch a surprise attack on Taiwan by means of special operations, infiltration & sabotage, IO/EW, ballistic missiles, air strike, underwater operations, airborne or heliborne operations, and the so-called "fifth column." The wargaming was to evaluate the probability of success for the invader's course of actions assuming that all the variables were in the invader's favor. As for the defender (ROC Armed Forces), using the joint command mechanism and the associated decision-making models as well as relevant operational procedures, it integrated all-out defense resources in Taiwan, Penghu, Kinmen and Machu to perform joint interception operations and homeland defense. Phase three was then to evaluate the overall joint operational capability through a series of realistic mission training exercises and the investiga-

tion into the feasibility, suitability and adaptability of field units' mission plans.

As the results of the Hanguang No. 20 Exercise indicate, all the participating units have met the test and evaluation standards. Throughout the exercise, all the prescribed verification items, such as "peacetime-to-wartime transition procedures," "operational plan evaluation," "standing operating procedures for the joint operations command post of each echelon," "the common engagement command and control procedures between the strategic decision-making level and the execution level," have been all realistically and conscientiously verified. As for the deficiencies revealed in the exercise, the policy-related ones will be made cases for further study and solutions will be sought; the execution-related ones will be referred to the relevant units for correction.

(4) In 2005, the Hanguang No. 21 Exercise will be based on the results of the implementation of the Jingjin Program to verify the knowledge and skills of joint staffs, and the joint command mechanism as well as its battlefield management capability, in accordance with the Posheng Program. Further, it will explore potential deficiencies of the military crisis management mechanism (including war decision-making), and pursue solutions together with the relevant governmental and civilian agencies in order to cope with China's so-called "unrestricted warfare" threat and to combat terrorism. The ultimate goal for the exercise will be to improve the capability of homeland defense and the integration of national resources to achieve an all-out national defense.

2. Enhance Joint Interception Capability

(1) Since joint operation is an inevitable and effective means for conducting Taiwan's defense, the ROC Armed Forces integrate the previous joint counter-air, joint counter-sea, and joint counter-anchorage into joint interception operations to cope with the PLA's diversified invasion scenarios and to evolve from the traditional, stereotypical linear battlefield framework.

(2) The joint interception operations aim at suppression of invasion at the origin, joint maritime and airspace interception, and decisive anti-invasion at the anchorage or littoral areas. To serve the above aims, long-range depth operations and the common engagement capabilities are required. In addition, it is also imperative to develop the capability to survive the invader's first strike, and be still able to project counter-invasion capabilities, such as information operations, special operations, and to attrite, neutralize or destroy the invader's combat power by long-range precision strikes. In the meantime, the counter-invasion forces will use integrated joint power to isolate and annihilate the invader's follow-on effort, choosing high payoff targets and maintaining freedom of action. The above-said joint interception operations were verified in the Han No. 19 and 20 joint training exercises respectively, and have improved to an evident degree. In response to China's large expansion of armaments and its revamped offshore active defense strategy, the ROC



A Mirage fighter jet took off and landed on the highway in Hanguang 20 Exercise.



The readiness of airborne forces was verified in Hanguang 20 Exercise.

Armed Forces will continue to advance joint interception capabilities through the implementation of the Jingjin Program, and the acquisition of modern weapon systems based on the Ten-Year Military Buildup Concepts.

3. Improve Homeland Defense Capability

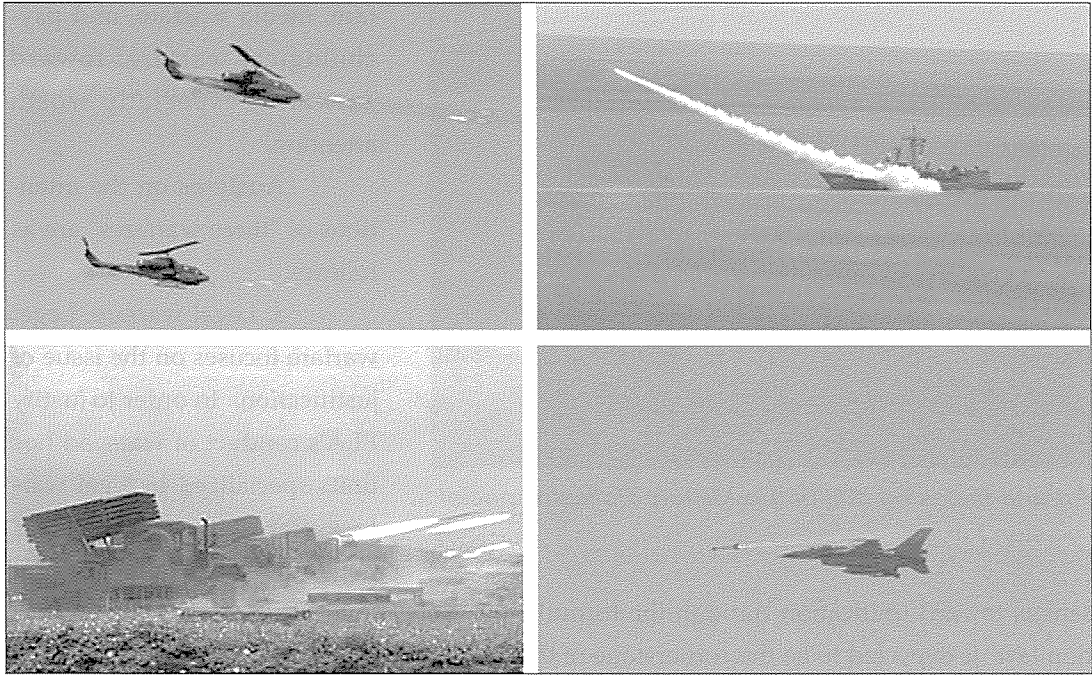
(1) In order to intensify the capability of contingency response, the ground forces of the ROC Armed Forces have been divided into reserve and active components. The active components will be specialized in contingent operations in peacetime and mobile strike in wartime, whereas the reserve components will be specialized in disaster relief support in peacetime and area defense in wartime. After the 9/11 terrorist attacks, the ROC Armed Forces launched its

own anti-terrorism preparations, such as battlefield intelligence preparation, targets selection and prioritization, responsibility area designation, and pre-position of anti-terrorism forces. The above preparations and the developed operational procedures will be verified and validated to improve the overall homeland defense capabilities by future scheduled training exercises, such as Hanguang, Wan-an, and Ho-an exercises.

(2) Preparing for the threat of global terrorist attack, the ROC Armed Forces enhance the readiness of anti-terrorism support of its special forces. The ROC Armed Forces are intensifying, in a progressive approach, the overall mission capabilities of their special forces, such as anti-hijacking, anti-kidnapping, and anti-sabotage, and are integrating governmental and civilian professional resources into its mission capabilities.

4. Consolidate National Will to Fight against Enemy

(1) Maintenance of military morale: Military morale is rooted in operational security,



Joint interception capability is the main part of force development.

family support and dependent assistance. The ROC Armed Forces perform operational security through counseling, ombudsman and inspector general systems; provide family support through its MWR (moral, welfare and recreation) programs and render dependent assistance through various dependent support programs.

(2) Ensuring will power for counter-invasion: Strong will power for counter-invasion is based on the consensus of the security of Taiwan, Penghu, Kinmen, and Machu. Through close interaction with academia, industries, and civilian communities, the ROC Armed Forces promote the all-out national defense consensus and patriotism. Additionally, this interaction intensifies soldiers' combat will by improving training programs, such as battlefield stress management and psychological adjustment.

(3) Developing political warfare capability: The ROC Armed Forces stress the integration of psychological, strategic and mass warfare in order to facilitate policy formulation. Psychological and strategic warfare will shake the enemy's combat will and integrity and mass warfare will strengthen citizens' will to defend their communities, properties and lives. Modern political warfare capabilities will be integrated with the all-out national defense mechanism.

(4) Recognizing PLA's intentions of conducting "three warfares" and inspiring all people's confidence: The "Political Warfare Regulations of PLA" was enacted by the PRC in early 2004. Among these regulations, the application modes of "three warfares" (legal war-



An anti-hijacking drill of the Military Police's special mission forces.

consensus toward unification through the formulation of the "unification law." The "unification law" is expected to be the cornerstone of the "legal warfare."

b. Media warfare: This warfare focuses on controlling the public inclination in Taiwan and magnifying the dynamics of public criticism. The PRC would exploit the interest-orientated tendency of Taiwan's media to convey the PRC's stand toward Taiwan, influence U.S. friendly attitude toward Taiwan, twist Taiwan's military procurement policy, and raise opposite opinions in Taiwan.

c. Psychological warfare: This warfare aims to exaggerate PLA's military preparedness toward Taiwan so as to exert psychological pressure upon Taiwan. The PRC takes advantage of the psychological vulnerabilities of Taiwan people, extensively propagates its superior military capabilities, escalates the tension across the Strait, and outwardly



A realistic drill of homeland defense

fare, media warfare, and psychological warfare) toward Taiwan is especially worth attention.

Analyses on the intentions of "three warfares" are as follows:

a. Legal warfare: Legal warfare focuses on the issue of justification. In order to justify PLA's conduct of wars, ad hoc units specialized in legal warfare were set up. The PRC hopes to reach a domestic consensus

expresses its determination of "unification" to achieve the goal of coercive strategy.

Though the "three warfares" are of little difference in terms of targets and means, they all target on crumbling the morale of the ROC Armed Forces and compatriots. Therefore, the MND has the following countermeasures in response to the "three war-

fares":

a. Enhancing the decision-making mechanism of the psychological warfare: Under the guidance of the National Security Council, in peacetime, suggestions of scholars and experts will be integrated through the convention of the "Joint Steering Conference on Psychological Warfare."

Other measures in peacetime include establishing command and control (C2)

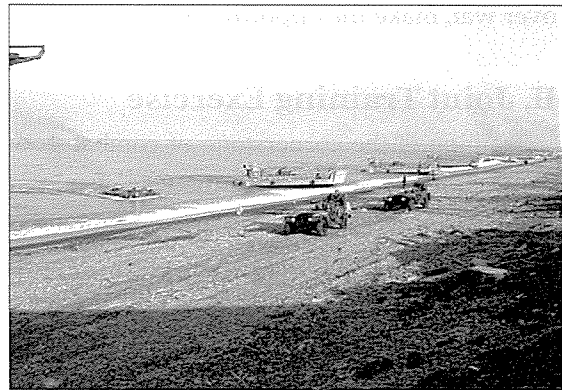
link of the psychological warfare, and coordinating and employing civilian resources with focus on media. In wartime, in accordance with operational requirements, in coordination with command center, a coherent and powerful decision-making system for psychological warfare will be established.

b. Promoting the development of personnel specialized in law of war: The government shall encourage departments and graduate schools of international politics and law of civilian universities and military institutes to train personnel specialized in this field. We should pay special attention to the international law and law of war involved in the case if the PRC uses force against Taiwan. In order to gain fresh insight into the issue and remove misunderstandings, a comprehensive and detailed research shall be conducted.

c. Improving the capabilities and functions of political warfare forces: By considering the operational requirements, linking the IO/EW resources, and establishing desired warfighting capabilities, political warfare forces will be organized under the principle that they are to be divided in terms of functions to meet peacetime and wartime requirements separately. According to mobilization planning, these forces will integrate mobilized vehicles and equipment, facilities, and personnel to achieve their missions.

d. Inspiring all people's confidence and developing comprehensive countermeasures: We should strengthen enemy information collection and agenda propaganda so as to improve the understanding of the measures and intentions of "three warfares." We should also integrate all efforts against "three warfares," control the psychological situation of the enemy, and use several of media to establish comprehensive countermeasures through standard operating procedures (SOP).

In the face of the PRC's "three warfares" threat, we should further recognize that the party who holds the right to interpret the law has the right to justify the war, and that the one who can effectively apply high-tech psychological warfare will get the upper hand in the front of psychological warfare. Whoever dominates the media will win an advantage



Joint operations training exercise

over war, make the opportunity of winning the war, and win the war accordingly.

II. Joint Training Exercise

Training is the cornerstone of combat power, and it is an effective means to verify the feasibility and suitability of the war plan. Successful training is the credential for winning the nation's war. The joint training exercise of the ROC Armed Forces is to pursue the goal that jointness must be taken into consideration in every fight and training. Hence joint training exercises are not only conducted to enhance the skills of joint operations, but also to promote the notion that jointness does not only mean supporting, but co-acting as well.

1. Elaborate Joint Training Exercise

(1) The organization and process of joint operations command mechanism has been developed and confirmed, and the joint operations command center will be the sole directive authority for all military operations, laying a good foundation for the integration of joint warfighting capabilities. To further improve the effectiveness of joint operations, the ROC Armed Forces, complying with defensive operations guidance, lessons learned from the previous exercises, and estimations of the enemy's capabilities and its threat models, accomplish their Holistic Joint Training Plan, which is included in the annual ROC Armed Forces Training Directive. The conduct of joint training exercises is based on the following principles: to be directed by the single joint operations command mechanism, to integrate and simplify the existing training missions and not to affect the already-scheduled training missions and their scope. All joint training exercises will comply with a baseline scenario



Chief of the General Staff General Lee Tien-yu comforts and encourages the participants in a training exercise.

and the exercise plan will be jointly developed by all participating services. In addition, joint training exercises are expected to be designated with a clear objective, be realistic and battle-focused, and be conducted in a progressive manner — basic, individual, collective and joint.

(2) Since professional development of the joint staffs is the key to further the effectiveness of joint operations, the Ministry of

National Defense has improved the joint staff organization and the associated operational procedures for each echelon, and demands that, starting from planning phase, all joint training exercises must be conducted in a joint way with the close participation of all related services, and must build up a joint culture in each echelon. In addition, the joint staffs' occupational specialty trainings have been both expanded and localized to further raise the standard of the joint staffs.

2. Implement Training Programs

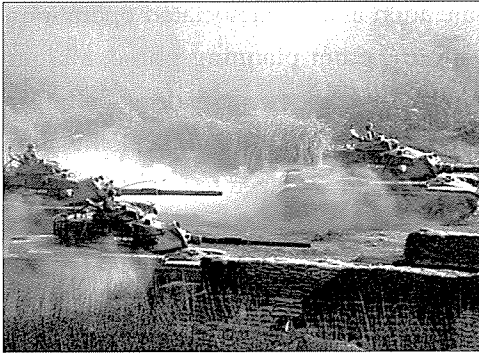
(1) The ROC Armed Forces training programs are developed in accordance with the directive that training must be battle-focused, and in order to realize the national military strategy of "effective deterrence and resolute defense." They are conducted in a progressive manner — basic drill, individual specialty training, collective training, and joint training. The Ministry of National Defense is responsible for designating objectives to each major training program, and evaluating the performance of the program. The General Headquarters of each service is committed to developing and controlling the joint training programs and the related calendars. The participating units in the joint training programs must be first qualified through service (branch) rotational training. The joint training will emphasize the integration of all available C4ISR systems in the training exercise area, which simulates a future battlefield. The scenario design and the conduct of the joint training exercises are required to be as realistic as possible to exert the best effects of the training exercises and to evaluate the feasibility and suitability of the war plan.

(2) Except for the Liansing and Lianyun Training Exercises, which were cancelled due to the outbreak of SARS, the ROC Armed Forces have completed all the remaining planned joint training exercises for 2004, such as the joint information operations drill, the joint interception operations drill, and joint homeland defense drill. The completion of the above training exercises has noticeably enhanced the ROC Armed Forces' joint operational capabilities. In 2005, the joint training exercises will be continually implemented in a realistic, threat-focused, and high-standard form in order to further promote joint operational capabilities.

3. Practice Training Management

(1) Whereas there are increasing protests on training ranges, the ROC Armed Forces have specified units to be in charge of military installation property management, environmental protection and associated settlement of protests and complaints. Furthermore, the above units will further enforce construction and farming restrictions on military installations and properties. In the meantime, in order to support the development of local communities, the ROC Armed Forces have transferred 690 acres of land to the National Properties Bureau for the execution of the National Comprehensive Development Plan.

(2) To promote the effectiveness and reduce the cost of training, the ROC Armed



Large-scale tactical training ranges are improved to promote the effectiveness of training.

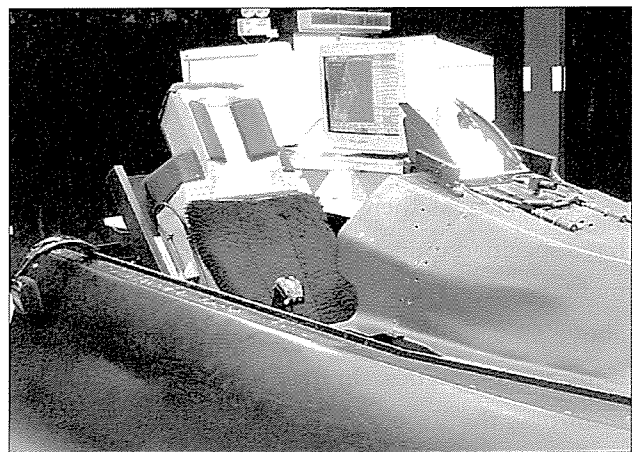
joint operations command mechanism, to explore potential problems in the joint operations and to simulate solutions for the problems. In the future, more simulators and simulations will be persistently acquired or developed, such as joint operations tactical trainers, combined arms simulators, collective training tactical simulators, and other more advanced constructive simulations. However, the acquisition and development for the simulators and simulations will be conducted in a sequential way, from single branch to combined arms and from strategic level to tactical and combat level, in order to eventually provide an automated and hi-tech training environment for the forces.

(3) In order to fully satisfy the training requirements of field units, the annual training budget is directly appropriated to them, and is not allowed to be retained by the intermediary levels. Based on the National Defense Ministry's directive "budget developer is the budget user," each service is responsible for developing its own annual budget plan in accordance with its approved programs, and for verifying the appropriateness of the plan. The Ministry of National Defense only develops its own budget plan, which is used to support its administration.

III. NBC Preparedness

NBC operations still pose one of the major threats to the ROC Armed Forces in the battlefield of the future. Through not only developing proper military strategy coping with the NBC threat, but also through strengthening

Forces have been acquiring simulators, network-based distance learning systems, multimedia training aids, and virtual reality tools, amounting to 6,830 units in 79 categories, which simulate battlefield and battle scenarios for the training centers, schools and tactical units. Additionally, the ROC Armed Forces have also acquired world-class Joint Theater Level Simulation (JTLS) to support its joint training programs. The JTLS was used in the Hanguang-series exercises to assess the

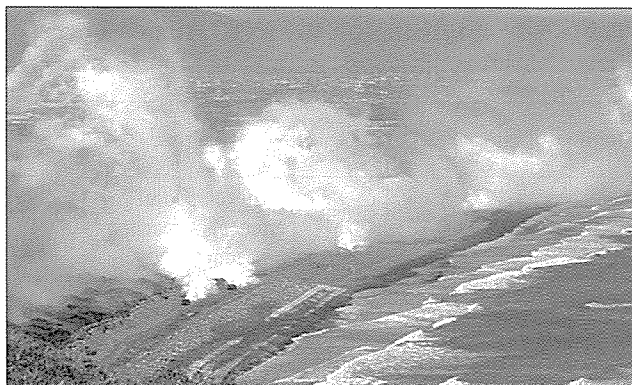


F-16 fighter jet training simulator

the preparedness of the NBC defense, the ROC Armed Forces is building its NBC operational capability and hence protecting its forces.

1. Policy

It is the current NBC preparedness policy that the ROC will not develop, manufacture, acquire, stockpile, or employ offensive NBC weapons, but will prepare its NBC defensive capabilities, which encompass cue and alert, protection, detection, and first aid. The above defensive capabilities will be developed progressively with the emphasis on protection against chemical attack, acquisition of personal protective equipment and development of a regional collective defense system. To achieve the development of a seamless NBC defense mechanism, the ROC Armed Forces will plan a national NBC defense system, which will integrate military, governmental and civilian capabilities, and protect the nation as a whole.



A smoke generation drill performed by the chemical warfare forces in Hanguang No. 19 Exercise.

abilities, which encompass cue and alert, protection, detection, and first aid. The above defensive capabilities will be developed progressively with the emphasis on protection against chemical attack, acquisition of personal protective equipment and development of a regional collective defense system. To achieve the development of a seamless NBC defense mechanism, the ROC Armed Forces will plan a national NBC defense system, which will integrate military, governmental and civilian capabilities, and protect the nation as a whole.

2. Implementation

(1) The ROC Armed Forces support central and local governments with their NBC related civil training exercises, such as terrorist poisonous gas attack exercises by the Environment Protection Agency, terrorist poisonous gas attack exercises by the Kaohsiung County Government, and hazardous chemical materials disaster response exercises by the Nantou County Government. (Table 6-1)

(2) The Ministry of National Defense published its "Military Establishments Ionizing Radiation Protection Act" and "Ministry of National Defense Ionizing Radiation Protection and Control Regulations" in 2003. These publications are meant to assure the safety and health of the citizenry and protect from the threats of ionizing radiation.

IV. Doctrine Development

Military doctrines, covering strategic, tactical, combat, and administrative fields, serve as the basis for force development, readiness management, and operational guidance both theoretically and practically.

1. Policy

Considering domestic environment, national power, development of technology, and the threat of war, the ROC Armed Forces plan their doctrine development system, which

Table 6-1 Statistics on the ROC Armed Forces Participating in Anti-terrorism Training Exercises

Item	Time	Title	Purpose	Location	Sponsor	Participating Units
1	Aug. 28, 2003	Comprehensive anti-terrorism exercise	To develop local governments' reaction procedures and relevant regulations	Taisi Sixth Naphtha Industrial Park, Yunlin County	Environmental Protection Administration, Executive Yuan	Chemical Warfare Group/10th Army/ROC Army
2	Oct. 13-15, 2003	Anti-terrorism (poisonous gas attack) exercise	To promote the effectiveness of the reporting mechanism and emergency reaction measures	Nangang Industrial Park in Nantou County, Dow Chemical Factory in Kaoshiung County	County Governments of Nantou and Kaoshiung	Chemical Warfare Group/10th Army and 8th Army Army/ROC Army
3	Oct. 22, 2003	Hua-an (chemical safety) exercise	To ensure the feasibility and suitability of toxic chemical disaster relief measures	Hsinchu Scientific Park	Environmental Protection Administration, Executive Yuan	Chemical Warfare Group/6th Army/ROC Army
4	Nov. 27, 2003	He-an (nuclear safety) exercise	To practice emergency management of nuclear power plants	Wanli Township and Jinshan Township, Taipei County	Atomic Energy Council, Executive Yuan	Chemical Warfare Group/6th Army/ROC Army
5	Sep. 20-24, 2003	He-an exercise	To practice emergency management of nuclear power plant	Hengchun Township, Pingtung County	Atomic Energy Council, Executive Yuan	Chemical Warfare Group/8th Army/ROC Army
6	Nov. 4, 2003	Hua-an exercise	To ensure the feasibility and suitability of toxic chemical disaster relief measures	Tainan Scientific Park	Environmental Protection Administration, Executive Yuan	Chemical Warfare Group/8th Army/ROC Army

Remarks: Items 3, 4, 5, 6, were annual scheduled exercises. Item 1 and 2 are anti-terrorist NBC attack drills.

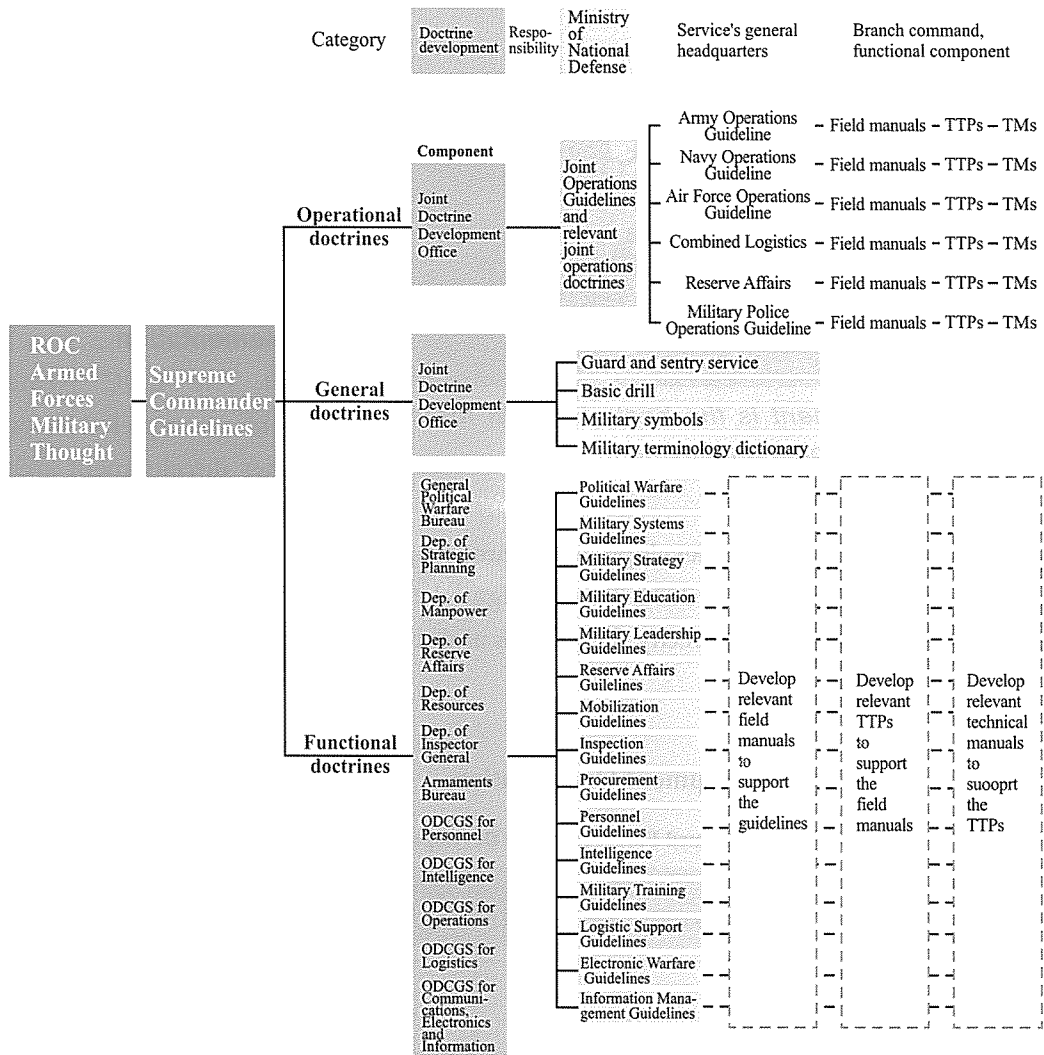
also incorporates the modern concept of revolution in military affairs. Centering on joint operations, the development or revision of doctrines will be conducted in compliance with an approved plan, and all the related doctrines (operational, functional and technical support doctrines) will be integrated. The developed or revised doctrines are expected to be foresighted, pragmatic and renovative, and to suit the current situations and future needs.

2. Doctrine Development System

Based on the ROC Armed Forces Military Thought and the Supreme Commander Guidelines, the doctrines are classified into three subsystems-policy, command, and armament. Hence, the doctrines are categorized as operational, functional doctrines and general doctrines, developed and revised by the responsible services or Ministry of National Defense agencies respectively. (Figure 6-4)

3. Doctrine Development Organization

Figure 6-4 ROC Armed Forces Doctrine Development Architecture



(1) Ministry of National Defense: Directed by the Doctrine Development Steering Committee, the joint staffs and the agencies, supported by the Ministry-supervised education institutions, are responsible for the development of the functional doctrines.

(2) Joint Operations and Doctrine Development Office (Doctrines Division): It is responsible for policy formulation, regulation issuance, and inspection and control of policy implementation.

(3) General headquarters of services and major commands: Directed by the Service Doctrine Development & Review Steering Committee, and supported by the service schools and related headquarters' offices, they are responsible for the development of service related doctrines.



Doctrine development is the basis for both force development and force employment.

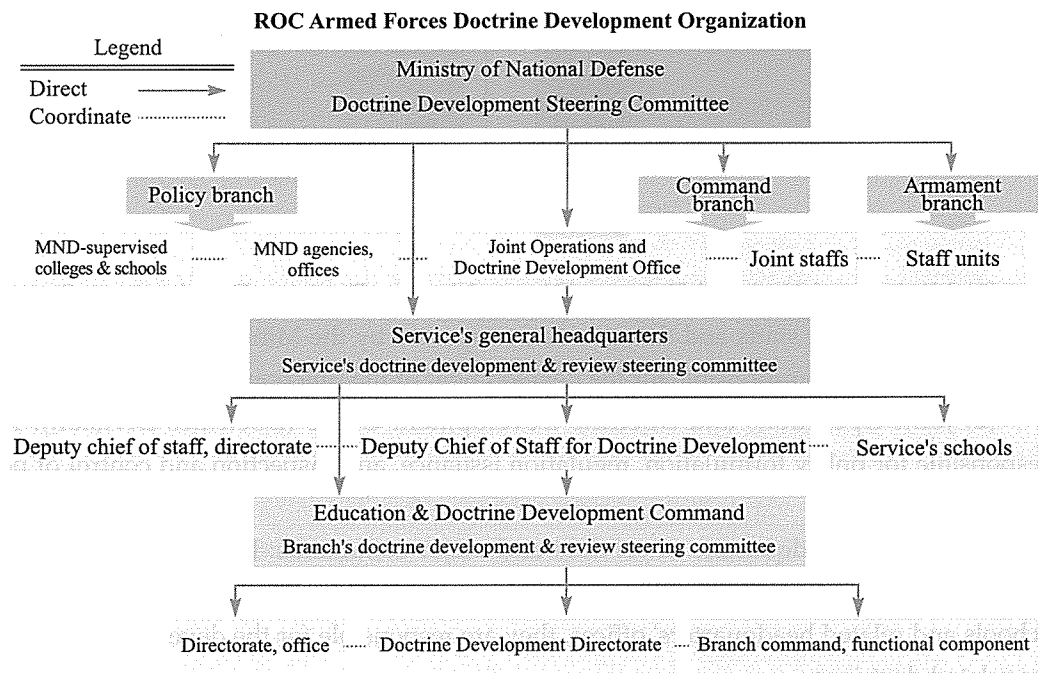
(4) Branch command: Directed by the Branch Doctrine Development & Review Steering Committee, together with the sponsors for branches and functional areas, it is responsible for the development of functional and technical doctrines. (Figure 6-5)

4. Implementation

(1) The ROC Armed Forces have completed its joint doctrines development architecture, which serves as a

roadmap for overall doctrine development in three major categories: operational, functional, and general. On April 6, 2004, it promulgated the "ROC Armed Forces Doctrines Development Regulation" to specify the process of doctrine development and the designation of responsibilities.

Figure 6-5 Doctrine Development Organization



(2) The ROC Armed Forces will continue to implement the above architecture, and review suitability, classification, and quantity of the existing military doctrines (field manuals, tactics, techniques & procedures [TTPs], handbooks, etc.) to conform to the national security situations, operational environments, the Two Defense Acts, and the Jingjin Program. Doctrine development should also be "battle-focused", and certified by an authorized mechanism to assure quality.

(3) In order to verify the feasibility and suitability of the existing joint operations doctrines, the ROC Armed Forces used its Hanguang series joint training exercises to verify that the doctrines can accord with the newly-constructed joint operations command mechanism, the development of China's military strategy, and the worldwide trends of strategic and tactical developments. Further, in 2005 the ROC Armed Forces are planning to develop their own "TTPs for Joint Defense Operations" reflecting the characteristics of Taiwan's defensive operations.

(4) From 2000 to 2003, the ROC Armed Forces published 18 joint operations doctrines such as the Joint Operations Guidelines, and had them verified and revised by the Hanguang No. 17-20 Exercises.

(5) In 2004, the ROC Armed Forces constructed its online digital doctrine library on its intranet. It not only facilitates the employment of doctrines for the defense community, but also enjoys a cost-cut on physical printing.

V. Vision

Considering the rapid development of technology and the corresponding



Continue to shape the "high-quality, streamlined, and powerful" armed forces.

impacts on the patterns of war, the ROC Armed Forces must develop proper military thought and strategy to satisfy the very needs of Taiwan's security. Currently, since China does not renounce use of military force to resolve Taiwan issue, China's invasion is still the major threat to Taiwan's security. Therefore, the ROC Armed Forces will continue with their force development to develop a quality, capable and streamlined joint force, based on the RMA concept. The ROC Armed Forces' training development in the future will focus on promoting the effectiveness of joint operations and enhancing the capability of anti-terrorism support; and they will fully utilize the finite training and test & evaluation resources to conduct realistic and demanding training programs. The major thrusts for the future training development are as follows:

1. Strengthening joint operations command mechanism.
2. Constructing advanced C4ISR system.
3. Promoting active counterattack capability.
4. Enhancing joint interception operations capabilities.
5. Extending the range of littoral-based counterattack.
6. Improving long-range precision strike capability.
7. Elaborating the development of operational doctrines.
8. Advancing joint operations training programs.
9. Developing superior information operations capabilities.
10. Organizing missile defense system.

Chapter 18

■ Logistics

Logistics is the foundation of combat power. Considering military technology development, defense strategy, threat models, economic development, and the defense budget, the ROC Armed Forces must develop a responsive logistics support organization to manage both military and civilian resources, conduct efficient distribution, implement focused support, and exert the potentials of logistics to the utmost, in order to achieve the goal of logistics — to sustain operations effectively and efficiently.

I. Policy

In line with the recent force restructuring, the operational requirements of Taiwan's defense, and the directive "concentrated preparedness and mobile support," the ROC Armed Forces develops their objectives of logistics reorganization as well as the associated implementation strategies of sustaining the joint operations.

1. Planning for Logistics Reorganization to Respond to the Recent Jingjin Program

Referring to the logistics organizations of developed countries, accomplishments of the revolution in military affairs, the logistics operations of United States Armed Forces in the previous Gulf Wars, and domestic situations, the ROC Armed Forces have published their logistics system holistic planning guidance, which responds to the recent Jingjin Program and aims to streamline the existing logistics support process as well as organization.

2. Improving Logistics Management Practices to Enhance the Effectiveness of Military Materiel Supply

The ROC Armed Forces have initiated a common-use supply contract to streamline the previous procurement process for the services and MND agencies. Additionally, they have initiated a top-down proactive distribution system as well as an outsourced distribution system, which relieve field units' logistics burden, save time and manpower, and in particular, effectively satisfy field units' requirements of rations and quartermaster related supplies.

3. Promoting Fuel Consumption Account System and Common-Use Fuels for Both Military and Commercial Sectors

Through process reengineering and digitized information management, the ROC Armed Forces have promoted the use of fuel consumption account system for its adminis-

trative units. Also, a fuels standardization program has been promoted to develop common-use fuels for both military and commercial sectors, and for both peacetime and wartime.

4. Enhancing Capability of Unexploded Ordnance Disposal to Enforce Environmental Protection Policy

In view of domestic circumstances, public safety concerns and relevant social factors, unexploded ordnance disposal has been outsourced and processed at selected locations. Further, the safety of ammunition storage and use has been enforced in accordance with the Ammunition Service Manual, and the quantity of ordnance has been checked and reported regularly in accordance with the Ordnance Control Regulations and through the Ordnance Management Information System to prevent illegal outflow of ordnance.

5. Outsourcing Common-Use Articles to Streamline the Acquisition Process

Restricted by the previous procurement procedures, the ROC Armed Forces could not usually acquire needed common-use articles for operational & maintenance purposes (such as hand tools, hardware, cleaning materials, etc.) in time. To resolve the above issue, the ROC Armed Forces have requested proposals from domestic wholesaler and negotiated a consumables supply agreement with commercial sources. Through the above agreement, field units can acquire their needed articles and accomplish their O&M works at any contracted warehouses close to their installations.

6. Executing the Military Materiel Outsourcing Policy to Achieve the Win-Win Objective

In order to shorten the repair cycle, raise the availability of equipment, stimulate market demands, boost the local economy, and to root the satisfaction of defense requirements in local industries, the ROC Armed Forces have selectively contracted their equipment maintenance to commercial sources, utilizing the abundant civilian human resources and mature maintenance skills.

7. Centralizing the Management of Strategic Transportation Capacities; Leasing Administrative-Use Vehicles from Commercial Sources

The ROC Armed Forces have published "Force Maneuver and Logistics Support Transportation Traffic Control Plan in Time of Mobilization" to centralize the management of both military and civilian strategic transportation capacities in terms of rail, road, sea, air, and pipeline. To save defense budget, the ROC Armed Forces have leased administrative-use vehicles from commercial sources.

8. Promoting the Effectiveness of Logistics Information Systems to Provide Precision Decision-Support Information

Referring to the architectures of the joint operations command mechanism as well as the associated C4I system, the ROC Armed Forces have been planning and integrating

their logistics information systems to better control the logistics support situation and estimate supportability, in order to attain the ultimate goal of logistics development —effective command & control, real-time logistics decision-making, and responsive logistics support.

II. Implementation

The ROC Armed Forces have accomplished the integration of their logistics forces; fulfilled the supply demands, such as ration, fuel, clothing, and spare parts and components; distributed the supplies in a proactive top-down and supply-chain model; maintained weapons and equipment to sustain the prescribed readiness level; centralized the management of military and civilian strategic transportation resources; developed the Force Employment Logistics Support Information System to enhance the supportability and attain the logistics objective —support of good timing, quality, and quantity.

1. Logistics Reorganization

In late 2003, the Ministry of National Defense established a task force for logistics reorganization, which was committed to renovating the logistics system of the ROC Armed Forces. The program centers on the renovation of the current combined logistics system, its major tasks include designating responsibilities, setting goals, developing a centralized managerial mechanism, streamlining the current organizations, and trimming operational procedures. Since 2004, the task force has integrated logistics forces such as supply, fuel, ordnance, transportation, and surgeon units; flattened organizational hierarchies; reorganized 7 regional logistics support commands; developed supply-chain-based operational system which substituted the conventional demand-supply-based operational system. The program was executed in three phases: de-freezing, experiments and adjustments, integration and formalization. Additionally, the ROC Armed Forces have integrated and developed combat service support information system to enhance logistics function.

2. Supply

(1) In 2002-2003, the ROC Armed Forces acquired and distributed 65,971 tons of rations including rice, cooking oil, meals-ready-to-eat, and canned food. By means of proactive top-down distribution, direct supply by Council of Agriculture (COA), and supplying remote installations and garrisons by contractors, the ROC Armed Forces have saved up to 6,930 transportation loads, and 43,251 pick-up manpower.

(2) In 2002-2003, the ROC Armed Forces acquired and distributed 227 categories/4,700,000 plus pieces of clothing including underwear, socks, sports wear, luggage, office supply, dinning wares, etc. through Common-Use Articles Supply Contract. By means of proactive top-down distribution, the ROC Armed Forces have streamlined the acquisition and distribution process in this supply area, and saved up to 464 transportation

loads, and 1,856 pick-up manpower.

(3) In 2002-2003, the ROC Armed Forces thoroughly examined their fuel distribution system, and thereafter replaced their worn-out pipelines and the associated storage, pump and terminal facilities to ensure operational safety.

(4) Standardization of fuels can expedite the recovery of combat power. Currently, except for the ship-borne aircraft of which the fuel is still JP-5, the aircraft of all three services have used JP-8 as their standardized fuel. This conversion can also help achieve the goal of common-use between the military and civilian sectors.

(5) Starting from 2002, except for those combat or special-function vehicles which still pump their fuel from military gas stations, the remaining administrative-use vehicles supply their fuel directly from civilian (commercial) gas stations, using CPC (China Petroleum Company)'s Fuel Account Book. Starting from 2003, usage of CPC's online IC Fuel Consumption Card, in company with the above Fuel Account Book, increased by 44 units (from the previous 169 units to 225 units). In 2004, all administrative-use vehicles are equipped with the above IC Fuel Consumption Card to further improve fuel supply management.

(6) The Armed Forces disposed of 6,690 tons of unexploded ordnance through military channels, such as the ordnance depots of each base, light arms disposal furnaces and charge removal workshops of each off-shore islet defense command, in 2003 and 2004. However, for the ordnance of which the Armed Forces have no capability to dispose (such as large-sized missiles, bombs, torpedoes, underwater mines, land mines, phosphorous ammunitions), their disposal was outsourced to the German ISL company and completed at those out-of-boundary locations. By July 2003, all such ordnance had been destroyed.

(7) Starting from 2003, the ROC Armed Forces have contracted, in open bids and pursuant to the Government Procurement Act, the supply of equipment, preventive maintenance materials (consumable, low unit price), and common-use (between the military and the civilian) consumables (such as hand tools, illuminators, electrical materials, batteries, cleansers, hardware, etc.) with civilian wholesalers.

(8) The illegal outflow of military firearms and ammunitions will jeopardize social stability and the Armed Forces' image. In August 2003, the Ministry of National Defense established inspection task forces to thoroughly check the stockpiles of military items (including obsolete items) and began to screen personnel involving firearms and ammunition management assignments and filter out those with security concerns. Moreover, by organizing periodical short-term training programs on firearms and ammunition management, it will make sure that anyone who is responsible for ammunition management is familiar with related regulations and operating procedures. The MND has ordered every commander in the Armed Forces has to seriously inspect and monitor ammunition man-

agement to improve its effectiveness. In addition, it will regularly inspect the military items readiness of all subordinate units and thoroughly review their management performance to ensure the integrity of logistics discipline.

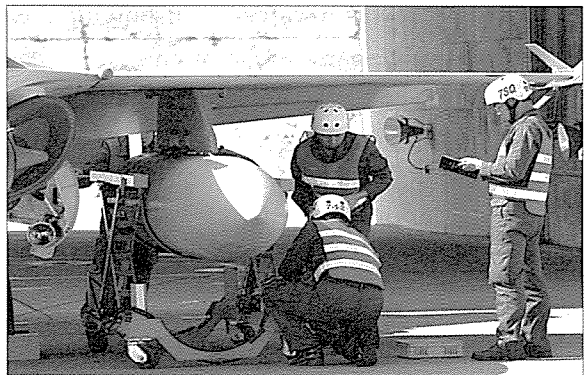
3. Maintenance

(1) In the past, the ROC Armed Forces contracted with commercial sources to repair military equipment on a case-by-case basis. They could neither meet the time-critical needs of field units nor could the contractors pre-plan and build up their repair support capabilities. Additionally, the previous practice of request for tryout repair could not draw contractors' interests due to the small quantity but large items and a lack of long-term government contracts to guarantee their investments. Therefore, in accordance with Article 22 of National Defense Act, the Armed Forces have improved the previous practice of their equipment repairs outsourcing by converting to a strategy based on long-term partnership with contractors. All these efforts have been made on the premise that the ROC Armed Forces must focus on their core maintenance competencies.

(2) Considering the particulars of military equipments repairs outsourcing programs and the characteristics of the related industries, the ROC Armed Forces have made the above outsourcing programs into three phases: military airplanes maintenance outsourcing, naval vessels maintenance outsourcing, and ground forces equipments maintenance outsourcing. The planning for military airplanes maintenance outsourcing was completed in 2001, and the related programs for the various military airplanes were launched thereafter. The planning for naval vessels maintenance outsourcing was completed in 2004, and the related programs will be launched ever after.

a. For military airplanes maintenance outsourcing, the ROC Armed Forces have outsourced the maintenances of TH-67 helicopter, OH-58D helicopter, B-737 passenger airplane, IDF fighter jet, T700 engine, and ATEC-5000 avionics tester. The maintenance of AH-1W helicopter was outsourced in 2004. In future, the maintenances of FK-50, B-1900, AT-3, T-34, CH-47D, F-5, F-16, etc. will be outsourced as well.

b. For the Government-Owned and Contractor-Operated (GOCO) Program, the Armed Forces will be executing the GOCO in the Air Force 2nd Logistics Support Command in accordance with the airplane maintenance outsourcing strategy. And this GOCO contract will be signed by 2004, and the military air-



Responsive logistics support is the cornerstone of the exertion of combat power.

planes (including helicopters), such as S-2T, E2T, 500MD, C130, T-34, UH-1H, S-70, will be repaired by commercial sources ever after.

c. As for the maintenances of naval vessels, the maintenances of the Cheng Kung Class frigates, Jin Chiang Class patrol vessels, harbor service towboats and small landing craft will be first outsourced in the 2004 to 2005 timeframe.

d. For land equipment, in compliance with the "Two Defense Acts" as well as the objectives of the "Jingjin Program," the Army General Headquarters and the Combined Logistics Command have completed outsourcing programs of various ground force equipments, including tank, armored vehicle, self-propelled artillery, wheeled vehicle, and engineer, communication, observation, chemical equipment. In accordance with related laws and regulations, they will sign long-term contracts with contractors to establish alternative maintenance and repair systems. These outsourcing contracts will begin to release from 2005.

4. Transportation

(1) In light of the fact that Taiwan north-south highways (lines of communications) are thwarted by rivers, and are vulnerable to enemy's sabotage during wartime. To ensure the timeliness of operational maneuver and logistics support, the ROC Armed Forces have enacted "Force Maneuver and Logistics Support Transportation Traffic Control Plan in Time of Mobilization." It regulates the collection and investigation of the transportation capabilities of public and civilian sectors in peacetime, establishes a Joint Strategic Transportation Command in time of war and contingency. This command is responsible to centralize the support operations of all services' strategic transportation, receive and forward foreign strategic materials, coordinate with other concerned authorities on the management of rail, road, sea, air, and pipeline transportations, and regulate and control traffics in time of war.

(2) To retrench defense budget, boost national economy, expand market demand, the ROC Armed Forces have been outsourcing their transportation to civilian sector earnestly in the past few years, while maintaining the necessary level of organic transportation capacity. Currently, the following transportation support operations have been outsourced to facilitate both the mission execution and quality of life:

- Transporting on-leave servicemen stationed on the off-shore islets back to Taiwan by commercial air- or sea-liners;
- Distributing various classes of supplies by commercial materials distribution companies.

(3) In accordance with the policies of the Executive Yuan, the ROC Armed Forces will no longer procure commercial passenger vehicles for administrative uses. Starting from 2003, they have been leasing commercial vehicles for administrative uses. Besides, they

also revised their wheeled vehicles' TDA (table of distribution and allowance) to retrench defense budget while maintaining prescribed readiness level.

5. Logistics Information Management

(1) The ROC Armed Forces have already developed the digitized Force Employment Logistics Support Information System to provide commanders of various echelons with real-time logistics support status information, supporting their battlefield decision-makings.

(2) Having integrated the existing logistics information systems, the ROC Armed Forces are able to control the capacities information for common-use supply support and maintenance service support. In addition, they have developed a professional and centralized control mechanism for their services support preparedness management.

(3) The ROC Armed Forces have been able to provide graphic and tabular forms of information to achieve the goals — making supply process transparent, making message distribution digitized, supporting decision-making with GUI (graphic user interface)-based information.

III. Vision

The renovation of the ROC Armed Forces' logistics aims at improving the management of logistics, attaining responsive resources allocation, and distinguishing the responsibilities of force development logistics from those of the force employment logistics. In addition, the renovation integrates the modern business administration theories and best practices, pursuing a modern logistics system of integration, information, precision and professionalism. The major guidelines for the future logistic development are as follows:

1. In accordance with Jingjin Program, the logistics reorganization of ROC Armed Forces will aim at the digitized distribution system, regional support architecture, proactive top-down distribution process, etc.

2. In accordance with the legislation of Armed Forces Clothing Regulation, the clothing allowance will be substituted for the current issuance of uniforms, and the digitized distribution, regional support and proactive top-down distri-



Integrate both military and civilian transportation capacities.

bution will also be planned.

3. In accordance with Fuels Storage and Pipelining Improvement Plan, the ROC Armed Forces will continue to budget and replace their aged or worn-out fuels storage facilities to ensure the fuel supply safety (including personnel safety, material safety and storage safety) every year. Additionally, in order to keep a balanced budget, the ROC Armed Forces will change the management model from the conventional quantity-centric to the current mission/program-centric and fuel-price-fluctuation-trend centric. Further, the ROC Armed Forces will use real-time information produced by their digitized management information system to audit the fuel supply process in a more efficient and effective way.

4. In response to the updated requirements of Taiwan's war plan, the ROC Armed Forces will review the functions of supplies storage of each theater of operations, such as the storage of rations, fuels, clothing, and personal demand items. And all the above supplies storage must also consider the available capacities from personnel and materiel mobilization to facilitate either peacetime outsourced storage management or wartime mobilization practice.

5. The ROC Armed Forces will conduct a holistic evaluation on their ammunition depots. In the evaluation, they will integrate the existing ammunition depots and deactivate the inappropriate, remote, worn-out and hard-to-control ones. The ultimate integration will produce regional ammunition depots which better support the war plan, better facilitate ammunition distribution, and ease land property management.

6. The ROC Armed Forces will continue to improve their maintenance outsourcing programs based on the lessons learned, and step up their planning on outsourcing land equipment maintenance.

7. In view of the force development in the future, the ROC Armed Forces will re-arrange their strategic transportation organization as part of the Logistics Reorganization Program. The re-arrangement will support the Reorganization Program's goal "centralized management of strategic transportation resources" to maintain a minimum but necessary transportation capacities in peacetime, while providing an integrated (military, government and commercial) strategic transportation capabilities through mobilization in wartime.

8. The digitized Force Employment Logistics Support Information System will continue to be further developed and integrated to enhance the effectiveness of logistics management for peacetime and wartime alike.

Chapter 19

■ Communications, Electronics and Information

The holistic planning and the development of the ROC Armed Forces' communications, electronics and information are based on the national defense strategic guideline of "effective deterrence and resolute defense," as well as the requirements of seizing the supremacy in the communications, electronics and information areas to preempt the enemy in joint operations. Communications, electronics and information have become indispensable in modern warfare. They are to pursue a transparent battlefield for both decision-makers and combatants so that the armed forces can shape the battlefield and ensure winning the war. Therefore, the ROC Armed Forces endeavor to develop superior communications, electronics and information capability in order to secure the strategic ground for Taiwan's defense.

I. Policy

In accordance with the "advanced technology taking the lead, information & electronics supremacy, joint interception capability, and homeland defense" directives, the development of the ROC Armed Forces' communications, electronics and information aim at integration of the relevant national infrastructure; effective employment of both governmental and civilian communications, electronics and information resources; acquisition of advanced C4ISR systems; buildup of electronic and magnetic shielding in the Taiwan Strait and development of offensive and defensive information operations (IO) capabilities. The major strategies for these developments are as follows:

1. Preparing Infrastructure as a Prerequisite

Infrastructure is the cornerstone for achieving supremacy in the communications, electronics and information field. The ROC military, by working with the development of the national communications & information infrastructure and by keeping up with the technology development and integration trends, construct a secure, multi-path, multi-backup, and automated switched network to support various communications and information applications and communications and information assurances measures. The above environments will serve to satisfy the requirements of real-time intelligence operations and precision attacks.

2. Developing Advanced Command & Control System

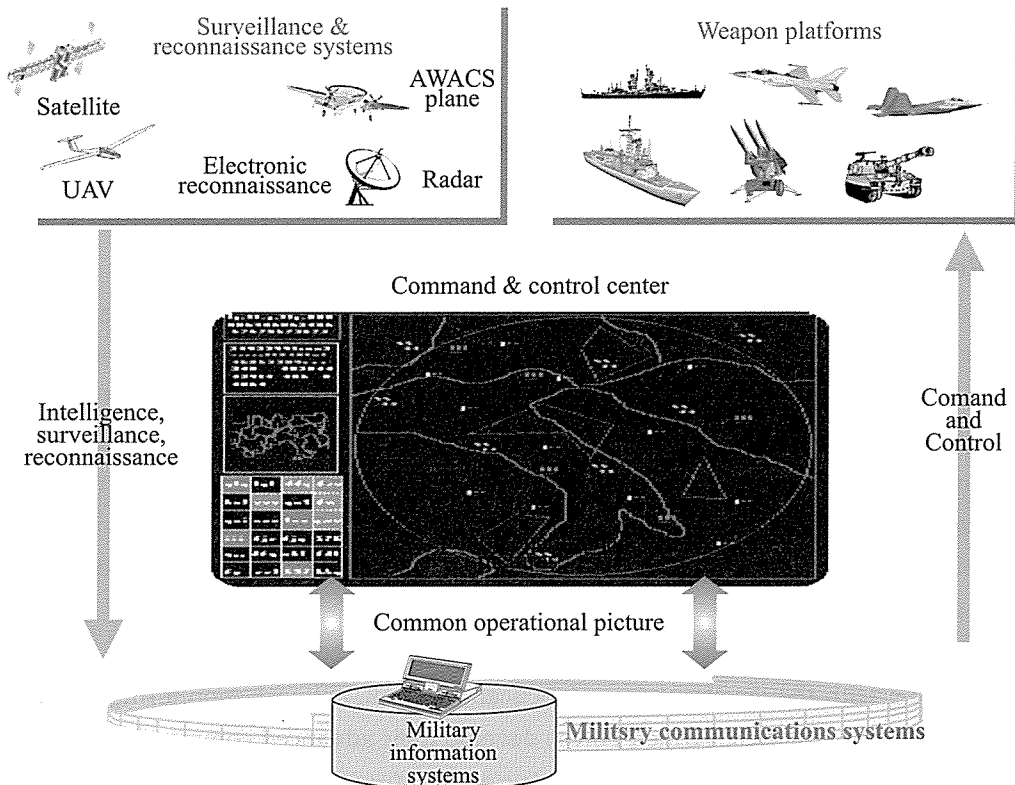
Keeping with the developments of tactical data link, network monitoring, satellite retransmission, etc., the ROC Armed Forces develop their advanced command & control systems, which are based on the network-centric architecture (Figure 6-6) through the effort of

the Posheng Program. This system links battlefield sensor systems to the command & control centers, and synthesizes and disseminates the common tactical picture (CTP) to the concerned operational units or platforms in a real-time and synchronized mode. These systems will eventually enhance the common battlefield awareness, command & control speed, and operational tempo for joint operations.

3. Fashioning Agile IO/ EW Capability

The ROC Armed Forces fashion an integrated IO/EW capability, which encompasses the reengineering of the communications, electronics, and information organizations, the development of multiple static countermeasures, the buildup of mobile electronic countermeasures, and long-range electro-magnetic counterattack weapons. By integrating the communications & information infrastructure, command & control platforms, and newly-acquired weapon systems through appropriate training exercises, the ROC Armed Forces confirm the effectiveness of electro-magnetic weapons and equipments and the associated tactics, techniques and procedures.

Figure 6-6 A Conceptual Diagram for the Communications and Information Systems



II. Implementation

The policy elements of holistic planning of the ROC Armed Forces communications, all congruent with the requirements of joint operations, are as follows:

1. Building the Common Operating Environment

(1) To integrate the communications and information resources as well as the reusability of software, the ROC Armed Forces have been constructing the common operating environment and defense information infrastructure in order to prescribe the architectures and standards for data exchange, data processing, data storage, etc. The above efforts will create an open and shared communications and information operational environment, and in turn provide information sharing, hardware compatibility, software reusability, faster deployment, and intensified system application flexibility.

(2) Keeping with the implementation of the Jingjin Program, the ROC Armed Forces have been implementing their holistic plan for communications, electronics and information development, further integrating the resources of industry, government, academia and R&D sector. The ROC Armed Forces will develop and tailor the application systems to automate, standardize and informationalize operations to enhance operational efficiency, and effectively support both peacetime and wartime command and control requirements.

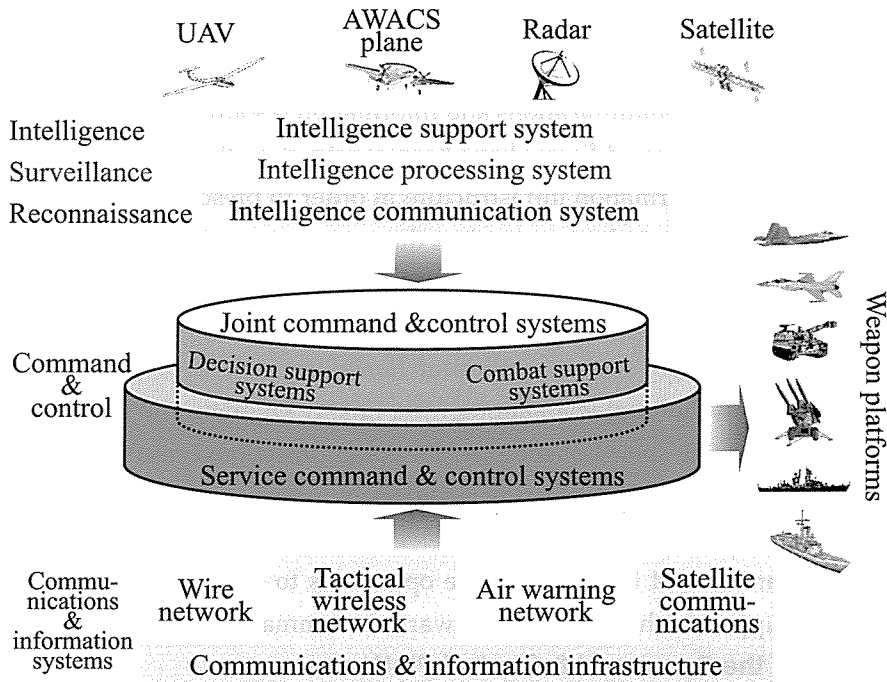
2. Integrating the Command & Control Platforms

In view of the trend of future warfare and the requirements of joint operations, the ROC Armed Forces are integrating their existing capabilities of command, control, communications, intelligence, surveillance and reconnaissance (C4ISR), and are simultaneously developing an advanced C4ISR system. Presently, based on the war plan, the ROC Armed Forces prioritize the integration of the command & control platforms of air force, navy and major theaters' tactical operations centers, the construction of information and communication infrastructure, and the completion of system operational test and training facilities. This prioritized integration and development can provide a preliminary air and maritime common tactical picture to enhance command & control capabilities for commanders in joint operations. Afterward, in compliance with holistic planning, the ROC Armed Forces will develop an overarching command & control system for their joint operations, and provide advanced capabilities such as tactical data link and common intelligence picture. (Figure 6-7)

3. Developing Joint IO/EW Capabilities

IO/EW, which encompasses computer network warfare, electronic warfare, command and control warfare, etc., is the imperative means to achieve battlefield awareness and transparency and preempt a window of opportunity for winning the battle. The seizure of the information and electronics superiority will lead to securing strategic high ground in the battlefield of the future. In reference to the threat model of China, the joint operational

Figure 6-7 Command & Control Systems for Joint Operations



concept of Taiwan's defense, and the lessons learned from the past annual major training exercises, the objectives for the preparedness of IO/EW are as follows:

- Reengineering the organization of the ROC Armed Forces' communications, electronics and information resources and designating the responsibilities for each layer in the command mechanism.
- Acquiring and maintaining necessary equipment to promote operational effectiveness.
- Executing military educational policies to develop necessary manpower in the communications, electronics and information sectors.
- Developing relevant doctrines (tactics, techniques and procedures) as the basis for development and implementation.

It is a priority that the ROC Armed Forces integrate their existing C4ISR systems and intensifies IO/EW deep attack capabilities in order to have multiplied effect on securing IO/EW superiority and deterring invaders.

4. Enforcing Communications Security and Information Assurance

In order to protect the communications and information network/applications, the ROC Armed Forces have constructed their communication security and information assur-

ance mechanisms to be capable of monitoring network activities, analyzing network traffic, detecting intrusion, authenticating identities, auditing system operations, and responding to emergencies. In addition, the relevant doctrines, common security operating environment, and standing operating procedures have also been developed to regulate security systems development and operations.

5. Integrating Military and Civilian Communications and Information Resources

In accordance with the mission requirements of Taiwan's defense, the ROC Armed Forces have constructed a cutting-edge fiber optics digital communications system around the island. Additionally, in compliance with the "Civilian and Governmental Communications/Information Facilities Mobilization Plan," they have been developing necessary interfaces to facilitate the integration of civilian and governmental communications/information resources for supporting disaster relief in peacetime or military operations in wartime.

III. Implementation Evaluation and Analysis

In recent years, the ROC Armed Forces have not only promoted combat preparedness in the communications, electronics and information fields, but also developed such forces to develop offensive and defensive capacities in this field. Both will complement each other to enhance the overall combat power.

1. Exerting IO/EW Capabilities

It is imperative to conduct planning with foresight before developing IO/EW forces. Based on the above principles, on April 1, 2004, the previous Communications and Information Command was converted to IO/EW Command and will serve as the main support for the ROC Armed Forces' command & control mechanism.

2. Ensuring the Connections of Operational Nodes in Battlefield

The operations of communications, electronics and information systems are of little difference between peacetime and wartime. The assurance of smooth operations of these systems will impact the employment of combat power to a high degree. The ROC Armed Forces have been endeavoring to develop a robust security environment to support their various communications, information, command & control, and electronic warfare systems. Furthermore, their development will also ensure the proper employment of the weapon systems involved.

3. Securing Supremacy in Electronics and Information Fields

Supremacy in electronics and information field is to ensure effective exercise of command & control, electro-magnetic field superiority, and the smooth operation of information systems. The ROC Armed Forces have been developing their joint command & control; air defense long-range early warning radar and air combat control systems, joint elec-

tronic warfare equipment, and information and communications security devices, in order to progressively achieve automation, precision, and security in terms of operational depth, measures, and scope. Through securing supremacy in electronics and information fields, the ROC Armed forces will forestall the invasion of enemies in the battlefield of the future.

IV. Vision

In response to future threats and to improve battlefield management, the development of the ROC Armed Forces' communications, electronics and information capabilities will center on the support of joint command & control, and construct advanced C4ISR systems accordingly.

1. Construct Joint Command & Control System, and Improve Network Management Functions

(1) In accordance with the joint operations requirements and the characteristics of the existing and to-be-acquired weapon platforms, the ROC Armed Forces have been planning to construct their advanced tactical data link and satellite re-transmission environment, which will serve as the cornerstone for the advanced C4ISR system to support the provision of common operational pictures and effective command & control links among the operational nodes. It is a priority that the ROC Armed Forces develop their air and maritime common operational pictures in support of joint command & control, and then, based on the threats of the moment and accumulated experience; expand them into an overarching joint command & control system, integrating all the services' command & control systems and weapon platforms. (Figure 6-8)

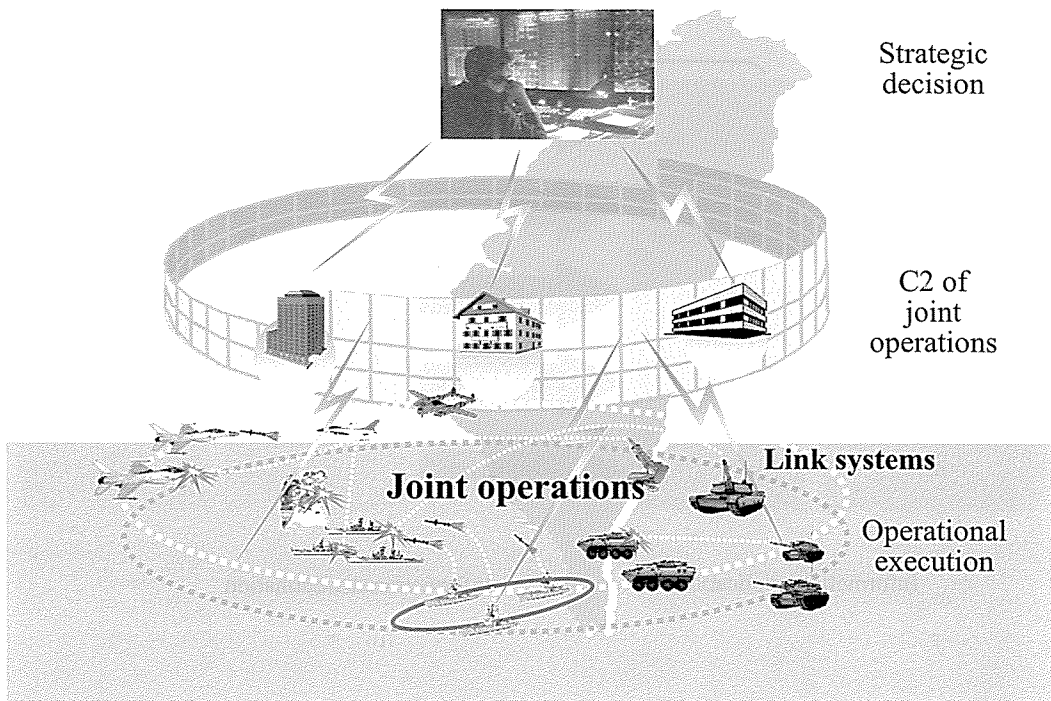
(2) To secure the data transmission platform that supports the advanced command and control system, the ROC Armed Forces are constructing an smart network monitoring system, which will provide early warning, intrusion detection and prevention, threat analysis, and network attack tracking. The system will have a collective monitoring capability and regional cooperative network/system defense mechanisms.

2. Integrate Communication and Information Networks, and Enhance Multiple Backup Capabilities.

Through the development of a common operating environment, the ROC Armed Forces will be integrating their communications and information networks in order to promote interoperability, support command & control messaging, achieve real-time situational control, and eliminate discrepancies between peacetime and wartime operations. (Figure 6-9) Furthermore, it is also imperative to develop critical process backup systems at different locations in order to increase battlefield survivability.

3. Secure the Information Systems, and Develop Computer Emergency Response Mechanisms

Figure 6-8 Vision for the Command & Control of Joint Operations



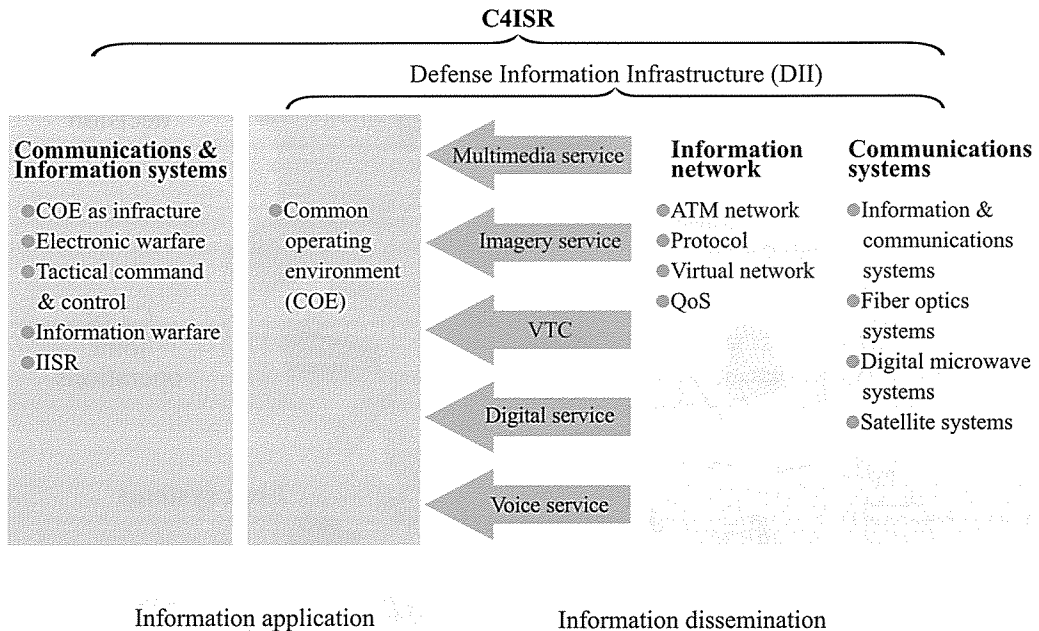
In reference to the concept of deep defense as well as the government's information assets classification and control, the information assurance practice will stress systems audit, PKI (Private Key Infrastructure) management and electro-magnetic defense in peacetime and emergency response and recovery in wartime. Moreover, the ROC Armed Forces will build an automated intrusion detection and prevention system to secure their information infrastructure.

4. Enhance Battlefield Surveillance and Reconnaissance Capabilities

(1) By means of air-defense, surface-surveillance, and long-range missile-detecting radars, the ROC Armed Forces will promote air surveillance and reconnaissance capabilities and integrate them into the battlefield command & control systems, such as target surveillance, identification of friend or foe, and target tracking, thus increasing response time and the overall air defense combat capability.

(2) The ROC Armed Forces will enhance their radar-jamming capability against the enemy's various early-warning, fire-control, surface-reconnaissance, and missile-guidance radars, thus suppressing the enemy's surveillance and reconnaissance, command & control capabilities, and providing covering for friendly counterattacks.

Figure 6-9 The Integration Architecture of Communications & Information Systems



5. Organize a Frequency Management Mechanism, and Continue Research and Development Programs

(1) An electro-magnetic frequency management mechanism is necessary for securing supremacy in the electro-magnetic field. This mechanism will integrate the intelligence collected by the joint surveillance and reconnaissance systems, and will be managed by a "threat electro-magnetic parameters database system." This mechanism will also provide a dynamic frequency assignment function to meet the sophistication of the modern battle-field.

(2) In order to build IO/EW attack capabilities, the Information Warfare Research and Development Center will integrate with the autonomous technological edge in the civilian sector to develop test facilities and relevant doctrines for electronic and magnetic pulse protection measures.

Chapter 20

■ Military Mobilization

Military mobilization is a part of all-out defense mobilization, and is also the main body of national mobilization. It is categorized into force mobilization and industrial mobilization. The former includes manpower and materiel mobilization (including transportation mobilization, and military supplies requisition); the latter includes manufacturing facilities mobilization and repair and maintenance facilities mobilization. The mobilization process is meant to exploit potential national resources to support military operations and win the nation's war.

I. Force Mobilization

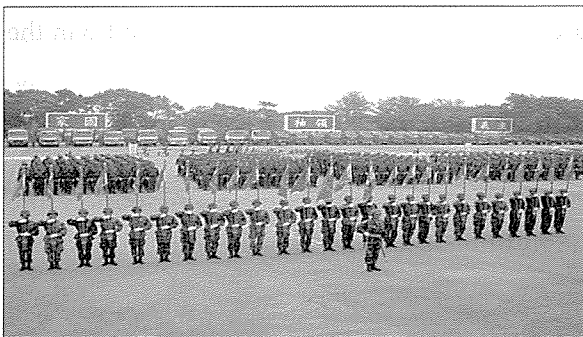
Force mobilization is to convert the armed forces from peacetime configuration into wartime configuration, and addresses the fulfillment of operational units' authorized strength.

1. Policy

Force mobilization is based on the tenet "maintaining minimal standing forces during peacetime and having large mobilization capability for wartime." In accordance with the Ministry of National Defense's force development directive, "streamline the active components pool and expand the reserve components pool," it is the goal of force mobilization development that mobilization should be conducted locally in order to meet the operational needs in a timely fashion. Furthermore, the resources for engaging in war should be embedded in the civilian sector in peacetime, and they should be readily reached by the military in wartime. The development of force mobilization will be focused on ground forces and centers on the needs of the assigned theater of operations. The overall development of force mobilization aims at the improvement of call-up and requisition operations and hence the effective employment of civilian resources, both manpower and materiel.

2. Manpower Mobilization

Manpower mobilization is categorized into three areas: round-out mobilization, expansion mobilization, and combat attrition replenishment mobilization. Round-out mobilization is applied to active components, logistics support units, and technical support units to complement the difference between peacetime and wartime authorized strength levels. Expansion mobilization is applied to reserve components to complement the difference between peacetime and wartime authorized strength levels. Combat attrition replenishment mobilization is applied to various active components to replenish casualties. As of



Mobilize manpower and materials properly to support military operations.

by over one million, and can be converted to national economic development and civil defense.

3. Materiel Mobilization

(1) Military Transportation Mobilization

The objective of military transportation mobilization is to exploit civilian transportation machinery and tools to augment transportation equipment shortages for both active and reserve components or to support tactical movements and battlefield survivability projects. The priorities for military transportation mobilization include equipment shortage augmentation, fortification, and beachhead preparation.

a. Responsibilities

Regional, county and city reserve commands are responsible for the coordination of the requisition of vehicles and heavy machinery. The Highway Vehicle Management Administration Bureau, county and city governments, the Civil Aviation Administration, Civil Maritime Administration, and the Fishery Administration are committed to fulfilling requisitions generated by the regional reserve commands. The field units of the services are responsible for receiving and integrating the conscripted resources to meet their mission needs.

the effective time of the mobilization order, the above mobilizations, which include personnel check-in, equipment replenishment, and units' activation, will be accomplished in twenty four hours. The total number of the reservists, who can be mobilized as of November 2004, is over 3,300,000, and it can meet the year's requirements of the mobilization plan. However, in order to keep the force young and energetic and to seize the trends of future war, the ROC Armed Forces have been planning to diminish the discharge age of the draftees, and to retain a reservist capacity from the existing 35 to 40 year olds. If the above plan is approved, the total strength of the registered reservists will be reduced

b. Requisition

In accordance with the operational requirements of each service, the ROC Armed Forces have made their Military Transportation Mobilization Preparation Plan. The requisitioned items covered in this plan include various vehicles, such as cargo trucks, passenger buses, and pallet trucks; various heavy machinery, such as bulldozers, backhoes, air compressors, cranes, concrete mixers, vessels and aircraft.

(2) Military Supply Procurement and Requisition

The purpose of military procurement and requisition is to acquire critical materials or facilities when the regular acquisition channels cannot meet needs in time.

a. Responsibilities

Regional, county and city reserve commands are responsible for the coordination of the requisition or procurement of military supplies and heavy machinery; local governments are committed to the execution of requisition or procurement while the field units of the services are responsible for receiving and integrating the requisitioned or procured items.

b. Requisition and Procurement

(a) Critical materials are classified as minerals, metal, machines, fiber, leather, rubber, cotton, fur, chemicals, medical supplies, construction materials, transportation equipment, among others.

(b) There are 20 kinds of fixed facilities in total, including schools, public facilities, medical establishments, warehouses, container distribution centers, R&D facility.

(c) The existing registered and controlled critical materials and fixed facilities can satisfy the requirements of the wartime mobilization plan.

II. Industrial Mobilization

The purpose of industrial mobilization is to select and organize required civilian factories to support the military's expanded needs of production and maintenance in the event of war.

1. Policy

(1) Industrial mobilization refers to domestic production and maintenance capacities that have already been built. The capacity of maintenance is of as equal importance as production.

(2) The locations of the mobilized factories should be nearby military hub factories, and have capabilities to manufacture military materiel.

(3) The mobilized factories are expected to manufacture and maintain weapons, equipment assemblies or subassemblies.

2. Organization

The organization of industrial mobilization centers on the hub factories of each service, which select appropriate nearby civilian factories to reinforce their production and maintenance capacities, hence fulfilling the military's expanded logistics needs in wartime.

3. Production and Maintenance Mobilization

Industrial mobilization encompasses 573 items in total, including the following categories: transportation vehicles, aircraft, signal communications apparatuses, electronic equipments, optical instruments, ship-building, drugs, chemicals, quartermaster materiel, weapons, and ammunitions.

III. Mobilization Training Exercise

The purpose of mobilization training exercises is to verify the capability of the implementation of timely mobilization and deployment. These exercises are conducted by the Ministry of National Defense and mobilization orders are issued through both the mass media and the military command mechanism. These exercises cover force and materiel mobilization, and are usually conducted in association with the active components' annual joint training exercises.

1. Purposes

- (1) To verify the feasibility of the annual mobilization plan of each service
- (2) To train the chain of commands and their relevant staffs to facilitate wartime mobilization procedures.
- (3) To test the effectiveness of local resources mobilization in terms of both manpower and materiel.

2. Implementations

- (1) Tongsin No. 14 Mobilization Training Exercise in 2002
 - a. Manpower mobilization: 3,142 reservists were called up, and the report-to-duty rate was 99.65%; three service support augmentation squadrons, totaling 396 reservists, were activated.
 - b. Materiel mobilization: various vehicles and pieces of heavy engineering, totaling 177 pieces, were requisitioned; a total of 367 pieces in 14 categories of military supplies were requisitioned or procured.

- (2) Tongsin No. 15 Mobilization Training Exercise in 2003

Due to the spread of SARS, this exercise only covered materiel mobilization, and the Baoshan No. 3 oil tanker of the China Petroleum Company was requisitioned to train on the maritime refueling support event. Through the training, it was proved feasible to use commercial oil tankers to support naval combat logistics operations.

- (3) Tongsin No. 16 Mobilization Training Exercise in 2004

- a. Manpower mobilization: 3,418 reservists were called up, and the report-to-duty

rate was 98.75%; 171 service support augmentation reservists were activated.

b. Materiel mobilization: various vehicles and pieces of heavy engineering machinery, totaling 118 pieces, were requisitioned; 2 mechanized fishing ships were requisitioned; military supplies, totaling 25,656 pieces in 20 categories, were requisitioned or procured.

IV. Vision

The ROC Armed Forces will endeavor to improve military mobilization in the following areas in order to further readiness of reserve components: streamlining the organization of reserve components, expediting new equipment acquisition, enhancing the training programs of reserve components, and raising the effectiveness of mobilization operations by periodic training exercises.

1. Force Mobilization

(1) The ROC Armed Forces will improve the current reservist selection practices to enhance their fairness and justice.

(2) Based on the principle "train the trainer first," the ROC Armed Forces will enhance reserve training methods. In addition, they will streamline reserve training days, and intensify live fire training to ensure that the reservists can better perform their combat missions.

(3) The ROC Armed Forces will plan budgets to complement the weapon and equipment shortages of reserve components. Furthermore, they will develop management information systems to facilitate the mobilization of civilian resources in a more automated and precise manner to support military operations during wartime.

2. Military Supplies Mobilization

(1) Civilian factories, which support the industrial mobilization policy, should be selected deliberately in order to develop industrial mobilization capabilities efficiently, as well as to enhance the production and maintenance mechanism of military supplies mobilization.

(2) The ROC Armed Forces will implement the policy of outsourcing logistics support to promote local defense industry development, and to integrate the defense industry with the nation's economy.

3. Mobilization Training Exercises

(1) In line with the recently developed mechanism which implements the policy "reserve components should be separate from regular components in terms of force development," the ROC Armed Forces will intensify the reserve component training programs particularly on mobilization operations, and enhance their preparedness to fulfill the Ministry of National Defense's directive — regular components are commit-

ted to counterattack and strike missions, while reserve components are committed to area defense missions.

(2) Based on mission needs, the ROC Armed Forces will continue to practice the operations of civilian administrative resource mobilization, which are embedded in the all-out defense mobilization system, to realize the all-out defense concept.



Major National Defense Policy Implementation (III)
— Safety and Services

■ Summary

1. Military discipline and safety are efforts designed to build a quality fighting force with concrete military effectiveness to establish military confidentiality mechanism capable of preventing unlawful disclosure of military secrecy or espionage and to maintain servicemen's physical and mental health through provision of mental assistance. Through these efforts, it is expected to ensure unit safety and to maintain the integrity of overall fighting capability.
2. Facing an increasingly pluralistic society with the demand of maintaining individual thinking and values, the MND, in compliance with the readjustments of the national jurisdiction system, proactively amended the "Military Justice Law" and established the "Military Personnel Rights Protection Committee" to protect individual rights and the dignity of every service man and woman.
3. The MND has actively advanced the legislative process of the "Act of Welfare for Military Personnel" in an effort to institutionalize military personnel welfare services and to improve the operations of military welfare affairs. By providing comprehensive insurance, timely medical care and proper household care, it is expected to substantively improve our military welfare services.
4. The reconstruction projects of antiquated military family quarters can help improve military families' living environment, landscape of urban areas, efficiency of land use and economic performance. These projects are really helpful to create a triple-win situation for the government, the public and military dependents.

Chapter 21

■ Military Discipline and Security

I. Maintenance of Military Discipline

The purposes of military discipline include supporting military policies and institutions, supervising thorough execution of orders, building disciplined forces, preventing criminal activities and casualties, bracing military leadership, nurturing clean and competent practices, enforcing zero-fault inspection procedures, protecting individual rights, and shoring up cohesion and progress of military forces.

1. Preventive Measures

(1) Refining Doctrines and Criteria of Military Inspection

a. The "Enforcement Regulations of Military Discipline Maintenance": Under the Enforcement Regulations of Military Discipline Maintenance, the political warfare executives of various levels are responsible for maintaining unit discipline. A newly added chapter on "preventive measures" in the regulations includes the "Enforcement Policy of Counter Narcotics Practices of the Armed Forces" and the "Regulations of Responsibilities and Punishments on Serious Violation of Law and Safety Practices." Moreover, the regulations also systematically incorporate related acts and regulations governing the maintenance of military discipline. Units can use these resources to help maintain discipline so as to ensure that their practices are standardized, executable and consistent.

b. The "Enforcement Regulations on Military Decent Conducts": In order to carry out the principles of administration by law, expenditure by rightful purposes, elimination of corruption, and promoting decent military conduct, the enforcement regulations clearly define the principles and their actual practices. Moreover, it also explicitly defines the "expenditure by rightful purposes" principle and the inherent legal responsibilities once violated, and also highlights key components of prevention and corruption-deterrence efforts in the promotion of decent military conduct.

c. The "Enforcement Regulations on Military Inspectors' Administration and Inspection Responsibilities on Military Expenditure Programs": Every year, the Armed Forces invest huge expenditures on weaponry acquisition and civil-engineering programs. In order to effectively monitor every step of military expenditure programs and prevent any wrongdoing and misconduct, the "Enforce Regulations on Military Inspectors' Administration and Inspection Responsibilities on Military Expenditure Programs" program unambiguously defines the inspections and administration responsibilities in various

stages of the life-cycle of acquisition programs, from operation requirement document (ORD), system analysis, procurement, and retirement. Through the use of references and case studies, this publication also provides units and inspectors in various levels with associated provisions of administration acts and regulations, as well as past misconduct cases, to help them effectively execute inspection and monitor tasks. These enforcement regulations incorporate several key documents on military inspection, including the "Inspector and Administrator Guide on Military Research and Development and Programming," the "Inspector and Administrator Guide on Military Property Programming," the "Inspector and Administrator Guide on Military Construction Programming," the "Inspector and Administrator Guide on Military Procurement Programs," the "Management Regulations on Military Properties," the "Inspector and Administrator Guide on Military Equipment Retirement," the "Inspector and Administrator Guide on the Distribution of Military Budgets," "Inspector and Administrator Guide on the Management of Military Related Funds," and the "General Regulations for Inspector and Administrator."

(2) Refining Inspectors' Expertise and Competence

The MND has reviewed curricula of the Specialty Course of Military Inspector and the Inspector Program of the Research School of Fu Hsing Kang University and has recruited experts and scholars as teachers from various institutions, including the Public Construction Commission of the Executive Yuan, the Fair Trade Commission, the Ministry of Audit, the Bureau of Investigation of the Ministry of Justice, the Criminal Investigation Police Office of the National Police Agency of the Ministry of the Interior, the Construction and Planning Agency of the Ministry of the Interior (MOI), the National Property Bureau of the Ministry of Finance. Furthermore, it has also actively encouraged inspector students to attend lecture sessions held by the Public Construction Commission of the Executive Yuan and its commissioned schools and organizations. These efforts are designed to improve inspectors' expertise and competence and enhance their ability to execute military discipline and duty, as well as to prevent misconduct and wrongdoing.

2. Implementation

(1) Education on Military Discipline and Conduct

a. To nurture law-abiding and disciplined military officers and soldiers who understand that military discipline is designed to support their personal career and increase family reputation and the honor of the Armed Forces, the MND has planned and produced a variety of special programs on military discipline and code of conduct, which are broadcast during "Jyuguang Day" — a whole-day military education TV program. Moreover, it has used the "Military Discipline Special Column" in Youth Daily News as a channel to publish military discipline highlights and instructions, and has asked units in all levels to constantly impart those ideas to their members.

b. In field units, leaders must use every occasion, such as new arrival orientation, off-camp briefing, military discipline and legal affairs teaching programs, as well as other occasions, to educate members on the significance of military discipline and conduct.

c. In order to promote professional specialization and certificate systems underlined in governmental procurement policy and management institutions, the Ministry of National Defense and the Public Construction Commission of the Executive Yuan co-sponsored lectures and validation tests on the Government Procurement Law. Currently, 98% of military inspectors have attained professional certificates for procurement. As a result, they will be more competent in executing procurement inspection and administration tasks and can better help every step of military procurement become more transparent and objective.

(2) Field Unit Survey by Questionnaires

In order to explore the real problems in field units, the Ministry of National Defense executes a periodical overall field unit survey questionnaire every year in operational sectors in Taiwan and other off-shore islands in order to collect opinions on leadership, internal management and other details from officers and enlisted personnel. These opinions will serve to review and refine the quality of leadership and internal management. By doing so, it is expected to nurture a normal, rational, peaceful and disciplined force and efficiently eliminate misconduct and crimes.

(3) Easy Accesses of Personal Complaint Channels

The MND has established a combined service center for personal complaint with 12 toll-free lines (such as 0800534780~5 and 0800534880~5). This center has substantially improved the management efficiency of complaint cases, which are all effectively managed and dealt with on a case-by-case basis. Even better, the center also provides a personal consulting service, which suc-



The stern military discipline is reinforced to ensure powerful combat force.

cessfully eliminates suspicion and hesitation.

(4) Fraud Prevention and Management

With many armed force members became victims of fraud, the MND holds periodical task force meetings on "Preventing Military Personnel from Being Deceived by Promotion of Fraudulent Investment and Consumption". The directors of brigade political warfare offices (colonel-level executives) are responsible for monitoring, assisting and consulting those victimized individuals. These cases will also be monitored by a major general-rank political warfare director with designated files to prevent unintended consequence. In addition, they are required to help victims to file their cases with consumer protection institutions and to request compensation for their losses. The area military justice institutions also offer legal consultation and litigation assistance services.

(5) Evaluation and Assessment of Military Discipline

Once every half year, the Ministry of National Defense will review units of all levels on their performance of military discipline and incidental casualty prevention. Based on the principle of significant and quick reward for good performance, the rewards and punishments to unit commanders (executives) will fully reflect their unit performance as a way to enhance commanders' accountability, improve quality of leadership, and stimulate leaders' sense of honor and duty and command morality. By doing so, it is expected to improve unit climate and reduce negligence, crimes and incidental casualties.

(6) Auditing

a. Establishing a Task Force for Misconduct Prevention: For any major military investment program, a "Counter Misconduct and Corruption Task Force" consisting of representatives from military inspection, security, military police investigation and related units will be formed to monitor operations of the programs. Moreover, the task force will request prosecution and investigation institutions to provide monitor and detection support and recruit procurement experts, scholars and legal consultants to serve as advisers and offer their insights and opinions based on their professional perspectives and experience. By doing so, it is expected to deter any attempt of wrongdoing from the beginning.

b. Improving Audit and Detection Effectiveness

(a) The procurement auditing task force will examine and verify the operations of all major military procurement programs every month.

(b) An annual inspection visit for "decent conduct of execution" is made to examine the execution and operation of all engineering and procurement programs as well as the performance of budget and expenditure control.

3. Future Improvements

(1) Promoting the Principle of Administration by Law

The Ministry of National Defense will continuously revise outdated provisions of

acts and regulations in order to perfect the defense legal system and promote the principle of administration and rule by law. With these continuous efforts, every member of the Armed Forces will become more dutiful and proactive, and eventually will help to build a professional and institutionalized force.

(2) Fostering a Force-wide Climate of Decent Conduct

The Ministry of National Defense is dedicated to refining military discipline and justice education, perfecting precaution measures, eliminating hazardous factors, improving leadership quality, cultivating a force-wide climate of decent conduct and preventing discipline-violation and crimes, all in an effort to increase the cohesion and progress of units and to build a force of excellent quality.

(3) Defending Collective Dignity of the Armed Forces

Based on initiative action and stewardship, the Ministry of National Defense proactively improves its administrative effectiveness to ensure that military personnel and their families can enjoy their rights and benefits so as to build a just, cohesive and harmonious working environment. By garnering public recognition and support with these efforts, we are convinced that the collective dignity of the Armed Forces will be ultimately served.

II. Defense Secret Protection

Facing increasing enemy threats and the rapid evolution of information technology, the Ministry of National Defense has reviewed the requirement of protecting military program defense secrets and operational readiness and has established a defense secret protection mechanism, focusing on the security and confidentiality concerns of units in all levels. By perfecting related laws and regulations and by putting in place standard operating procedures (SOPs), the Ministry of National Defense will improve overall confidentiality practices through sound policy, build common security understanding through substantive measures, and enhance personal security and confidentiality education in an effort to improve the effectiveness and efficiency of security detection, monitoring and clearance. Currently, the focus of confidentiality protection efforts has been shifted to high-level defense institutions, R&D agencies, and sensitive units. By better use of security workforce and resources, the MND will take advantage of effective counter-espionage measures to blind the enemy's intelligence efforts.

1. Overview of Security Tasks

(1) Revising the "Regulations Governing Categorization, Coverage and Classification of Military Secret and Defense Confidentiality"

On October 27, 2003, the Ministry of National Defense completed and published the "Regulations Governing Categorization, Coverage and Classification of Military Secret and Defense Confidentiality," which was then approved by the Armed Forces Committee

of the Legislative Yuan. In order to comply with the "National Secret Protection Law," the MND has also defined the characteristics and classification of military secrets and defense confidentiality. Through various education programs, the MND will help members of the Armed Forces to familiarize themselves with these regulations and better understand the definition of defense confidentiality.

(2) Refining Validation and Verification Procedure of Defense Confidential Information

In order to establish the operating procedures of military secret protection based on the principle of administration by law, the Ministry of National Defense produced and issued the "Operating Guidelines on Validation and Verification Procedure of Defense Confidential Information," which clearly lists their legal basis and purpose. This publication defines and categorizes confidential information as three levels, including "national secret," "defense secret," and "general administrative secret." Furthermore, it also strictly defines various classes of confidentiality and clearly describes the procedures for dealing with confidential material. Through close supervision and effective execution, the validation and verification procedures of secrecy will function perfectly.

(3) Revising the "Enforcement Regulations for Military Secret Protection"

To deeply anchor the national secret protection institution in military units of all levels, and in coordination with the reorganization of the MND and the actual requirements of defense programming and operational readiness, the Ministry of National Defense abided by the "National Secret Protection Law," which was promulgated on October 1, 2003, as a revision and refinement to the "Enforcement Regulations for Military Secret Protection.

(4) "Military Personnel Non-disclosure Agreement"

In order to streamline the process of individual secret protection responsibility and to increase the legal binding of non-disclosure agreements, the Ministry of National Defense formulated the "Military Personnel Non-disclosure Agreement" in reference to the "Non-disclosure Agreement for Confidential Information" used by the United States. As a substitute for various exist-



Psychological counseling is to ensure servicemen's physical and mental health.

ing non-disclosure agreements, this new document specifically lists relevant laws, regulations and penalties that military personnel shall follow in order to explicitly verify individual's confidential obligations.

(5) Laying the Legal Basis for Individual Security Clearance

In compliance with the National Defense Act, Article 32 which states, "Any personnel involved in national defense and security affairs shall be legally investigated," the Ministry of National Defense formulated the "Regulations Governing Security Clearance Procedures for Personnel Involving Defense and Security Affairs," which were put into effect parallel with the "National Defense Act" and the "Organization Act of the Ministry of National Defense." This set of regulations indicates that the security clearance of the Armed Forces has been institutionalized. Through its implementation, the security clearance regulations can effectively stop the enemy's penetration and ensure the purity and security of all service members.

(6) Setting up the "Joint Detection and Monitor Center"

Given the PRC's increasingly aggressive infiltration of Taiwan, the Ministry of National Defense established the "Joint Detection and Monitor Center," a task force organization, to execute three key security tasks—discover enemy espionage, deter defection to the enemy, and secure military secrets. By adopting proactive detecting and monitoring measures, such as increasing clue verification and closely monitoring every case, it is expected to improve the effectiveness of investigation, block the enemy's infiltration, and root out sleeper agents.

2. Achievements

(1) The Achievements of the "Committee on Unlawful Secret Disclosure Cases," the MND

Under the "Organization Act of the Ministry of National Defense," Article 20, on May 1, 2001 the Ministry of National Defense established the "Committee on Unlawful Secret Disclosure Cases." The committee is consisted of members of the Armed Forces Committee of the Legislation Yuan and impartial public figures with professional legal and journalism backgrounds. Since its commencement, the committee has validated 14 cases in 8 requests by military and judicial prosecution and investigation agencies. The results were accepted by the requested agencies as valid evidences. This has effectively established the credibility and objectivity of the committee.

(2) Improving Professionalism of the Security Officers

a. In 2003, the Ministry of National Defense completed three-phased core curricula for security officer development, which consists of basic, advanced and research courses, to effectively meet the objectives of "train for employment, synchronize training and employment." The counter-intelligence courses of all military schools were incorporated into the

military education and training plan. In different stages, supplementary materials, such as "About 'The National Secret Protection Law'—Military Personnel Should Know" and "Preparation is the Only Way to Prevent a Cunning Enemy's Infiltration," are used to familiarize students with security rules and regulations and basic execution knowledge so as to increase the effectiveness of education programs.

b. According to the professional knowledge and expertise that security officers should have in different career stages, the Ministry of National Defense established a variety of courses, such as the "New Security Officer Program," the "Detection and Surveillance Working Program," "Advanced Expertise Training," and the "Advanced Course on Detection and Surveillance." In these programs, the Ministry of National Defense invited experts and scholars from the Bureau of Investigation of the Ministry of Justice and the Criminal Investigation Police Office of the National Police Agency to serve as teachers to help security officers refine their professionalism. As for information protection and security, the MND also sponsored "Communication and Information Security Lecture Programs" to enhance their validation and verification expertise in these regards.

(3) Improving General Military Personnel and Public Security Protection Education

a. To disclose the enemy's plot of infiltration and espionage activities and the security vigilance of Armed Forces' members, the MND adopted innovative ideas to produce various lively and multi-purpose educational programs on "counter-intelligence, counter sabotage, counter-infiltration, and counter insurgency" with plays, cartoon motion pictures and puppet shows. Through "Jyuguang Day" TV programs, officer and NCO corps education and one-minute security protection education, and by means of television, radio, print media, and the internet, security concepts will be continuously delivered to every member



The psychological counseling seminar of "China Airlines' 525 Crash" is provided to the military rescue team members.

of the Armed Forces so as to build common understanding and practice and increase security vigilance.

b. As a member of the "National Security Working Conference," the Ministry of National Defense also has the responsibility to promote public security protection education. Besides periodically attending working reviews organized by the Bureau of Investigation of the Ministry of Justice, the MND

also exchanged its experiences on security protection education with other participants. Under the central government's policies and direction, the MND held an "On-line Reward Q&A on Public Security and Clean Governance" program and continued to innovate its public information campaign on security. Moreover, the MND has provided its practices and results on security protection education to other governmental agencies in an effort to build a common understanding that "preventing secret leakage and stopping espionage activities are everyone's responsibility." By these efforts, it is expected to garner public support for defense security policy and to practice and realize the all-out defense principle and objectives.

3. Future Improvements

(1) Perfecting Statute and Regulations of Security

Based on institutional, professional, specialized, and informational principles of the policies of, "Ten-Year Military Buildup Concepts", and the "National Secret Protection Law" as well as other institutional changes, the Ministry of National Defense continues to revise related secret protection regulations and administration rules. By formulating comprehensive working doctrine and regulations it is expected to synchronize both statutory institutions and execution to build a concrete military secret protection network.

(2) Strengthening Secret Protection and Security Mechanisms

Facing the PRC's aggressive infiltration activities in highly sensitive agencies, the Ministry of National Defense continues to advance the "Military Secret Protection and Security Enhancement Initiative" in an effort to ensure the protection of defense confidential information. Focusing on the enhancement of countermeasure and protection capabilities and the readjustment of related institutions and regulations, the MND will overhaul and strengthen the military secret protection and security systems. By establishing a comprehensive security clearance system and other preventive measures, the security of intelligence, operations, R&D, and sensitive agencies has been specifically enhanced in accordance with planned stages and timetables.

(3) Lively and Diversified Security protection education

In order to enhance military personnel's security vigilance, the Ministry of National Defense continues to put "discovering enemy espionage, deterring defection to enemy, and securing military secrets" as the focuses of information campaigns and to produce teaching materials and supplementary pedagogical kits (CD-ROM). Besides annual education and training programs, the MND also integrated enemy threats, case information, and defense policies and projects into education materials on a timely basis. With public marketing methods, these materials were used to produce lively and diversified special TV programs, audio/video media, and other newsletters as means to impart secret protection concepts, help improve policy effectiveness, strengthen military personnel's understanding of secret

protection efforts, and to disrupt the enemy's plots of infiltration and espionage.

(4) Formulating Security Clearance Certification System

Our enemy and some foreign countries have constantly attempted to infiltrate the MND's high-level defense institutions, R&D units, and intelligence agencies. In order to eliminate every possibility of intelligence leakage and verify individual allegiance, the Ministry of National Defense has begun to formulate a military "security clearance certification" system in line with the government public servant special clearance and the allegiance clearance system. Through personal written confession filing, and further background checks and certification, individuals are strictly prohibited from being assigned to major military positions and highly sensitive billets before they have passed the certification process. This system has been experimented in designated units and produced the expected results. Based on the principles of human rights protection and administration by law, this project has been submitted to the relevant legal affairs agencies to carry out the required legalization process. After this certification system is put in place, it will help to eliminate loyalty concerns and provide better protection of defense confidential information.

III. Mental Assistance

The military mental assistance programs aim to help military personnel fit into forces, solve personal confusions, and strengthen their adaptability in an effort to reduce the possibility of suicide. Diversified education courses, also help to strengthen cadres' knowledge of mental counseling, promote understanding of mental hygiene, improve personnel's mental health, and stabilize the Armed Forces' fighting power.

1. Overview

The military mental assistance programs are separated into three levels of prevention and management efforts, including first level — basic prevention (company and battalion political warfare executives), second level — mental counseling (unit mental hygiene centers) and third level — medical treatment (regional mental hygiene centers). Various mental counseling resources are integrated to form a complementary support network. Currently, the Ministry of National Defense has established 229 mental hygiene centers (including 7 regional mental hygiene centers), which have 281 mental counseling officers and counselors (241 counseling officers and 40 civilian professional counselors), who are responsible for 12 categories of mental counseling and case referral, including emotional imbalance, weak adaptability, interpersonal problems, personal love disruption, family and marital problems, self-infliction, drug addiction, mental illness, physical health, behavioral problems and other mental problems. Moreover, they also provide additional services, such as psychological tests, mental hygiene courses, group counseling and relevant publi-

cations and videos.

2. Achievements

(1) Improving the Effectiveness of Planning

In order to provide defined policy and guidelines, the Ministry of National Defense has revised and issued the "Military Mental Hygiene and Counseling Working Plan," the "Regulations on Preventing Military Personnel Self-inflicting Behaviors," the "Procedures of Military Mental Status Evaluations," the "Regulations Governing Provision of Mental Counseling Support Mental Hygiene Centers without Organic Mental Counselors and Remote Unit," and the "Regulations Governing Selection, Training, and Employment and Career Development of Military Mental Counseling Officers." Moreover, the "Military Mental Hygiene and Counseling Manual" has been published and issued to units above company level to provide instructions on how to perform mental health assistance.

(2) Studies and Programs

In order to assess personal behavioral characteristics in the military environment and to strengthen the theoretical basis of mental counseling efforts, the Ministry of National Defense commanded four study programs in 2002, which included the "Program on Military Mental Counselors' Suicide Prevention and Management," the "Analytical Study on Mental and Social Factors of Enlisted Personnel with Criminal Record," the "Analytical Study on the Effectiveness of Emotional Quality (EQ) Evaluation and Emotion Management Courses," and the "Study on Vocational Attitudes of Professional Officers and Non-commissioned Officers — the Armed Forces in a Changing Society." Their findings and recommendations have been used as substantive input for the formulation of policy on military mental counseling.

(3) Improving the Effectiveness of Preventive Mechanisms

To optimize the effectiveness of preventive mechanisms, the Ministry of National Defense developed an "Interpersonal Relationship, Thinking, Emotion and Behavior Evaluation and Survey Scale" and the "Normality Model of the Lai's Personality Test on Officers under General Rank and Cadets" to equip military professionals with better mental testing tools. Moreover, it also helped mental health counselors to accelerate the analysis work of evaluation scales by procuring 18 computerized card readers for units. With the completion of the "Computerized Statistical System for the Military Mental Counseling Assistance Test-Version 2.0," it is expected to further reduce processing time, find those who need care, and provide them with proper mental health assistance.

(4) Implementing Professional Mentoring

In order to help counselors strengthen their clinical sensitivity and case analytical and diagnostic abilities, and to further solve their working problems, the Ministry of National Defense began to implement the "Professional Mentoring" system since 2002. The

system recruited 26 experts and scholars to serve as professional mentors in several regions. In every month, the professional mentors assemble counseling officers and counselors to engage in professional mentoring and experience exchanges through case studies and constructive group mentoring to increase their assessment and counseling skills and abilities.

(5) Enhancing Education Program

To develop mental counseling cadres with better professionalism and service quality, from July 2002 to February 2004 the Ministry of National Defense organized and sponsored two training and study courses for mental counseling cadre candidates and 20 classes of on-job training for mental counseling officers. In January 2003, Fu Hsing Kang University established "mental counseling professional groups" in its Political Warfare Advanced Course and Research School in an effort to increase the consistency of mental counseling education programs. These groups are designed to nurture political warfare cadres' professionalism and expertise on psychology and mental counseling assistance. In order to further strengthen prevention and management skills, some subject matter regarding mental counseling assistance is also incorporated into mental counseling study courses for new arrival orientation, on-job and field unit cadre training.

(6) Major Disaster Aftermath Mental Health Assistance

To prevent military servicemen from suffering Post-Traumatic Stress Disorder (PTSD) when participating in search and rescue efforts for China Airlines plane crash accidents, the Ministry of National Defense organized five sessions of "Spiritual Journey" trips in Penghu, Zuoying and Kending from May 30 to August 24, 2002. Four hundred and fifty military responders have attended these activities comprised of special lectures, group counseling, religious teachings and recreational activities to relieve their mental burden. From May 3 to July 4, 2003 when SARS broke out in Taiwan, the MND dispatched a "Mental Counseling Task Force" to the Songshan Armed Forces Hospital to help medical workers and service military personnel, enhance mental fitness, alleviate emotional disturbance and maintain mental health.

(7) Prevention of Self-infliction

To effectively prevent self-infliction cases and safety incidents, besides issuing the "Regulations on Preventing Military Personnel Self-inflicting Behaviors," which thoroughly lists procedures of evaluation, the process of case referral, and preventive measures, the Ministry of National Defense also edited the "Handbook on Preventing Military Personnel Self-infliction" and issued it to cadres in units above company level to strengthen their monitoring, coordinating and managing ability of dangerous warning signs. The MND also issued a government public education brochure, "Is Giving up Life Easy for People?" and the "Call Me" card to every military member and further produced 3 information

videos to increase the effectiveness of self-inflicting prevention.

(8) Advancing Mental Counseling Tasks

"Counseling assistance" is a focus of mental counseling. In order to identify cases, and to realize and monitor servicemen's adaptability, from July 1, 2002 to June 30, 2004 the Ministry of National Defense evaluated 446,383 persons in several ministry-wide mental health surveys. The collected data are critical to case screening. To promote the concept of maintaining mental hygiene, the MND has held 83,543 mental counseling information sessions and group counseling sessions, covering a total of over 883,280 people.

3. Future Improvements

(1) Refining the Working Process

To perfect military mental counseling efforts, since July 2003 the Ministry of National Defense has extensively surveyed all practitioners in three levels on tasks, scope, and steps of mental counseling efforts and the necessary skills to execute their assignments. After the data collection is completed, the MND will invite scholars and experts to engage in a "Task Analysis Program." The results of this program will be used to produce the "Handbook on Military Mental Counseling Standard Operating Procedure" and scientifically and objectively streamline the working process at every level.

(2) Establishment of Management Systems

Currently, the written files of mental counseling often produce certain dead space. In order to change this situation, the Ministry of National Defense has begun to establish the "Military Mental Counseling Case Management System," along with the existing "Computerized Statistical System of the Military Mental Counseling Evaluation," to digitize the processes of case filing, preservation, and transference and effectively improve efficiency, streamline the working process, and reduce management cost. By closely monitoring the condition of every case, it is expected that safety incidents will be effectively reduced.

(3) Utilization of Social Resources

The MND will continue to cooperate with scholars, experts and professional institutions to form strategic alliances and integrate the supporting network of military mental hygiene



The military psychological counseling team was sent to the designated hospital for anti-SARS.

centers with social resources. Based on the changing social culture and nature of military, the MND will continue to strengthen the existing military "regional mental counseling network" to make it more able to implement individual counseling and assistance and mental hygiene education. By improving prevention and management capacities at all three levels, this counseling network will help servicemen to better fit into their units.

(4) Refining Mental Evaluation Instruments

Mental evaluation testing is a critical tool for case screening. To increase the accuracy of the "Military Personnel Physical and Mental Evaluation Scale," the MND will continue to refine questions and validity and execute the "normality model survey" to define actual requirements of a normality model. After the survey is completed, the MND will invite experts and scholars to build a normality model for the Services and refine mental evaluation instruments to improve the overall effectiveness of mental health surveys.

Chapter 22

■ Protection of Military Personnel Rights

In recent years, as the country is developing into a more open and diverse society, public mentality and values have also changed accordingly. Since our servicemen all come from this changing society, the Ministry of National Defense (MND) has been actively revising out-of-date military justice regulations and rules so as to keep up with the reform of the judicial system and uphold the guiding principles of protecting the rights of military personnel, respecting the dignity of servicemen, strengthening military forces and consolidating national security. In order to realize the "three assurances" policy designed to assure safety for the soldiers, to assure a steady life for the servicemen, and to assure better living standards for military dependents, the MND established the "Military Personnel Rights Committee" so as to eliminate hatred and strengthen cohesion in the military.

I. Reform of Military Justice System

The "Military Justice Act" and "Enforcement Act of Military Justice Act," revised and promulgated on October 3, 1999, is a significant and ambitious move that successfully establishes a better military justice system that protects military interests, demonstrates justice, protects rights of military personnel and eliminates the discrepancy between military justice system and judiciary. The MND referred to the recently amended "Code of Criminal Procedure" and the "Act of Judiciary Police Dispatch," in drafting and submitting a new revision for the Military Justice Act.

Part of the revision in the "Military Justice Act" took effect on June 11, 2003. The major revised categories are as follows:

1. The military supreme court should use an adversarial trial process so as to implement the principle of trial of fact. If the defendant or the witness is engaged in another case and therefore detained by another court, the Military Supreme Court may open a temporary court in the district so that the defendant or the witness is not required to be brought to the designated court in a way that reduces waste of manpower, resources and safety concerns.
2. To make final decisions deliberate, the final decisions of bail, release to the custody of another, limitation on residence, confiscation of bail, and withdrawal of bond will be made by the Military Court.
3. Military prosecutors may seek a third trial to ensure the appropriate use of criminal

penalty while protecting human rights.

4. While a suspect may submit to voluntary search without a warrant, the search results must be presented to the Military Court with the issue of a search warrant.

5. Once a military police officer is aware of a suspect, he or she should immediately conduct an investigation and present the results to the military prosecutor.

6. When necessary, military police officers may cordon off a crime spot and investigate immediately to secure all evidence in the conduct of a criminal investigation.

7. To enhance investigation efficiency, the military prosecutor may order a military police officer to conduct a criminal investigation, gather evidence and present investigation results.

II. Protection of Personnel Rights

Servicemen are citizens in uniform and therefore are entitled to basic personal rights under the protection of the Constitution. In accordance with this principle, the MND revised and issued a menu of legal services and counseling and established the Military Personnel Rights Committee to protect the legal rights of servicemen and their dependents.

1. Legal Service

The MND, each GHQ/HQ, military high courts and military district courts set up legal service departments that provide legal counseling, contract review and attorney assignment services to protect the legal rights of servicemen, dependents, dependents of deceased servicemen, and civilian employees, to help them address legal concerns and to provide all military organizations and troops with legal counseling services. The MND also revised and issued the "Enforcement Rules for Military Personnel Legal Service" that serve as the guideline for application procedure, operation and scope of services. The GHQs/HQs are responsible to make this practice known and operated. From July 1, 2002 to July 31, 2004, 12,188 cases were concluded.

2. Lawsuit Assistance

To protect the legal rights of the MND, servicemen and their dependents, and to boost morale, the MND has designated thirty two lawyers to provide legal assistance for the units of the MND for administrative lawsuits and to assist servicemen and their dependents in civil or criminal lawsuit cases, reconciliation, writing legal complaints and defending a case in court. The MND also issued the "Guideline for Military Personnel Legal Services" as the standard for application and procedure. GHQ/HQ and military courts are required to make this practice known and efficiently implemented. 966 cases have been concluded from July 1, 2002 to November 1, 2004.

3. Protection of Legal Rights

To protect the legal rights of all servicemen, the MND and each GHQ/HQ organized

the Military Personnel Rights Committee in 1999 and made it an official committee with a permanent secretariat in March 2002 in accordance with "Organization Act of the Ministry of National Defense". The Committee has selected prominent public figures, experts, scholars and organization representatives as committee members. Among them, nine were selected from within the MND and twelve from outside of the MND to assist investigation and handling of cases and provide consultation. The Committee's services include (1) cases of legal rights violation (2) cases of abused rights and complaints, (3) cases of severe injuries and casualties, (4) disputes over sexual abuse allegations (5) lawsuits caused while carrying out duty in service, and (6) other human rights abuse cases that may not be protected by current MND rules and regulations and that need inter-agency review or negotiation.

The Military Personnel Rights Committee system is divided into two tiers. The first tier includes the military personnel rights committees in the General Political Warfare Bureau, Army General Headquarters (GHQ), Navy GHQ, Air Force GHQ, Combined Logistics Command, Reserves Command, and the Military Police Command, which is responsible for deliberating military personnel rights related cases submitted by organic members. The second tier is the Military Personnel Rights Committee of the MND, which is responsible for coordinating and managing cases of personal rights violation and deliberating appeals against decisions from the first tier military personnel rights committees.

Based in law, including the "Establishment and Processing Regulations for the Military Personnel Rights Committee," the "Processing Regulations for Legal Assistance for Servicemen Involving in Lawsuit on Duty," and the "Investigation Regulations for the Military Personnel Rights Committee," the Military Personnel Rights Committee provides legal service and assistance to military personnel involving lawsuits or their personal rights being violated during official duty. To date, the Military Personnel Rights Committees have completed 427 cases on personnel, training, logistics, medical care, legal consultation, mental counseling, dependents service, military discipline, and others, and effectively protect the individual rights of all servicemen.

III. Vision

On July 9, 1994, the MND established the "Council for the Research and Amendment of Military Justice Act," which consisted of representatives from the Services, the Judicial Yuan and the Ministry of Justice, and experts and scholars and was charged with the task of thoroughly reviewing the "Military Justice Act." On October 3, 1997, the Grand Justice Council of the Judicial Yuan issued Interpretation No.436, judging that the authority execution of military justice institution is a national punishment rights. Thereby, certain articles of the "Military Justice Act" were deemed unconstitutional and in need of amendment. In

compliance with this constitutional interpretation, the MND has had to amend the "Military Justice Act" to ensure it fits into contemporary requirements and is able to protect military personnel rights. Based on the principles of enhancing military discipline, improving military leadership, and strengthening warfighting capability, the MND will continue to review the provisions of the military justice statutes and improve the functionalities of the Military Personnel Rights Committee, so as to fulfill the policy of taking good care of military personnel.

1. Regarding Military Justice

The "Military Justice Act" was overhauled on October 2, 1999 and went through two partial amendments on January 30, 2002 and June 11, 2003. Though having since worked quiet well, it is necessary to further revise the Act due to the restructuring of defense organizations and the structural change of the military justice system. The new system was reorganized into courts of three levels with two tiers of trial and its jurisdictions were divided according to defendant's rank. Moreover, the "Military Justice Act" was based on an ex officio system and adopted the principle of simplified legislation to duplicate many provisions from the "Code of Criminal Procedure." Nonetheless, the "Code of Criminal Procedure" has adopted the modified adversary system and extensively changed its trial procedure after its amendment on September 1, 2003. In light of the litigation system and its associated procedures, the "Military Justice Act" and the "Code of Criminal Procedure" are incompatible to some extent. It has become controversial whether the "Military Justice Act" can refer to the "Code of Criminal Procedure." In order to solve these problems and eliminate controversy, it is inevitable that the "Military Justice Act" should be amended once again. Based on the principle of "protecting basic human rights and accommodating military characteristics," the MND will solve controversies and make sure that the military justice system can function to serve justice and protect human rights.

2. Regarding Personnel Rights Protection

In order to protect military personnel's rights, the MND will continue to provide legal consultation and lawsuit assistance. Moreover, it has formulated future improvement measures as follows:

(1) Through fair and transparent procedures, the MND will increase the number of assigned lawyer candidates to improve competence and quality of service to better protect military personnel and dependents.

(2) After the Act of Administration Procedure was put into effect, the MND and its subordinate organizations have faced more and more administrative lawsuits filed by citizens. Under this circumstance, the MND has decided to pool additional administrative lawyers in an effort to defend its entitled rights, encourage responsible staff to exercise initiative and improve the administrative effectiveness of various programs.

(3) Through on-job training, the MND will continue to improve the legal professionalism of military justices and prosecutors in order to provide better legal consultation to military personnel, to increase the effectiveness of "assigned filing" functions, and to improve the quality of other legal services.

Based on the principle of swift, just, and comprehensive service, the MND will continue to deal with cases related to protecting the rights of military personnel. Through periodical reports in the media, information kits, various publications, meetings at every level, commissioner unit visits, lecture series, and regional circuit town hall meetings, it will be ensured that every member of the Armed Forces clearly understands his entitled rights and associated protection measures. The operations of the Military Personnel Rights Committee will spare no effort to avoid any administrative disruption and make all servicemen confident that the committees are most trustworthy protectors of their rights. Based on the principle that "every case shall be resolved," the committee will reach the objectives of improving effectiveness and quickening legal processes. With the conviction that command and authority are provided by law, the rights of military personnel are well protected.

Chapter 23

■ Welfare Services

Supporting military welfare services has always been the goal of the Ministry of National Defense. These services include insurance, medical care, rebuilding of military dependent quarters, and improving the living quality of all servicemen. The MND expects itself to create a high-quality working environment for our military servicemen and to improve the care for them and their respective dependents. Thus, the morale of the troops can be maintained, and the cohesion of their dependents' families can be sustained.

I. Insurance

Ever since its establishment, military insurance has always fulfilled the roles of supporting troop morale and protecting life quality of their dependents. It has also laid down the sound foundation for various social insurances founded by the government as well.

1. Military Insurance System

According to the "Regulations of Insurance for Military Personnel," the MND provides insurance services for those active servicemen, cadets of military schools or students of military courses/classes and mobilized reservists who participate in short-term training programs. In case of a claim during the enrollment period, the military serviceman (the insured) will be reimbursed 6 to 48 insurance basic points computed according to the premium of the month when the insured person has perished as its standard. Those who are insured for more than 5 years will be paid 5 to 45 basic points for retirement or discharge.

2. Group Casualty Insurance for Military Servicemen and Personnel Involved with Air Service, Ammunition Technical and Undetonated Shells

To offset apparent law military insurance payments for deceased or injured servicemen, the MND, since July 1 1998, has added group insurance policies for active servicemen and group casualty insurance for personnel practicing flight and ammunition disposal tasks.

Under the insurance coverage, any serviceman killed or injured on duty will be compensated for up to NTD3.5 million, and up to NTD2 million for accidents. These accidents include disability and decease resulting from seven causes (heatstroke, shock, sudden death, heart failure, bitten by insects or snakes, faintness and stroke) in three types of missions (training, drills or rescue relief). From July 2002 to June 2004, group insurance paid NTD 303.6 million for 132 military servicemen. The group causality insurance paid NTD

20 million to 2 casualties that resulted from flight and ammunition disposal tasks. The MND will continue to executive its insurance budget based on the principle of "high protection, low premium" and increase the insurance compensation for personnel killed or injured on duty.

3. National Health Insurance

On February 1st, 2001, military servicemen were insured under the first category of the National Health Insurance (NHI). Pension-assisted dependents and those deceased veterans without pension support, draftee, and military academy cadres with government funding were insured under the 4th category of the NHI. Military personnel and their dependents have more options of high-quality medical care from either military hospitals or civilian hospitals. By June 30th, 2004, there were a total of 362,647 insured voluntary servicemen, civilian employees, dependents, draftees, military academy cadets with government funding and dependents of deceased veterans.

II. Medical Treatment

With the coverage of the NHI, military servicemen have more medical treatment options. The NHI also facilitates the process for military servicemen seeking medical advices. In order to continue the policy of no co-pay for military servicemen while receiving medical treatment in military hospitals, the MND has amended and issued the "Regulation of Medical Charge for Military Hospitals or Dispensaries." With this in mind, military servicemen tend to choose military hospitals for medical advice.

1. Medical Care

(1) The military hospitals have convalescent wards for the serviceman whose condition is not appropriate for discharge as referred by the doctor, but whose days of being hospitalized exceed the limit of reasonable days of being hospitalized stipulated by the NHI. These servicemen will continue receiving appropriate and timely medical care in good environment



Seminars on military servicemen's group insurance

hospitalized exceed the limit of reasonable days of being hospitalized stipulated by the NHI. These servicemen will continue receiving appropriate and timely medical care in good environment

(2) The promulgating of the "Regulations of Medical Treatment Subsidies for Military Servicemen and Cadets of Military Schools Injured on Duty" facilitate the

servicemen and cadets to apply for subsidies for the co-payment charged by civilian hospitals or the liability not covered by the NHS while receiving emergency medical treatment in civilian hospitals.

(3) All military hospitals have special windows for military servicemen to provide fast, convenient, and preferential services.

(4) In accordance with the "three assurances" policy of the government and the "Principles of Handling the Affairs of Servicemen's Dependents," dependents of active servicemen and veterans will be free of the co-payment charge while receiving outpatient services and physical therapy in military hospitals. Emergency medical charges will be remitted in local hospitals and dispensaries, and will be adjusted in medical centers and district hospitals. In case of hospitalization, the charge of the acute wards is reduced by 10%; the reduced rate for chronic wards is 5%. All military dependents shall receive appropriate medical care.

2. First-aid Training

In light of the reduction of military personnel and the change of characteristics and missions of the troops, the MND has been actively promoting first-aid training and developing medical specialties for troop units so as to improve the quality of medical care received and to enforce the abilities of emergency care and casualty evacuation in either peace or wartime. From July 2002 to Nov. 2004, the MND offered basic emergency first-aid training courses for professional medical officers and NCOs. There were a total of 21 level 1 and level 2 courses held at 9 military hospitals in northern, central, southern, and eastern Taiwan. Each course had 30 trainees. At the same time, the MND has cooperated with the Fire Department and Emergency Medical Service Commission to hold 5 intermediate first-aid training classes throughout the military. These courses can be separated into level 1 course, level 2 course, and teaching assistant development course. Each class has 30 trainees. Trainees who pass the validation test will be issued eligible certificates from the Department of Health, and qualified as first-aid providers.

In addition, the "Preservice Training Course for Naval Medical Officers" is divided into preservice an educational training phase and an advanced CPR training phase. The trainees will be issued advanced CPR certificates. It is expected that these medical officers can provide timely medical treatment in their respective units.

3. Military Medicine

The structure, functions, and dynamics of modern aircraft and submarines has evolved quickly. Phenomena such as high and low altitude pressures, temperature changes, acceleration, spatial disorientation, noise and vibration can easily exceed the limits of human biology. Therefore, aviation and diving medicine, which are exclusives of military medicine and closely linked to the enhancement of combat strength in the frontline,



Diving medicine study ensuring the safety of underwater operations

have become two of the major focuses of military medical research institutions. Maintaining the physical and mental health of aviation and diving personnel is the undoubted mission of aviation and diving medicine. The selection, health care, task safety, accident investigation, and the promotion of overall research systems all depend

on the efforts of specialized medical staff. Their efforts guaranteed the safety of flight tasks, the realization of submarine missions, the control of quality, and the increase of combat power.

(1) Reinforcing Flight Safety

a. Aviation physiological training readiness: Gangshan Armed Forces Hospital is a well-equipped aviation physiological training center and the basis of flight training for pilots. Established on July 1st, 2002, the aviation biological training equipment in the hospital includes Ejection Seat, Spatial Disorientation Aircraft and Night Vision/Night Vision Goggles Systems along with the original equipment of the Human Body Centrifugal Machine, the High Pressure Cabin and the Low Pressure Cabin.

b. Improving aviation psychology training of the pilots: "Training Standards of Aviation Medicine" was amended and implemented on May 23, 2003.

c. Developing aviation physiology officers: The Training Plan for Aviation Physiology Officers of the ROC Armed Forces was issued on December 18th, 2003 so as to reinforce the operation of aviation medicine. The aviation physiology officer is in charge of physiological training. He also supervises the availability of flight personnel equipment and life support equipment.

d. Physical examination of flight personnel: In addition to the annual physical examination, a "Procedure of Applying for Examination Result and Appealing for Reexamination" for those who cannot pass the examination is proposed to validate the physical fitness of flight personnel.

(2) Promoting "Submarine Medicine"

a. The Navy Headquarters Military Medicine Section, the Submarine Medical Research Graduate School at National Defense Medical College, the Penghu Armed Forces

Hospital and related units and personnel are organized as a task force subordinate to the MND to promote the development of "Submarine Medicine."

b. The MND has formulated task forces to visit submarines, rescue groups, and the Diving Medicine Unit of Zuoying Armed Forces Hospital so as to understand how submariners work in closed space, as well as the operational procedures and available equipment of the deep-water rescue groups. Seminars with related personnel were also held. It is hoped that basic medical practices can be realized, problems can be solved, and the research and development of diving medicine can be facilitated.

c. Starting from 2004, in order to provide high-quality safety measures to naval servicemen on duty, the MND has prepared a budget to enhance the equipment (high-pressure chamber at Zuoying Armed Forces Hospital as an example) maintenance measures and the depth and scope of the diving medicine so as to strengthen the medical care and training capacity provided.

4. Disposing of Bio-chemical Poisons

In compliance with the Measures of Prevention and Rescue from the Calamity of Bio-chemical Poisons stipulated by Executive Yuan, the MND conducts regional detection and prevention measures to block out terrorists and others with harmful intentions to spread biological viruses in urban area schools, hospitals, water sources, barracks and crowded public areas and otherwise cause serious casualty. Upon an outbreak, the Executive Yuan will establish the Disaster Management Center and authorize local authorities and the Center for Disease Control of the Department of Health to inspect the pathogeny. The ROC Armed Forces will respond to the request of the Disaster Management Center to provide sampling and investigating support, and to report to the command center in time once the pathogeny and scope of contamination are confirmed.

According to the scope of contamination and the level of breakout, a local disaster relief commander shall command subordinate police units and coordinate with the operational center of the ROC Armed Forces to control the epidemic area. The basic sanitation units of the Armed Forces shall organize and establish ambulance stations in their respective operational sectors and provide support to health authorities. Military hospitals of all echelons outside the epidemic areas shall cooperate with the Department of Health, establish emergency medical teams, and acquire necessary medicine and sanitary equipment in support of hospitals in the epidemic area and their practice of biological medical protection operations.

Immunization of the uninfected in epidemic areas is the responsibility of local health departments. Military dispensaries and hospitals will support the inoculation efforts. According to infected medical waste disposal procedures, such waste will be burned near-by by specific agencies. Human remains in the epidemic areas will be registered at the

according social welfare departments and after completion of decontamination processes, cremated locally. Infected animals will be exterminated and burned by agriculture and forestry units in coordination with the Armed Forces. Chemical warfare units will also cooperate with local command centers to conduct decontamination operations.

5. Vision

(1) Constantly acquiring budget allocations and improving the quality of medical care for servicemen

It is the responsibility of the military medical system to take good care of all servicemen's health. In order to provide high-quality medical treatment and to increase the capacity of providing these treatments, the MND shall continually acquire budget allocations to subsidize servicemen's medical bills and to improve the software and hardware facilities of the medical system.

(2) Realizing the system of area of responsibility (AOR) in the local medical system and fulfilling the medical needs of all servicemen

a. General hospitals in each operational sector will be the coordinators of their respective areas of responsibility. A regional small-scale strategic alliance will be established to facilitate the function of mutual support among medical resources, management strategies, and information networks. Moreover, the Tri-Service General Hospital will establish partnerships with all operational sectors to construct a complete strategic alliance among all medical facilities of the ROC Armed Forces.

b. General hospitals in their respective areas of responsibility will not only provide medical services, but also supervise and support the sanitation operations and requirements of troops of all echelons thereby establishing a complete medical support system.

(3) Reinforcing educational training of the military medicine education, and ensuring the combat readiness of the ROC Armed Forces

a. To ensure the operational capabilities of pilots and to fulfill the requirements of fighters of the new generation, the MND will continue evaluating the current field manuals and policies of aviation medicine, consolidating training equipment, reinforcing preventive medicine of the pilot, and providing appropriate flight health care services so as to increase flight safety and maintain combat capability.

b. In response to the upgrade of the second-generation vessels and the procurement of the Kidd-class destroyer and submarines, the MND will maintain and enhance the training and equipment of diving medicine to ensure the safety of naval personnel operating at sea or underwater and to enforce the combat capability of naval vessels.

(4) Developing Servicemen's Knowledge about Biological Protection, and Increasing the Ability of Biological Poison Disposal

In order to promote the ROC Armed Forces' capabilities of biological poisoning

prevention and medical disposal,, the MND will continue to strengthen biological protection abilities; to conduct related medical treatment for all military hospitals and sanitation troops; to open biological protection training courses; to develop seed trainers; to proactively conduct research and development, and to procure related medicines, sanitary equipment, and vaccines. Thus, the operational effectiveness of biological protection medicine can be realized.

III. Rebuilding of Military Dependent Quarters

The main purposes of rebuilding old military dependent quarters are to improve the living environment and quality of the deteriorated dependent quarters, to increase the economic efficacy of the land and tax income, to solve land disputes, to boom economy, to create job opportunities, to acquire public land for local governments, to beautify urban landscape, and to achieve a "three win" situation among the government, the public and the military dependents of the quarters.

1. Policy

The rebuilding project of military dependent quarters started from 1980 and can be divided into two stages, the "old system" and the "new system." The old system refers to the "Operation Guidance of the Experimentation Plan for Rebuilding Deteriorated Military Dependents Quarters" approved by the Executive Yuan in 1980. Current policy is to complete the rebuilding project which had been approved by the Executive Yuan before Feb. 5, 1996. There will be no more rebuilding project following the old system after 2006 and the loan for officers and NCOs with dependents but no housing will be continued and expanded. The new system follows the "Regulation of Rebuilding Deteriorated Military Dependent Quarters" enacted on February 5th, 1996. Current policy is to launch a joint project of "building housing, assisting in buying public housing or private housing." The contracting, relocating and marketing tasks will be finished by 2005 and the rebuilding process will be complete by 2009 so as to protect the rights of military dependent householders.

2. Results

(1) Rebuilding Dependent Quarters through the Old System

Seventy-eight rebuilding projects had been approved by the Executive Yuan by February 5th, 1996. Among them, sixty-nine have been finished or relocated; two have been relocated in housing in the market; and the other 7 projects are under planning and construction.

(2) Rebuilding Dependent Quarters through the New System

a. Project: By November 1996, 161 rebuilding projects had been approved by the Executive Yuan, but were revised to 88 projects total in August 2004 with 53 rebuilding

projects and 35 relocation projects.

b. Policy: The rebuilding policy in 1997 was "rebuilding exclusively," and was then changed into "cutting down rebuilding projects and assisting with relocating in public housing" in June 2002. By December 2003 the new policy was further revised to a joint project of "building housing, assisting in buying public housing or private housing."

c. Practice: Among the 88 rebuilding projects planned, 70,815 households from 538 villages needs to be settled. So far, 49,044 households have been relocated.

(a) Building new housing: 11 projects have been completed; 20 are under construction; and 4 are underway to apply for building permits. There is a total authorization of 35 projects, with 25,947 households from 219 villages to be settled.

(b) Relocating to public housing and private housing: Residents of 23,097 households for 168 villages in 19 dependent quarters have been relocated, 9 of which have been relocated in public housing or other rebuilt dependent quarters.

d. Follow-up plan: Except for the 9 villages in Lecyun Village in Kaohsiung County and another 39 villages elsewhere, the rebuilding and relocation of all villages throughout Taiwan has been planned in accordance with the intention of the respective village or household, determined after holding statutory conferences with them. All conferences were held by December 2003.

(a) Rebuilding project: 14,815 households of 84 villages will be settled in the 18 rebuilding sites under construction.

(b) Relocating and buying public and private housing: Residents of 26 dependent quarters are encouraged to buy the remaining 6,956 households of 67 public housing villages.

e. Control and Plan of the Rebuilding Fund

(a) Fund control: The special budget for the rebuilding of old military dependent quarters was computed according to the government-assessed land price of the quarters rebuilt in 1996, with an adjustment of roughly 10.4 % each year (accumulated). The annual revenue is NTD516.7 billion and the annual expenditure is NTD516.6 billion. Due to the depression in the real estate market, the government-assessed land price of the quarters rebuilt has decreased year after year. Taking the government-assessed land price in 2004 as the base and added up an additional 30% to the residential and commercial areas (without accumulation), the estimated value of land owned by the MND is around NTD 362 billion. Due decreased land value, the rebuilding efforts of the MND now focus more on acquiring public or private housing instead of building new quarters. Therefore, the estimated expenditure of rebuilding old dependent quarters will be around NTD268.4 billion.

(b) Fund Plan

i. Revenue: The value of assets (including interest of the fund and gains from

selling the land and remaining houses) is estimated around NTD415.9 billion. The expense for rebuilding projects is about NTD268.4 billion. After returning the NTD73.2 billion working fund of unsuitable building sites, the final balance of the rebuilding fund will be around NTD74.3 billion.

ii. In response to possible fund insufficiency after including the option of acquiring public and private housing, the total budget of the rebuilding project for FY 2004 and 2005 as approved by the Executive Yuan in September 2004 is NTD 22.7 billion. With efficient funding, the rebuilding project can be efficiently realized and the rights of military dependents can be protected.

(3) Home Loans and Promotion of the Remaining Houses

To increase the living quality of dependents of voluntary officers and NCOs, a more comprehensive home loan project for active officers and NCOs was put into practice and the annual interest rate was decreased to 2.125% in line with the Home Loan Interest Rate Standard for Servicemen, Civil Servants and Teachers. In 2004, 2,500 loans were approved. Servicemen with less than 5-year service experience were eligible for the first time as well. As for the distribution and promotion of the remaining houses, buyers will not only get a 20% discount, but also be eligible for home loans. In this manner, housing shall be more affordable to officers and NCOs.

(4) Service Efforts During Rebuilding

During 2002 and 2003, 453 cases were filed through phone, and 582 cases were filed through written forms (including e-mails). A total of 54 conferences and 87 public hearings were held. All 1,176 cases, conferences, and hearings were registered and replied in written form or orally.

3. Vision

(1) Rebuilding Projects Following Both the New and Old Systems

For those rebuilding projects with complete plans, the MND will expedite the processes of selecting architects and requesting building permits. For those under con-



Living quality of servicemen and their dependents improved substantially through the rebuilding of military dependent quarters.

struction, progress and quality control, scandal prevention, and on schedule completion, will be the foci. For those villages which will be relocated to public housing, the MND will ensure a successful lot-drawing on time so as to facilitate the relocating progress and to comfort the dependents.

(2) Loosening the Eligibility of Home Loan for Officers and NCOs

At the end of the allocation and promotion efforts of the housing still remaining from rebuilding projects in 2004, the MND plans to submit a special report to the Executive Yuan suggesting to loosen the eligibility of application for home loans regardless of rank. The loan per household will be NTD 2.2 million with an even lower annual interest rate than currently offered (2.125% as current rate). It is expected to reach the goal of everybody owning a house.

IV. Living Care

1. Implications

To achieve the goal of the "three assurances" policy, the MND has continually improved the quality of life of servicemen, constructed a comfortable environment, and has taken good care of them and their dependents. It is expected to achieve the goals of morale stabilization and family cohesion. Furthermore, in accordance with national policy and troop requirements, the MND requests units of all levels to carry out the following measures: creating high quality of life, increasing work efficiency of the servicemen, and maintaining the stabilization of the military family so as to achieve cohesion and increase the overall combat capability of the ROC Armed Forces.

2. Results

(1) The Legalization of Welfare

a. To enhance servicemen's welfare and reassure their families, the MND has drafted the "Act of Welfare for Military Personnel" based on the stipulation of the National Defense Law. It is hoped that an operational mechanism for the welfare affairs of military personnel can be established through legislative procedure and thereby become legally guaranteed.

b. The draft of the "Act of Welfare for Military Personnel" divides military welfare into two categories, basic and flexible welfare. Basic welfare is intended for all servicemen and is administrated by the MND. Items in this category include job placement, welfare services, housing subsidies and medical care. Flexible welfare will be practiced in line with the requirements of the MND and other authorities. Items in this category include daycare and preschool, commissary management, and recreational services and facilities.

(2) Non-staple Food Supply

a. Providing good food is a real-life practice of fulfilling the living requirements of

the servicemen. Currently, there are 28 non-staple food supply stations serving 1,436 non-staple food items at 20% off market price. In addition, to improve the cooking techniques of the chefs, the MND has also offered recipes of non-staple food to troop units with the hope of increasing the quality of the mess and satisfying the appetites of the servicemen.

b. To solve the non-staple food procurement problem of units in mountain and remote areas, the MND has developed the "Non-staple Food Out-sourcing Transportation Service for the Units in Mountain and Remote Areas." There are a total of 24 transportation lines serving 104 remote units in Penghu, Green Island, Hsiao Liuchiu, Hehuanshan, Alishan, Leshan and Dahanshan.

(3) Reward and Consolation

a. In order to provide high-quality living care to the military servicemen and offer support in contingency, the MND will process timely subsidies for hospitalized military servicemen or those killed or injured on duty. The intention is to actively explore the problems the servicemen face and provide timely support and consolation so as to inspire morale and cohesiveness.

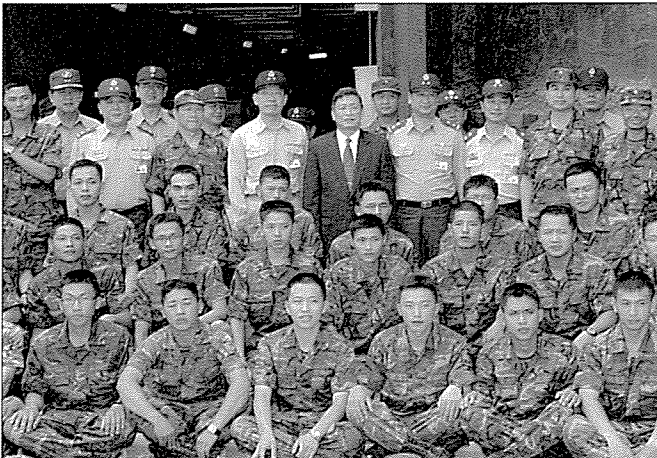
b. On holidays such as Chinese Lunar New Year, Dragon Boat Festival and Mid-Autumn Festival, the MND will express their appreciation for the sacrifice of the troops on off-shore islets, mountains and remote areas so as to consolidate the morale of the troops and to increase combat capability.

(4) Facility Improvement

a. To take care of the life of the E-generation servicemen, and to provide appropriate recreation and books, the MND has annually conducted market surveys and questionnaires of all servicemen as the basis of acquiring high-tech digital recreational facilities for political education, including video, audio and multimedia recreational devices, and set up multi-purpose recreational centers and information stations. Therefore, a variety of lively recreational options, including birthday parties, military song instruction, and group recreation can be provided. In this manner not only the practical measures of political education can be met, but the multi-media recreation needs of servicemen can be provided as well. The selection and procurement of the "books for company or equivalent units" was achieved through the procedures of recommendation, survey, and trial reading. The education level of the servicemen was also a consideration. The books elected include best-selling recreation, inspirational, comic, travel, and technology books. In addition to carrying the "Voice of Han Broadcasting Network," the "Educational Network of Jyuguang Program," "Special Exhibition on the Military Art Awards" and the "Military News Web," the website of the ROC Armed Forces lists a job counseling and living guide, varied laws and regulations and some digital versions of approved "books for company or equivalent units" so as to provide fast and diverse reading materials and information services. The sat-



The "three assurances" policy of the President Chen Shui-bian ensures the welfare for all servicemen and their dependents.



The Minister of National Defense Lee Jye inspires the morale of all servicemen.

principles of barrack planning and design was conducted. As a result, living space for every serviceman was increased, and the comprehensive design of the facilities shall be pleasing, and poised, combined with the neighborhood, and shall follow the principles of green architecture and environmentally sound construction. The space design shall facilitate human nature and shall be capable of performing multiple purposes. The material selection principles are safe, practical and durable.

(5) Officer Quarter

To achieve the "three assurances" policy, to ensure the welfare of all servicemen and their dependents, and to encourage the voluntary officers and NCOs to focus on their duty,

isfaction of recreational requirements and spiritual life will contribute to humanistic developments, which, in turn, will be beneficial to boost morale and decrease cases of discipline violation.

b. To expedite the rebuilding of old military barracks and to improve the living quality of all servicemen, the newly constructed barracks and facilities are planned under the principle of integrated functions, security and practicability, comfort, and economy. All barracks follow the procedure of outsourcing to architects, who will then be in charge of the design and oversee the construction. By doing so, we can combine civilian resources and professions with the national defense establishment. Furthermore, in order to increase the living quality of the servicemen, a through review concerning the

the MND has offered selective officer's quarters to voluntary officers and NCOs with dependents but no housing. The quarters provided shall be in the same county as the one in which the troops are stationed. There are a total of 6,165 quarters in 81 locations throughout the island. In the future, the building of selective officer's quarters will be coordinated with the rebuilding projects of old military dependent quarters, the donation from the ROC Women's Association, and the construction of new barracks as well.

(6) Commodity Supply

The driving principles of commodity supply are self-sufficiency, large-quantity with lower price, discount price, and profit-return. Currently, there are 32 regional commissaries and 146 barrack commissaries offering 5,321 grocery items with an average discount of 20% to servicemen, veterans, and dependents.

(7) Day-care Service

In order to support the care of military families and dependents, the MND has promulgated the "Enforcement Rules for Setting up Day-care Facilities and Services" and contracted with 391 legal, qualified and registered daycare centers to provide high-quality day-care services with preferential treatment to military dependents. In addition, a compact disk titled "Daycare Information" was distributed to troop units in September 2003 so as to implement services to military dependents.

3. Vision

(1) Establishing Welfare System

The MND will continually push ahead the initiative of the "Act of Welfare for Military Personnel" through legislative procedure so as to establish an operational mechanism to advance military welfare service.

(2) Increasing Service Efficiency

To meet the daily dietary requirements of the servicemen and their dependents, the MND introduced the "highly recommendable products of manufacturers" in the hope of offering the best-selling products as soon as they hit the private market. Meanwhile, "Complete Outsourcing of the Non-Staple Food Transportation" will benefit the servicemen by delivering the non-staple food directly to the troops, so that soldiers can concentrate on combat training with less distraction.

(3) Continuing the rebuilding of the Old Barracks

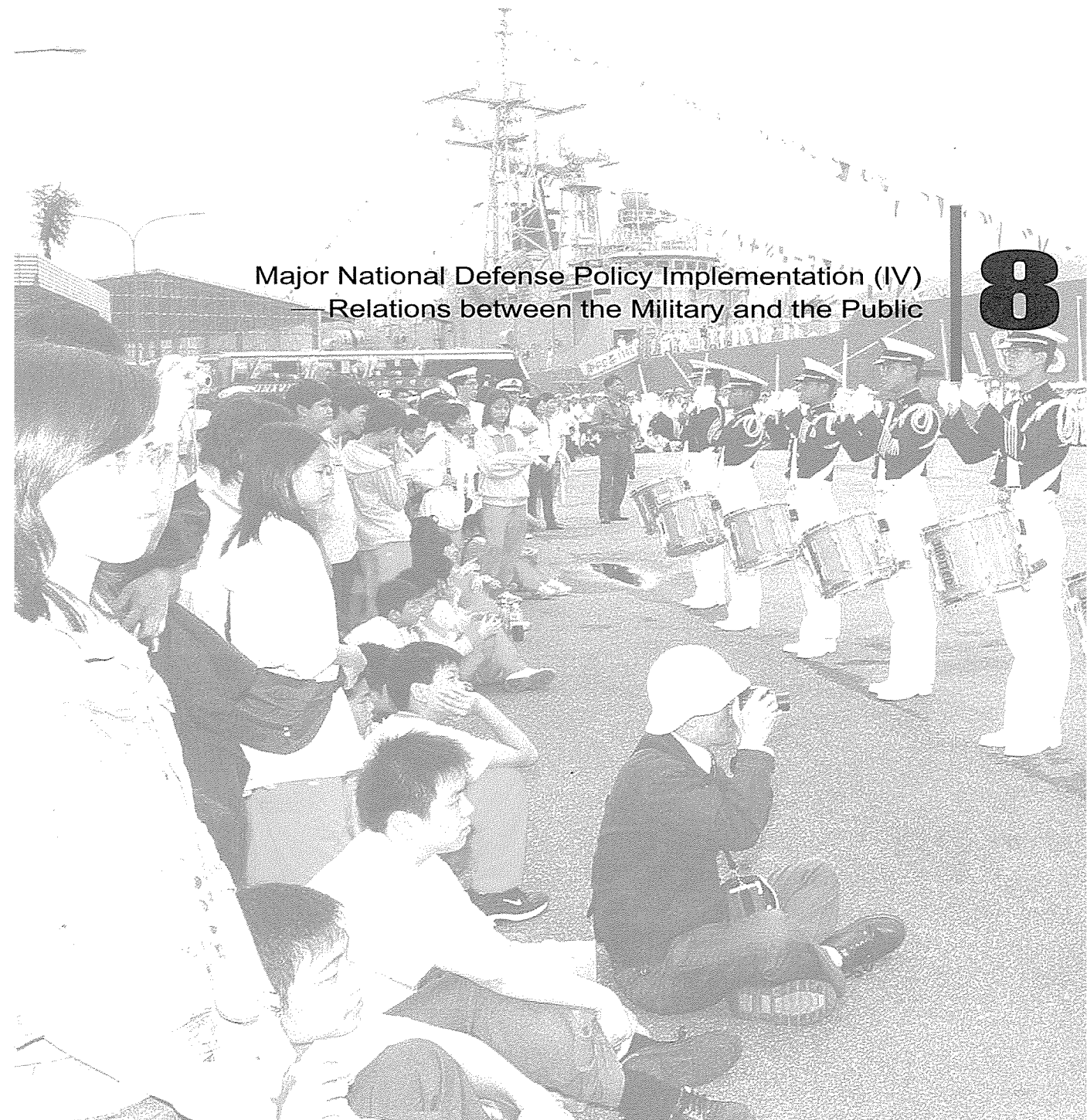
In order to provide a safe and comfortable quality of life for servicemen, the MND allocates an annual budget to renovate, maintain and repair old barracks in accordance with the military buildup program and other operational requirements. Moreover, in order to take care of military dependents, the rebuilding of old barracks will combine with the construction of selective officer's quarters of the units. It is hoped that the voluntary officers and NCOs can look after their families while fulfilling their duties.

(4) Purchasing New Recreational Facilities

To comply with the policy of e-government and to foresee the developmental trends of information and recreational facilities, the MND will combine the operational and daily requirements of servicemen and constantly acquire multimedia recreational devices for political education, and the "books for company or equivalent units." Furthermore, fast and friendly services to the servicemen are assured through the internet, so that the living facilities of the troops can be improved and servicemen on duty can have peace of mind.

Major National Defense Policy Implementation (IV)
— Relations between the Military and the Public

8



■ Summary

1. Protecting people's rights is an important part of improving relations between the military and the public. Seeing this, the Ministry of National Defense (MND) has not only continued to reduce military control zones, no construction zones and limited construction zones, but is also helping to protect people's legitimate rights through channels such as "appeals," the "Regulations of Compensation for Damages to the Public from Military Activities," and the "National Compensation Act."
2. The ROC Armed Forces are closely connected to the society. To show this nature and to strengthen the nation's function of disaster relief, the MND has drawn up the disaster relief mechanism of the ROC Armed Forces and strengthened its manning and equipping. When there is a major disaster, the ROC Armed Forces will be obligated and be responsible to take the work of rescuing as a combat mission, doing our best to assist local governments on disaster relief so as to protect the safety of life and property of the people.
3. To promote the transparency of national defense policy, the MND keeps close contacts with other government agencies and legislative bodies through government and military channels. The MND has also developed channels for releasing news that are used to explain every important national defense policies to the media and to the public in hopes of increasing communication and interaction between the military and society.
4. Military units hold activities such as family reunions and social activities to help families of conscripts and the public understand servicemen's lives and training while in the military. To help Chinese people, at home and abroad, better understand the ROC Armed Forces' achievements in military buildup and combat readiness, further support the national defense, and deepen the good interactions between the ROC Armed Forces and the people, the military units will also arrange tours for families of conscripts and local people to attend large-scale military exercises and exhibitions, such as the Hanguang Exercise.

Chapter 24

■ Protection of People's Rights

To protect people's rights, the MND is not only gradually reducing military control zones, no construction zones and limited construction zones, but is also attempting to help people protect their rights through channels such as "appeals," the "Regulations of Compensation for Damages to the Public from Military Activities," and the "National Compensation Act." All cases are dealt with fairly and objectively.

I. Military Control Zones, No Construction Zones, and Limited Construction Zones

Responding to domestic political and economic changes, and complying with comprehensive national development, the MND has reviewed its land use and management policies and has begun to initiate several changes. For example, to reduce the number of military control zones, military zones with similar use are being combined so that they can now serve multiple purposes. The MND has also amended the "Vital Area Regulations" and the "Regulations on No Construction Zones and Limited Construction Zones" in a timely manner so that no construction zones and limited construction zones can be included in the National Comprehensive Development Plan, regional planning, and urban planning. No construction zones will be used as parks, green space, and parking lots in order to improve the efficiency of land use. Given the development of communities around military control zones, the height of buildings in limited construction zones will be restricted according to capacity ratio rather than the original military control zone restrictions in order to take people's rights into account and minimize negative influences.

1. Reductions of Garrisons

In accordance with the reduction and replacement of military facilities, weapons, and equipment, the MND has actively begun to reduce military garrisons through measures such as "elimination," "altering status as major military control zones," and "downsizing." In the past four years, a total area of 3,649.7 hectares has been released. Table 8-1 shows the results of garrison reductions.

2. Reductions of Major Military Control Zones

Considering national security and the development of the society, the MND has reassessed the scope of the existing major military control zones. From 1998 to November

Table 8-1 Garrison Reductions

Category \ Reductions	Quantity	Area
Original Control Zones	53	8,695.4 hectares
Current Control Zones	24	5,045.7 hectares
Total Reductions	29	3,649.7 hectares

Current as of November 1, 2004

2004, 53 major military control zones were eliminated, and 98 were downsized. A total area of 14,544.4 hectares was reduced. Table 8-2 illustrates the reduction details.

3. Amendment to the "Vital Area Regulations"

The MND has endeavored to improve national land uses so as to increase the comprehensive competitiveness of the nation, and at the same time to ensure the safety of military ports and airbases. Seeing that the Vital Area Regulations passed in April 2002 still cannot effectively minimize its limitations to national land uses, the MND drafted the "Amendment to the Vital Area Regulations" in July 2003, which was proposed to the Executive Yuan. After being reviewed and revised by the Executive Yuan in November 2003, the draft is estimated to be proposed to the Executive Yuan again in July 2005, and then to the Legislative Yuan for review. Once the amendment is passed, local and urban development will be better protected, and will enhance our national competitiveness.

Table 8-2 Reductions of Major Military Control Zones

Category \ Reductions	Quantity	Area
Original Control Zones	285	104,219.5 hectares
Current Control Zones	232	89,675.1 hectares
Total Reductions	53	14,544.4 hectares

Current as of November 1, 2004

II. People's Right to Appeal

As stated in Article 16 of the Constitution of the ROC, people have the right of appeal. Its goal is to ensure that the executive branch operates according to law in order to safeguard people's rights.

1. Policy and Current Situation

(1) The MND's "Petitions and Appeals Committee" is specifically responsible for peo-

ple's appeals related to national defense affairs. If people think they have received administrative penalties that are inappropriate or illegal, they can appeal. The legitimacy and appropriateness of appeals will be investigated through appeal procedures. The goal of the policy is to ensure the enforcement of both servicemen's and people's rights.

(2) To guarantee the objectiveness, impartiality, and reliability of investigations, the MND has issued the "Procedural Guidelines of Examination, Description and Debate for the Petitions and Appeals Committee," as the principle of the procedures to take care of cases of these kinds.

(3) The Petitions and Appeals Committee can have 5 to 15 members, according to the Law of Appeal and "the Regulations of the Organization of Petitions and Appeals Committee of the Executive Yuan and Other Level of Administrative Sectors." The MND's "Petitions and Appeals Committee" appointed 14 members in 2002, 15 in 2003 and 2004 respectively. Among them, two-thirds are scholars and experts from outside the MND, and the term of the committee members is one year. Another 5 committee members, including the chairperson, are senior staffs (chief/deputy chief from relevant units) of the MND. The membership of this group will be altered according to duty assignments. Among the 15 members, 13 are legal specialists.

2. Implementation Status

(1) From July 2002 to November 2004, the MND completed 480 appeals, among which, 173 cases were dismissed, 166 not accepted, 59 retried, and 82 transferred or withdrawn. Table 8-3 is the table of statistics of appeal results.

(2) The results of appeals will be compiled and posted on the MND's website. Verdicts that reverse administrative penalties will be posted monthly in the MND's public announcements for reference. The MND will improve its data management, so that more information and searching options can be provided.

(3) All appeal verdicts from the years 2002 and 2003 were compiled and sent to organizations of the MND for future reference.

(4) In order to assist the MND's relevant units and organizations to process people's application of appeal or appeals, putting the idea of making the law as the priority into practice, on June 27, 2003, the MND held the "MND Appeal Practices Seminar." The seminar was a great success with 348 participants from all the relevant units and organizations.

(5) On July 23, 2003, the MND reissued the order, emphasizing and requesting that all its units follow the "Administrative Procedure Law" while dealing with people's appeals or appeal applications. Administrative penalties should only be imposed by responsible organizations, so that every case is processed according to relevant laws and people's trust in the MND can be developed.

Table 8-3 Statistics of Appeal Results of the Petitions and Appeals Committee, MND

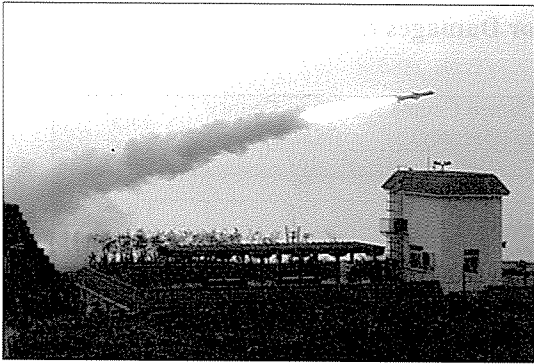
Category of Appeals	Dismissed	Not Accepted	Retried	Transferred or Withdrawn	Total	Percentage
Retirement and Compensation	66	49	16	21	152	31%
Pension and Military Insurance	18	31	9	4	62	13%
Military Housing	31	17	21	8	77	16%
Tenure, Retirement and Status Validation	21	4	5	7	37	8%
Restoration of Rights and Casualty or Damage Compensation	6	13	0	4	23	5%
Military Services	8	5	4	5	22	5%
Classification, Salary, and Promotion	5	10	2	5	22	5%
Examination, Contract, and Students Expelled	6	8	2	14	30	6%
Penalty, Position Transfer, Discharge, and Resume	1	16	0	3	20	4%
Others	11	13	0	11	35	7%
Total	173	166	59	82	480	100%
Percentage	36%	35%	12%	17%		100%

Current as of November 1, 2004

III. The Compensation for Property Damages and Civilian Casualties from Military Activities

To express its regret and sympathy for casualties and property damages from military activities dated from 1949 to July 1, 1981 (to November 7, 1992 for those in Kinmen and Matsu), the MND formulated the "Regulations of Compensation for Damages to the Public from Military Activities," which was promulgated and enacted on December 1, 1999. The compensation application period was two years. On December 17, 2003, the Legislative Yuan passed the third reading of the "Amendment of the Compensation for Property Damages and Civilian Casualties from Military Activities," which extended the application period to 6 years (until November 30, 2007). The amendment was promulgated and went into effect on January 7, 2004.

The compensation is retroactive, and most cases are over 20 years, which has caused dif-



Reserving vital garrisons prepares for combat missions.

difficulties in providing evidence and seriously hampered the process of investigation. In order to thoroughly realize the spirit of compensation, the MND has not only revised the "compensation baseline," but also provided the "Remedial Measures for Cases without Evidence." Compensation applications are reviewed leniently, so that applicants can receive their rightful compensation sooner. By November 2004, the Committee of Compensation for Damages to the Public from Military Activities accepted 1,912 applications, completed 1,004 of them and issued NT\$ 1,036,925,000 (as showed in Table 8-4).

The MND will continue to investigate relevant files and documents, assist applicants in providing evidence, and inform them of possible compensation means so that cases can be processed smoothly, applicants' rights can be protected, and the spirit of the compensation law can be carried out.

IV. National Compensation Act

To realize the National Compensation Act and protect people's rights, the MND and General Headquarters (GHQs) and HQs have established the "National Compensation Deliberative Committee" to deal with compensation applications to its relevant units. All applications are investigated according to relevant regulations, as is all compensation granted. From July 2002 to November 2004, the MND accepted 53 new compensation applications and was still investigating 12 applications from last year. Among the total 65 applications, 3 were granted com-



Negotiation of Compensation for Damages to the Public from Military Activities.

Table 8-4 Statistics of Compensation for Damages to the Public from Military Activities

Category		Taiwan Proper	Kinmen County (Quemoy)	Lienchiang County (Matsu)	Total	
Applications	Personal Casualty	517	386	167	1,070	
	Property Damage	22	792	28	842	
	Subtotal	539	1,178	195	1,912	
Closed Cases	Compensation	Personal	447	270	113	830
		Property	12	17	1	30
	Dismissed	Personal	31	99	34	164
		Property	3	1	0	4
	Subtotal	493	387	148	1,028	
Processing Cases	Personal	39	17	20	76	
	Property	7	774	27	808	
	Subtotal	46	791	47	884	
Compensation	2001	Budget	NT \$300,000,000 (reviewed 225 cases, accepted 210 cases, and rejected 15 cases)		\$1,055,000,000	
		Actual Expenditure	NT \$300,350,000			
	2002	Budget	NT \$300,000,000 (reviewed 399 cases, accepted 350 cases, and rejected 49 cases)			
		Actual Expenditure	NT \$441,675,000 (first preparation budget paid NT\$141,675,000)			
	2003	Budget	NT \$300,000,000 (reviewed 215 cases, accepted 134 cases, and rejected 81 cases)			
		Actual Expenditure	NT \$139,950,000			
	2004	Budget	NT \$282,000,000 (reviewed 189 cases, accepted 166 cases, and rejected 23 cases)			
		Actual Expenditure	NT \$173,525,000			

Current as of November 1, 2004

compensation, and the total compensation was NT\$ 3,560,329. Forty-one applications were rejected, 5 were withdrawn by applicants, 10 were dismissed by courts, and 6 are still undergoing investigation in the MND or GHQs/HQs.

Chapter 25

■ Assistance to Society

National defense establishment is a part of the government's policy, and the ROC Armed Forces and society are highly dependant on each other. From the aspect of all-out defense, earning people's support and making the best use of people's specialties are two essential elements. From the aspect of development of the nation and society, the human and material resources of the ROC Armed Forces are significant to social support, to lower the damages of disasters and epidemic to the minimum, as long as battle training is not affected. Therefore, interactions and exchanges of information between the public and the ROC Armed Forces will improve their relations and people's approval, and thus enhance the nation's defense capability.

I. Disaster Relief and Rescue

1. Policy Planning

All the manpower and resources of the ROC Armed Forces are from the society. Therefore, the ROC Armed Forces are obligated to be responsible to take disaster relief as operations and follow the instructions of the nation's disaster relief and rescue mechanism. Under the "Disaster Prevention and Response Act" and the "Regulations on Application for Disaster Relief and Rescue from the Military," the ROC Armed Forces dispatches its troops to assist disaster rescue and relief when major disasters happen. As long as relief and rescue activities do not disturb the ROC Armed Forces' combat readiness or hamper its command system, and are within its capabilities, the ROC Armed Forces will put in all their efforts to assist the work. Currently, the MND has included disaster relief into the ROC Armed Forces' missions so that they can participate in disaster relief and rescue as soon as possible to minimize casualties and people's property loses.

2. The Result of the Implementation

(1) The "Joint Operation Command Center of the ROC Armed Forces" (also functioning as "the command center for crises and contingencies managements") has servicemen on duty 24 hours a day. Under the guidance of the Disaster Response Center of the Executive Yuan, the Joint Operations Command Center is always ready for all kinds of emergencies and able to cooperate with the government's disaster response organizations. When emergencies occur, the Joint Operations Command Center immediately establishes a Command

Center of Relief and Rescue (typhoon prevention) and allocates its resources such as servicemen, vehicles, and equipment to disaster areas for relief and rescue activities to secure the life and property of the people.

(2) Based on the concept of "all-dimensional security," in 2003 and 2004, the ROC Armed Forces have cooperated with other departments and ministries in the amendments of 29 laws and regulations, including "the Disaster Prevention and Response Act," "the Military Sector Nuclear Radiation Protection and Control Principles," and "the Disaster Prevention and Relief Plan of Storms, Floods, Droughts, Fires, Earthquakes, Forests Fires, and Land/Mud Slides."

(3) The MND will continue working with other administrative sectors to make out disaster relief and prevention plans, combining with all kinds of coping mechanisms such as mobilization, civil defense, medicine, anti-terrorism, disaster prevention and rescue, and nuclear accidents. The MND will also work together with other administrative sectors to refine the nation's capability in putting the "National Crisis Prevention and Coping Mechanism" into full practice. In 2003 and 2004, the MND has collaborated with other administrative sectors and accomplished the following exercises: with the Environment Protection Administration, held the Sixth Naphtha Cracking Plant Anti-Terrorism Exercise in Yunlin County and the National Hua-an (chemical safety) Exercise; with the Nantou County Government, Nangang Industrial Park Terrorist Toxic Gas Attack Exercise in Nantou County; with the Kaoshiung County Government, Dow Chemical Factory Anti-Terrorism Exercise in Kaoshiung County; with the Atomic Energy Council of the Executive Yuan, the He-an (nuclear safety) Exercise; with the Taipei City Government, Wan-an No. 26 and No. 27 All-Out Defense Exercise, including the City Administrative Center and High-risk Areas Alert, counter-hostage taking, bio-virus prevention, coping with bridge breaking; Homeland Security Protection Exercise, Tongsin No.16 Exercise-the Jialuhtarng coast of Fangliao Township in Pingtung County, Chaozhou Township and Laiyi Township, including beachhead blocking, urban operations, refugee care, putting off fires and rescue, casualty relief, necessity supplies, maintaining local public order, power and telecommunication repair, military vehicles fixed at civilian's body shops, distribution of supplies at war time, and fuel supply.

(4) The ROC Armed Forces have the determination to keep "rescuing as combating." Currently, the ROC Armed Forces are trying to list all possible measures while "the regulations are yet completed, the organization is yet refined, and the equipments are yet in hand." The methods are as followed:

- a. Including disaster relief and rescue into one of the ROC Armed Forces' missions.
- b. Continuing to enhance the whole organization and structure of the "Armed Forces Disaster Relief and Rescue Mechanism."

c. Coordinating with the operation of the "homeland security network", which is planned by the Executive Yuan. To meet the requirement of "administration according to law," the MND is now amending the related regulations such as the "Military Services Act," the "Act of All-out Defense Mobilization Preparation," "Regulations for Applying for the Armed Forces' Support for Disaster Relief," and the "Operation Standards of the National Rescue Command Center of the Executive Yuan."

d. Fostering to obtain the equipment of disaster relief and suggest appropriate budgets. The most essential equipment includes helicopter hoists such as those to hoist engineering machines, oil bags, and helibaskets, rescue equipments, shovel tools, satellite positioning system, navigation system, satellite communication system, and walkie-talkies.

e. All levels of "Typhoon Prevention and Relief Center" under the MND will be established along with the establishment of the "National Disaster Relief Center." After "county disaster relief centers" are established, all the liaison officers at the Reserve Command Divisions in all cities and counties should immediately bring communication equipment to the correspondent local government or remote mountain areas to build a liaison so that people can be warned of disasters in time and the time to deal with the disaster can be shortened.

f. Gathering suggestions from the local and collect all possible resources. An air forward command post is established promptly under the control of the "Ministry of National Defense Disaster Relief Center." An air control team is also established in areas where disasters often occur to better the work of warning and preparation for the coming disaster.

g. The "Ministry of National Defense Disaster Relief Center" is in full charge of deploying any highly valued equipment such as aircrafts and armored vehicles in the work of disaster relief and rescue. By doing so, the center can have a grasp of all the environmental factors to the safety of the aircrafts, keep the crew safe and the equipment in good shape, and make the best use of every resource.

h. The MND has already obtained the data of 104 rescue helicopter landing pads in remote mountain areas/villages. The Ministry has also submitted a proposal to the Executive Yuan to help all city and county governments build basketball courts. The reason is that at usual time, local people can hold activities at these courts; at the time of disaster, these places can become heliports or a transfer station of manpower and supplies. The Ministry also requests its subordinate units to keep regular exercises of helicopter landing and have a grasp of the condition of the place at all times so as to cut down the factors that will jeopardize safety and improve the result of disaster relief and rescue.

i. During the period of typhoon, the "Disaster Prevention/Relief and Response Coordination Center" of all General Headquarters (GHQs) and HQs transform into the

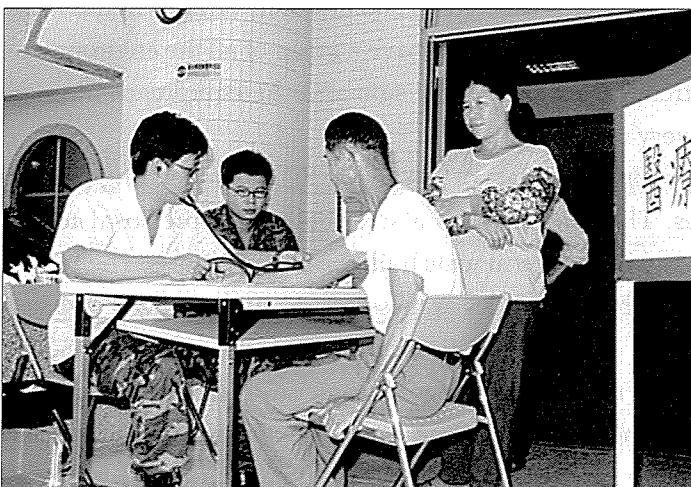


The ROC Armed Forces helped to rescue the people at risk who lived in mountain area.

ments.

j. After disasters, if the relief work is not urgent and overwhelming for the local governments, but quite ordinary, the ROC Armed Forces will let local governments to continue the work by themselves so that the ROC Armed Forces won't cross the line within the administration system. That is to say, after accomplishing their missions during the emergency period, the ROC Armed Forces will terminate their support to local governments in disaster relief to avoid distractions to their combat training from a long-term support for "ordinary" and "non-urgent" affairs such as cleaning and repairing the damaged areas.

k. The ROC Armed Forces will accumulate their experiences in disaster relief, establish a coaching team of this sort, and participate in related seminars at home and



The ROC Armed Forces executed a free medical treatment in the affected areas.

supervision group, in order to make use of vehicles, machines/tools, and logistic support power for disaster relief and rescue. The supervision group is also responsible for supervising the discipline of armed forces' rescue mission, and for assisting all combat areas in order to accomplish disaster relief and rescue mission of local govern-

ments. It will also establish a data bank of disaster relief, which will be included into all levels of combat information system for regular updates. A set of standard operation procedure of disaster relief and other related regulations will also be established to meet the actual needs.

l. In its daily trainings, the ROC Armed Forces will enhance their

professionalism on disaster relief, focusing on the operation of specific machines and tools, diving and salvage, compacted training of aircraft rescuing, helicopter hoisting training, setting up relay stations, and repairing local telecommunications. The ROC Armed Forces will also refine their safety education and protection methods so as to gradually complete their capability in disaster relief to protect the safety of people's life and property.

(5) From July 1, 2002 to November 2004, the ROC Armed Forces have supported local governments for 10 cases of disaster relief. These 10 cases include "TransAsia Airways TNA- 791 Cargo Aircraft Crash Disaster Relief," "Mt. Ali Railway Accident Rescue," "SARS Epidemic Prevention and Sterilization in 23 Cities and Counties," "Typhoon Dujan disaster relief in Pingtung area," "Rescuing missing students who went mountain climbing in Panshih Mountain," "July 2 Flood Relief," "Typhoon Aere disaster relief, transporting water in Taoyuan area and disaster recovery in Sanchong City," "September 10 flood relief and Typhoon Haima relief," "Dengue Fever Epidemic Prevention and Sterilization in Southern Taiwan," and "Typhoon Nock-ten Relief." If the work of supporting mountain and water accident rescuing and relief, plus ordinary relief work such as casualty transporting, the number of the cases totaled 146. Among them, manpower deploying reached the number

of 162,582; vehicles, 7,249; warships, 120; aircrafts sorties, 2,139; heavy machines and tools, 1,629; light machines and tools such as water pumps and generators, 7,175; rescuing casualty (refugee), 5,501; temporary settlement of refugee, 3,645; voluntary medical services, 121 people; air rescuing, transporting 569 people; transported 7 bodies; cleaned 710 kilometers of streets; cleaned up 310,000 m² of lands; cleaned 6,988 households and more than 10,000 trees; cleaned up 68,485 tons of dirt; pumped water out of 376 buildings; put 16,047 bags of sandbags; cleaned up 7,564 cars of garbage; sterilized 2,390,000 m² of lands and 4,471 buildings; replaced 1,030 meters of concrete wave-breaker; transported 1,383 cars of water and 180,000 kilograms of supplies.



The ROC Armed Forces helped to clean up and recover the affected areas.

Table 8-5 Statistics of Rescue Efforts Conducted by the ROC Armed Forces

Category	Period	Resources Provided			
		Personnel (pick-ups)	Vehicle (loads)	Airplane (sorties)	Boats (loads)
TransAsia Airline Crash	24 days	19,559	460	26	120
Mt. Ali Train Accident	2 days	41	2	3	
SARS Epidemic Prevention and Sterilization	82 days	32,809	1,077		
Dujuan Typhoon	7 days	2,928	89		
Search and Rescue of Missing Mountaineers in Panshih Mountain	14 days	11	2	6	
July 2 Flood	19 days	86,209	2,796	1,020	
Typhoon Aere, Transporting Water in Taoyuan Area, and Disaster Recovery in Sanchong City	17 days	15,237	2,574	1,084	
September 10 Flood Relief and Typhoon Haima Relief	7 days	3,173	155		
Dengue Fever Prevention and Sterilization in Southern Taiwan	8 days	900	39		
Typhoon Nock-ten	4 days	1,715	55		
Total	184 days	162,582	7,249	2,139	120

Current as of November 1, 2004

The "MND Disaster Relief Center" has accomplished every job given by the "National Disaster Relief Center." The resources provided by the ROC Armed Forces to local governments in major disasters are illustrated in Table 8-5.

II. Epidemic Prevention

The Armed Forces' epidemic prevention priorities are the insurance of servicemen's health and the sanitation of barracks. They also help local governments to prevent outbreaks of epidemic diseases by maintaining sanitation in local areas.

1. Policy

When natural disasters, such as typhoons, floods, and earthquakes occur, the ROC Armed Forces always try to prevent outbreaks of epidemic diseases in disaster areas. The Armed Forces evaluate the seriousness of disasters and send inspection groups to help disaster areas maintain sanitation. They also provide drinking water to both people and emergency personnel in disaster areas, advice for improving sanitation, disinfectant spray, transportation of sanitary equipment and material to assist epidemic prevention in disaster areas and to prevent outbreaks of epidemic diseases.

2. Implementation Status

(1) Setting up the "New Infectious Diseases Monitor System" in the ROC Armed Forces hospitals in Kaohsiung, Zuoying, Taichung, Taoyuan, Songshan, and Hualien to support local epidemic monitor.



The ROC Armed Forces endeavored to help epidemic prevention.

(2) Coordinating with the Center for Disease Control (CDC) and conduct "Research on the Bacterial Rate in the Nose and Throat of Servicemen with Meningococcal Meningitis." Examinations are carried out randomly on new conscripts in the northern, central, southern, and eastern Basic Military Training Centers.

(3) Compiling information of HIV positive cases. The MND keeps track of volunteer officers and soldiers, giving them mental consultation and medical treatments. For those who are exempted from induction and who are suspended from active service, the MND has not only compiled and sent their information to the CDC, but also informed health agencies in the patients' areas of residence.

(4) The CDC and the MND's Medical Affairs Bureau check reported TB cases, send results to the medical centers of infected patients' service units, and keep track of the cases every month.

(5) The CDC and the MND's Medical Affairs Bureau check reported TB cases, send results to the medical centers of infected patients' service units, and keep track of the cases every month.

(6) Armed Forces Hospitals under the MND and the Institute of Preventive Medicine in the National Defense Medical College (NDMC) of National Defense University are military backups when epidemic diseases occur in troops. All the Armed Forces Hospitals provide medical treatment to patients, when suspicious symptoms are detected, and immediately inform health organizations, and the MND's Medical Affairs Bureau. The Institute of Preventive Medicine in the NDMC has P3 and P4 laboratories, which are most suitable for the monitor, investigation, inspection, management, and study of epidemic diseases.

(6) Prevention and Control of SARS

a. During the first half of 2003, after the establishment of the "Executive Yuan-Epidemic Prevention and Difficulty Releasing Committee," the MND was in charge of affairs of national defense resources. It provided equipment and materials necessary for quarantine or medical treatment, disease prevention and manpower support, epidemic monitor in troops, and other support related to national defense resources.

b. The MND enacted the "Guidelines for SARS Prevention in the Military," which

stated response levels and regulations of relevant procedures for all units to follow in order to prevent the spread of disease among troops.

c. Five Armed Forces Hospitals were appointed as SARS referral hospitals, which accepted and treated SARS patients. They are the Songshan Armed Forces Hospital in northern Taiwan; Jhongcing Branch, Taichung Armed Forces General Hospital in central Taiwan; the Tainan Armed Forces Hospital and Pingtung Branch of the Kaohsiung Armed Forces General Hospital in southern Taiwan; and Taitung Branch, Hualien Armed Forces General Hospital in eastern Taiwan.

d. Five barracks were provided to local governments for quarantine use and 1,334 personnel were sent there. They were Hongwu Barracks, Dapingding Barracks, Shaokang Barracks, Weiguang Barracks, and Wangliaonan Barracks.

e. Three barracks were provided for accommodating vagrants, and 268 vagrants were accommodated. They were Wugang Barracks in Taipei City, Houkengtai Barracks in Taipei County, and Jhongli Chiding Barracks in Taoyuan County.

f. Providing disinfections assistance. The MND sent 32,809 chemical soldiers, engineering soldiers, Military Police, and Health Service Troops, 1,077 vehicles, and 6,339 various kinds of disinfections equipment to hospitals, examination sites and 23 counties and cities to assist disinfections work.

g. Producing masks and surgical gowns. The MND produced 4,512,958 masks, and 303,780 surgical gowns.

h. Research on diagnostic and treatment methods.

(a) The Institute of Preventive Medicine developed the RT-PCR diagnostic method, which could quickly and accurately diagnose whether a suspected case was infected.

(b) Blood plasma from recovering SARS patients was used to conduct in vitro anti-virus experiments, and studied the possibility of developing and producing blood plasma.

(c) The Chung-Shan Institute of Science and Technology invented a "Thermal Imaging Sensor," which could detect people's body temperature within a short time. During the period of the SARS outbreak, several Thermal Imaging Sensors were put in the Legislative Yuan, the Taipei Songshan Airport, and the CKS International Airport, which greatly improved the accuracy and efficiency of temperature taking.

i. Controlling of the epidemic in the Armed Forces. During the outbreak of the epidemic, there were 10 probable cases in the Armed Forces, of which 5 were eliminated and 5 were on the control list later, and 102 suspected cases, of which 58 were eliminated, 44 were on the control list later, and 498 were in home quarantine. The total number of personnel on the control list was 547 people. Fourteen medical personnel of the Armed Forces hospi-

tals were hospitalized due to taking care of SARS patients. No deaths and no in-hospital or in-barracks transmission occurred in the Armed Forces.

(7) SARS Response Measures During the Flu Season

a. Giving vaccinations.

Medical personnel of Armed Forces hospitals were given vaccinations. Moreover, in September and October 2003, more than 13,600 doses of vaccines were given to

medical, cooking personnel as well as aircrew. In 2004, the MND bought 6,000 doses of vaccines and gave them to servicemen who worked in closed operational environments.

b. Mapping out the epidemic response procedure. In September 2003, the MND enacted the "SARS Response Procedures," which defined three response levels, "Alert, Monitor and Responsive," and their response measures. The MND also promoted policies formulated by the Department of Health, namely, the "Individual Health Management and Quarantine Policy," "How to Deal with People Who Develop a Fever," and "No Signs of a Fever, No Worry of Transmission and No Need of Quarantine." Meanwhile, the MND requested that Armed Forces hospitals formulate standard procedures for in-hospital epidemic control as well as improving the personnel training.

c. Strengthening the control and management of medical resources. The Medical Affairs Bureau has stored adequate amount of N95 protective masks, surgical gowns and other materials for epidemic control to be provided to Armed Forces Hospitals. All materials are controlled and monitored by computer network.

(8) Response Measures to Avian Influenza (Bird Flu).

a. The MND has requested that all servicemen take their temperatures before entering barracks and has continued to monitor servicemen who have fever in all units.

b. Strictly controlling the use and distribution of medicines and materials such as surgical gowns and masks used in epidemic prevention and control.

c. Improving the knowledge about avian flu among servicemen and their families.



To cope with the SARS epidemic, the ROC Armed Forces developed the Thermal Imaging Sensor System.

III. Maintaining Public Order

1. Policy Planning

According to the regulations of "Law of Criminal Procedure," "Act of Judiciary Police



The ROC Armed Forces are actively supporting the justice organizations to maintain public order.

2. The Implementation

From July 2002 to November 2004, the Military Police helped investigate 616 criminal cases, arrested 845 criminals, captured 1,656 deserters from the Armed Forces, detained 137 gangsters, solved 250 cases of stowaways from Mainland China, and seized 594 stowaways. The Military Police also found 79 guns and 2,038 rounds of ammunition, uncovered 279 drug smuggling cases and arrested 374 smugglers. The total confiscated drugs are 1,794g of heroin, 2,892g of amphetamine, 44g of marijuana, 5,298g of ecstasy, and 2,171g of Ketamine. This is a great result in maintaining the order and the security of the society.

IV. Environmental Protection

Environmental protection is regarded as one of the ROC Armed Forces' obligations, so the ROC Armed Forces not only comply with but also implement national environmental policies, such as "Improving Pollution Prevention," "Protecting the Environment and Ecosystems," and "Sustainable Development of the Environment." Environmental policies are carried out according to regulations promulgated by the competent central authority.

1. Implementation Status

Dispatch" and the mutual supporting agreement between the police and the military police, the MND, bearing in mind the principles of "preventing disasters before they occur, solving the problem in a low-key manner, suppressing the disorder when it is yet spread, and stopping the chaos in revitalization," provides supports to law enforcement agencies to maintain the order and the security of the society, but focuses on the work that is related to military affairs. The MND also works together with the police system, establishing the full charged capability of "crisis warning" and deepening the firm foundation of "countering terrorism and responding contingency" so as to maintain the stability of the society and the security of the nation.

(1) Disposal Treatment

a. To properly dispose of waste materials, the Armed Forces' waste disposal is outsourced to local environmental protection agencies or eligible disposal companies approved by the Environmental Protection Administration (EPA). All waste is divided, listed, outsourced, tracked, and reported actively, so that pollution generated from disposal treatment will be minimized.

b. In March and October 2003, the Armed Forces helped southern cities with their dengue fever prevention works. The Armed Forces sent 1,934 servicemen, disposed of 176 metric tons of trash, eliminated the vector of dengue viruses, and helped clean the environment.

c. Responding to the EPA's "Restricted Use Policy on Plastic Shopping Bags and Disposable Plastic Tableware," the Armed Forces promulgated a supervision and examination plan and formed supervision groups who conducted random inspections in all ROC Armed Forces units, and made sure the policy was thoroughly carried out.

d. The Armed Forces also continue to promote the policy, "Recycling in Military Agencies." Domestic waste and waste from manufacturing process were reduced or recycled to improve the effectiveness of the policy.

(2) Water Pollution Control

a. Complying with national environmental policies, the ROC Armed Forces completed the construction of 61 wastewater-processing facilities in its hospitals, factories, ports, and logistic maintenance agencies. The facilities process domestic and industrial wastewater from all military units to protect natural water.

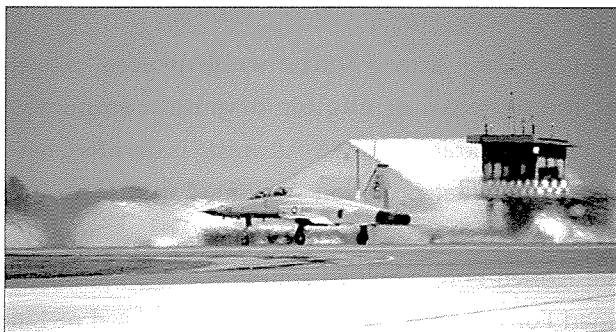
b. On the MND's website, the Armed Forces established a web-page recording the ROC Armed Forces' efforts in helping clean up an oil spill from a Greek-registered tanker, the Amorgos. The web page showed the ROC Armed Forces' concern about and contribution to the marine environment.

c. The ROC Armed Forces cooperated with the Environmental Protection Bureau of Taipei County on a project to build a purifying system that purifies domestic wastewater in a natural way. With the system in barracks, the Armed Forces hoped wastewater treatment in barracks would meet environmental standards.

(3) Airport Noise Control

a. To mitigate aircraft noise, all services have issued regulations about flight training. Except for urgent combat exercises, flight training and engine runs are restricted to specific schedules, and flight routes are away from cities and residential areas.

b. In accordance with the "Regulations for Special Municipalities and County or City Governments to Obtain Central Government Subsidies," the MND has included subsidies in its budget for facilities that control aircraft noise for the Civil Aeronautics



The ROC Armed Forces try their best to prevent airbases noise.

Administration or local governments which have military airbases within their boundaries.

c. The MND has formulated the "Regulations of MND's Subsidies to County or City Governments for Improving Aircraft Noise Control." The draft has been submitted to the Executive Yuan for review and will be a reference for local gov-

ernments' application for subsidies to improve facilities for aircraft noise control.

(4) Training Servicemen to be Environmental Protection Specialists and to Promote Environmental Protection Concepts

a. From July 2002 to November 2004, the MND helped 97 officers and NCOs to obtain environmental protection certificates. The MND also asked the Environmental Protection Training Institute to hold environmental protection training programs. It held two sessions, and 306 servicemen finished the program. The program not only effectively enhanced proficiency of servicemen in charge of environmental protection, but also improved the Armed Forces' environmental protection performance.

b. In 2003, the MND held several environmental protection seminars, such as "Instructional Tours in Waste Dry Battery and Waste Light Bulb Recycling," "Realizing Environmental Protection in Offices," and "Biodiversity." The MND requested that the EPA and the Council of Agriculture to send instructors to give instructional tours to military units in northern, central, southern, and eastern Taiwan, and offshore islands. Eleven tour instructions were held.

c. On education days, important national environmental policies such as "Restricted Use Policy on Plastic Shopping Bags and Disposable Plastic Tableware" and "Waste Recycling and Reuse" were broadcast through TV programs.

2. Vision

(1) The MND will keep coordinating with the EPA to promote every national environmental policy so that the nation's resources can be enjoyed sustainably.

(2) The MND will keep following and implementing every environmental policy. Meanwhile, the MND has established "Improving Pollution Control" and "Preserving the Natural Environment" as its environmental protection goals in hopes of fulfilling its military buildup and environmental protection responsibilities at the same time.

Chapter 26

■ Communication between the Military and the Public

To promote national defense policy transparency and let the public better understand national defense policy, the MND has not only improved its contact with government sectors and representative bodies, but also held news conferences to illustrate national defense policies. The MND also organized social activities to help people better understand and support the nation's military buildup, so that an all-out defense consensus can be established.

I. Coordination with the Government

According to the "National Defense Act," the MND is in charge of overall national defense affairs and formulates military strategies. To ensure that national defense policies are implemented smoothly, the MND interacts with the President's Office, the Executive Yuan, and the Legislative Yuan through means such as meetings and briefs, supervision, investigations, and reports.

1. Coordination Measures with the President's Office and the Executive Yuan

(1) Reporting on important military issues: The MND provides military reports to the President on issues such as far-reaching and long-term national defense policies, armament procurement programs, readiness and training, and important regulations so that the military and government administrations are compatible with each other.

(2) Coordination with the Executive Yuan: The MND attends cabinet meetings, complies with the national administration, and proposes relevant national defense bills. The MND also attends meetings of policy review and special reports held by the Council for Economic Planning and Development, the Mainland Affairs Council, Post-921 Earthquake Reconstruction Council, and the Council of Disaster Prevention.

(3) Dealing with appeals: The MND deals with people's appeals (including e-mail appeals) to the President, the Premier, and the Minister of Defense. From July 2002 to November 2004, the MND received 14,379 appeals, of which, 10,960 were rights protection cases, accounted for 76.22%; 311 were legal consulting cases, accounted for 2.16%; 543 cases were suggestions for improvement, accounted for 3.78%; 488 cases were reports on violations or mistakes, accounted for 3.40%; 2,077 other cases, accounted for 14.44%. All cases were dealt with within a limited time, and received official replies. In 2003, the MND conducted a satisfaction survey on appeal management. A total of 16,948 valid responses were

collected, of which, 13,697 interviewees expressed satisfaction, and only 128 expressed dissatisfaction. The survey showed that the public appreciated the MND and its units' appeal management.

(4) Policy implementation recognition: In fiscal year 2003, the MND's administration performance and effectiveness was rated A+ by the Executive Yuan. The MND, Air Force GHQ, the Combined Logistics HQ, and the Military Police HQ received "Golden Archives Award" for outstanding archives management in 2002. Moreover, the Tri-Service General Hospital received the "Most English-Friendly Environment Award," and the Rear Echelon Administration Service of the Combined Logistics HQ received the "Citizen-Friendly Service Award" in 2003.

(5) Providing more citizen-friendly services and conducting a satisfaction survey of appeal management: Complying with the Executive Yuan's "E-Government" policy, the MND created links for an "Opinion Box," "ROC Military Units," "Military Service Guide," "Personnel Service," "Citizen-Friendly Services," and "National Defense Laws and Regulations." The total web pages reached more than 12,000 pages, and 5,720,000 people have visited the website. In addition, since the Executive Yuan released the "bilingual" policy, the MND has started to plan and set up the Ministry's English website to cope with the policy. The bilingual version was official in use in June 2004 so as to assist friends abroad to browse the MND's website. All the military units, including those on the islets, have been using the website. The number of the total visit as of November 2004 totaled 6 million.

(6) Archives accessibility: According to Article 17 of the "Archives Act," "Applications for viewing, copying, or duplicating archives shall declare the reasons in writing. The government agency shall not refuse the applications for reasons other than those based on the law." To comply with the act, the MND accepts applications from the Armed Forces, academia, and the public access to its archives. From January 2002 when the "Archives Act" was enacted to November 2004, a total of 741 people applied for access to archives, and a total of 2,945 archives were used.

(7) Document exchange improvement: Currently, 95% of document exchanges within the MND and its units were through electronic files.

2. Coordination with the Legislative Bodies

To have a better contact system, the MND established the Office of Legislative Affairs in the MND and working groups for legislative affairs in all services, which are responsible for contact and coordination with the Legislative Yuan.

(1) Coordination with the Legislative Yuan:

The MND coordinates with the Legislative Yuan through means such as giving presentations on administration results and special reports, replying to interpellations, organ-

izing observation and inspection tours for legislators, holding public hearings (including seminars, discussions, and policy explanations.) Legislators can understand the current military buildup and battle readiness through these activities and give the ROC Armed Forces advice to help them improve the effectiveness and efficiency of the national defense administration.

From July 2002 to November 2004, the MND completed the following activities to improve coordination between the military and the Legislative Yuan:

- Made 6 reports on national defense affairs to the Committee of National Defense of the Legislative Yuan.

- Gave 38 special reports.

- Completed the third reading of 4 Acts including the "Organization Act of the Armaments Bureau of the Ministry of National Defense," amended 16 Acts including parts of the "Military Justice Law," and the abrogation of 5 Acts including the "Punishment Act for the Violation of Military Secrets."

- Arranged 36 observation tours for the National Defense Committee and the Sci-Tech and Information Committee.

- Participated in 1,396 seminars, public hearings, and policy explanations held by legislators.

- Provided 1,743 relevant documents to legislators for interpellation reference.

- Investigated and dealt with 4,615 people's appeals transferred by legislators.

(2) Coordination with the Control Yuan:

From July 2002 to November 2004, the MND underwent 172 inspections by the Control Yuan. The MND held 29 observation tours for the members of the Control Yuan. The MND has taken all the corrective suggestions seriously and made rectification.

II. Press Releases

It is absolutely normal for the people of a democratic nation to monitor its national defense affairs in a nation of democracy. As a result, the MND goes with the trend, keeps the policy of "transparent national defense" to fulfill "people's right of knowing." As long as military secrets are kept, the MND explains its policy and communicates with the public through its press release channels, so that people can understand national defense policy, develop a national defense consensus, and support the ROC Armed Forces.

1. Press Release Policy

The goal of the current policy follows four guidelines:

- To protect the nation's security and national defense interests;
- To develop an all-out defense consensus and a good relationship with the public;
- To make it compatible to the government and the national defense policies;

- To fulfill the military missions and current tasks.

The MND also maintains good interactions and communications with the media, so that the media will help us promote national defense policies, and the public will have accurate information about national defense affairs and support military buildup and preparedness.

2. Press Managing Mechanism

Military spokesmen are important channels between the military and the media. Spokesmen of units of various echelons are as the follows:

(1) The MND has its own spokesmen who make public announcement on behalf of the Ministry.

(2) Deputy director for cultural affairs, the Political Warfare Department, is the spokesman of GHQs/HQs.

(3) Director of the Political Warfare Department (Executive Director) is the spokesman of the Chung-Shan Institute of Science and Technology, and military academies and hospitals, which are subordinates of the MND.

(4) Director of the Political Warfare Department is authorized by the GHQs/HQs as the spokesman of Army and Army Corps equivalent units.

(5) Chief judges or senior judges are designated as the spokesmen for Military Courts of all levels. Comments relevant to military lawsuits are only made by senior military judges or chief judges who are in charge of the cases. Designated head prosecutor or senior prosecutor is the spokesman of Military Prosecutors' Offices of all levels.

Spokesmen speak on behalf of their units and are in charge of their units' press release management and education. When there is important news to release, spokesmen will hold a press conference or appoint relevant personnel to speak for their units.

3. Press Release Principles

Seeing that national defense policy has far-reaching influences to society in terms of people's rights, obligations, security, and welfare, the MND is active and responsive in helping the public to understand national defense policy. The MND deals with issues that the public is concerned about carefully and comprehensively in a timely manner and with an "active, immediate, and open" attitude. The MND communicates with the public, clarifies misunderstandings, and refutes rumors immediately so that negative effects will not grow and spread and the ROC Armed Forces can maintain a good public image. The military press release principles are as following:

(1) Constant Contacts and Instant Communication

The ROC Armed Forces have established a channel to communicate with the media. Through the channel, the Armed Forces accept interviews, information request, and provide relevant information. In addition, the Armed Forces hold regular and irregular press conferences, news release, and invite the media to all kinds of visits. As long as

confidential information is kept, the Armed Forces are active in providing information and promoting communication so that the public is aware of the achievement of military preparedness and policy implementation so as to enhance the consensus of an "all-out-defense."

(2) Collecting News Commentaries and Carefully Dealing with Them

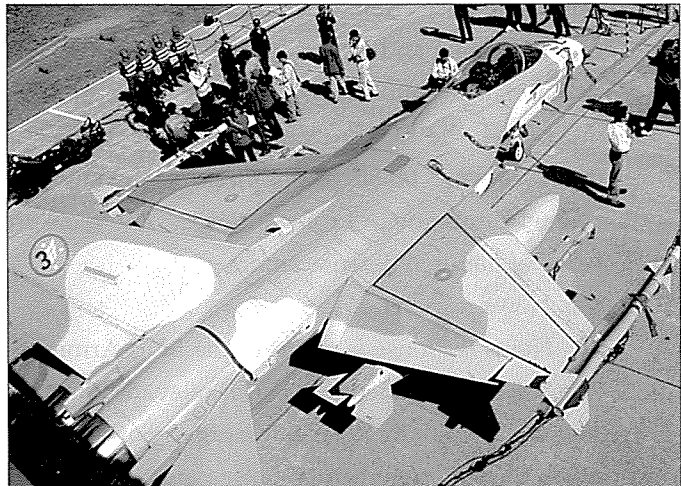
In response to people's expectations to national defense administration and help people better understand national defense policy, all units collect, follow, and understand military relevant news and commentaries from mass media such as the press, electronic media, and the Internet. As long as there is an issue that involves people's rights and obligations or draws the public's attention, the ROC Armed Forces will communicate with the public openly to eliminate doubts. The MND also actively uses its authority to help people resolve their problems so that people's rights are fully guaranteed.

(3) Clarifying False News

Timing is the key factor of news response. If false news is spread, they can severely damage the ROC Armed Forces' images and have negatively influence to the country. As a result, the ROC Armed Forces request that units at all levels take false reports seriously and deal with them open-mindedly. When dealing with false reports, all units should follow the "Regulations on Dealing with False News," find out the truth, and clarify the reports as soon as possible, so that the public knows the truth.

(4) Improving the News Release of Military Exercises

The public always



The ROC Armed Forces improve the release of news on military exercises to help the public understand and support national defense affairs.

pays great attention to the military exercises, so the MND always thoroughly plans and prepares news releases before the exercises. The MND releases news on military exercises through tour visits, news conferences, or press releases to explain the goals, features, and background knowledge of the exercises, and to provide accurate and sufficient information to the media. With professional report from the media, the MND hopes that the press release will be more efficient and effective and people will recognize and support national defense.

4. Implementation Status (as shown in Table 8-6)

(1) News Releasing and Response

a. News releasing

Military news releasing follows the principles of being active, fast, and certain and of not releasing any secrets. News releasing issues including the enemy's situation and national defense affairs such as military personnel, intelligence, operation plans, logistics, communication and information, political warfare, human and other resources, regulations, armament, accounting, military laws, and military medical affairs. From July 2002 to November 2004, the ROC Armed Forces released 372 pieces of news. Reference data and press releases were faxed or emailed to journalists and posted on the MND's website (<http://www.mnd.gov.tw>) for reference. The measures have greatly improved people's knowledge of national defense affairs.

b. News response

News response is a part of the ROC Armed Forces' news management. All units are willing to provide the media with relevant information and are not evasive in answering questions, but taking news releasing opportunities to promote national defense policies and outstanding achievements. False news is dealt with immediately, so the ROC Armed Forces' images are well maintained. From July 2002 to November 2004, the Armed Forces gave 3,528 news responses.

(2) Regular News Briefings

Every Tuesday morning the MND holds briefings, hosted by the military spokesman, to explain significant national defense issues and to update the focus of media attention. Chief authorities of the MND and GHQs/HQs are invited to the briefings and

Table 8-6 Statistics of Press Release Work

Item	Press Release Work	Amount
1	Military News Release	372
2	Response to Press Inquiries	3,528
3	Regular News Conference	101
4	Domestic and Foreign Media Tour Visiting	62

Current as of November 1, 2004

respond to the media's questions so that the public knows the latest defense policies and the achievements of military buildup and preparedness. From July 2002 to November 2004, the MND held 101 news briefings, which were widely acknowledged by the public.

(3) Media Interviews

To have people's confidence in military preparedness and support to military training and operations, the ROC Armed Forces give live event interviews to journalists by schedule or by event. The MND or its GHQs/HQs invites reports to visit its units and report on important military exercises, mobilization of recall drill, the R&D of weapons, exhibition of training results, important celebrations, and commendations to outstanding units and servicemen. From July 2002 to November 2004 the military invited both domestic and foreign journalists to visit its units 62 times. Following are some of the interviews given to the media:

- Tour visit to the annual military model units.
- Tour visit to military academies.
- National defense resource outsourcing presentation.
- Presidential inspections to military units.
- Military epidemic contingency for SARS and the re-opening ceremony of the ROC Armed Forces Songshan Hospital.
- The activation ceremony of the CH-47SD Transport Helicopter Battalion of Army Aviation and Special Operation Command.
- Anti-terrorism drill at the Sixth Naphtha Cracker Plant in Yunlin County.
- The Hanguang No. 19 Joint Military Exercise.
- Joint graduation ceremony of basic training corps for Armed Forces Academies' new cadets and female military instructors.
- Military education training review conference.
- On-line national defense knowledge challenge and prize award event.
- Weapon system demonstration.
- Groundbreaking ceremony of the Pohai Construction Program.
- The upgrade combat readiness level during the Chinese New Year.

Through the media's reports, people have better awareness of the solid training and sub-



The Deputy Minister of the MND, Michael M. Tsai received an interview from the media.

stantial achievements in the ROC Armed Forces.

(4) Communication with the Media

a. The ROC Armed Forces keep close contact and enhance coordination with military journalists through phone calls, visits, interviews, and information providing. With friendly interactions, effective news responses, the media and the military maintain great relations and create a win-win situation for both.

b. The ROC Armed Forces also keep close contact with managers of the media and hosts of political talk shows. Through presentations of defense policies and exchange of opinions, both have developed great friendship and reached a consensus over issues relevant to national defense. When there is an important defense policy to announce, the MND will explain the policy to the media through thorough presentations. In this way, the MND hopes people will receive complete information and support the policy.

3. Vision

(1) To Carry out the Concept of Image Marketing

The MND is improving its news management by adopting more flexible measures in hopes of eliminating the impression of being conservative and passive and showing its achievement in military buildup and policy implementation. The MND hopes that with better understanding of the defense policy, the nation can reach an all-out defense consensus and people will support national defense affairs.

(2) To Have a Better Consistent News Releasing System

The Joint Staff and GHQs/HQs are improving their common news releasing system in order to have more flexible command and smoother coordination so that it can meet the needs of news releasing and enhance risk management. Meanwhile, with the aim of news report consistency in both peace and war time, the ROC Armed Forces put great efforts to ensure the news mechanism meet operational requirements and future development of media warfare.

(3) To Improve the Efficiency of News Mechanism

A successful news mechanism foresees risks and responses in a timely manner. Therefore, the MND requests that all units to have an "around the clock" news management concept. All units should always be ready to deal with military relevant news and clarify false news and reports which hamper the ROC Armed Forces' image and morale.

(4) To Enhance Communication with the Media

The media serves as a bridge between the ROC Armed Forces and the public and a driving force pushing the ROC Armed Forces' progress, so we will keep working closely with the media. To earn the media's support and trust in the ROC Armed Forces so as to create a win-win situation for both, the MND asks all units to be active, friendly and willing to communicate with the media.

III. Activities between the Military and the Public

To promote the morale and solidarity of the ROC Armed Forces and to enhance the relations between the military and the public, troops of all levels hold social activities and provide assistance to the dependants of the military personnel. Through various exchanges and communications, the ROC Armed Forces show their respects to the rule of laws, dedication to training, and efforts on sound troop management. Leaders are requested to know and understand their superiors and subordinates, and deal with various issues sincerely and pragmatically. Efforts are also made to promote dependant assistance in the hopes of reducing concerns. Outstanding servicemen are selected as models. Our goal is to have a stable internal management, so that potential danger can be eliminated. In addition to the above measures, the ROC Armed Forces also hold various exhibitions and activities to show their achievement in military buildup and preparedness. We hope to win people's recognition and support through these activities.

1. Implementation Status

(1) Troop Exhibitions

In order to show achievements in military buildup and preparedness and to earn the public's support, the ROC Armed Forces are active in interacting with the public and helping the public understand military training and national defense missions. The Armed Forces hopes to solidify an all-out national defense consensus through the interactions and exhibitions. Military exhibitions are planned by basic military training camps (BMTC), military education units, and troops on Taiwan proper and offshore islands. All units hold exhibitions according to their respective tasks, special festivals, celebrations, weapons demonstration, and military exercise (such as Hanguang Exercise). Except for the Hanguang Exercise, the Ciaotai Exercise, and weapons demonstration, activities such as barrack tours, exhibitions of training results, and other social activities are organized by barracks. To help the public easily understand military training achievements and have confidence in the Armed Forces, all activities are safe, interesting and easy to understand. From July 2002 to November 2004, troops of all levels held 56 large-scale troop exhibitions, and barracks opening tours (13 were held by the Army, 26 by the Navy, 11 by the Air Force [including air show in Taoyuan County], 4 by the Military Police, and 2 Joint Military Exercises). These activities greatly strengthened relations between the military and the public.

(2) Family Reunions and Social Activities

To improve interactions and relations between the ROC Armed Forces and the public, barracks are opened for special activities on special festivals and celebration days. Troops of all levels invite families of conscripts, heads of local governments and conscription agencies to attend family reunion or social activities. Through these activities, families

of conscripts understand servicemen's lives in the military. During year 2003 and 2004, the ROC Armed Forces held 4,882 activities and more than 450,000 family dependents attended the activities.

(3) Dependent Assistance

To help dependants of conscripts resolve problems, the Armed Forces provides family dependents with services such as "Paying Visits to Dependents," "Contacting Services," "Conscript Counseling," "Dispute Settlement" through agencies such as Friends of the ROC Armed Forces Association and Military Service Centers in local areas. The Armed Forces also helped to establish the "Service Center for the ROC Armed Forces." The Service Centers provide servicemen and their dependents with counseling relevant to their rights and obligations. These services are meant to stabilize servicemen's emotions, solidify the public's support of the Armed Forces, and to increase servicemen's morale. From July 2002 to November 2004, the ROC Armed Forces provided assistance to 120,672 conscript families.

(4) Model Selection

To establish civilian friendly image and encourage civilian friendly actions, the ROC Armed Forces give honors to "Good People and Exemplary Deeds," civilian friendly behaviors, and military supportive efforts so as to promote ethics and morale, and great social ethos. Model promotion not only helps to stabilize society but also boost relations between the ROC Armed Forces and civilians.

a. "Good People and Exemplary Deeds Award": The MND has established the "Guidelines of Nominating Good People and Exemplary Deeds." Every July, field units recommend and select qualified personnel, who are recommended to the national preparatory committee of



The ROC Armed Forces open barracks to show the results of military training.

the "Good People and Exemplary Deeds Award" afterwards. Candidates who win the honor receive the award in December.

b. Civilian Friendly Model Selection: According to the Guidelines of Civilian Friendly Model Selection, the award is given to both Civilian Friendly units and Civilian Friendly individuals. Candidates are recommended by field units from down to top units. After the MND's final review, GHQs/HQs will hold the award ceremony in Armed Forces Day (September 3) together with other celebrations. When selecting candidates, all units follow the guidelines rigorously. Candidates' deeds are reviewed from down to top units, and field units have a privilege of nominating candidates prior to other units.

c. Military Support Model Selection: To pay regards to civilians or organizations, who support military affairs, local import and export associations, civil societies such as the Taiwan Entertainment Union, and local service center for servicemen, nominate candidates of Military Support Model. After the MND's review of the candidates' deeds, the MND holds award ceremony on Armed Forces Day to pay honor the models. In year 2002 and 2003, a total of 57 people received the award.

(5) Military Artifact Exhibitions

In order to help the public better understand the history of the ROC Armed Forces, the MND has reorganized exhibitions in the "Armed Forces Museum" to show the history of the ROC Armed Forces and the patriotism of military heroes. Exhibitions are divided into regular exhibitions and special exhibitions. Regular exhibitions include "From the Founding of the Huang Pu (Whampoa) Academy to the Northward Expedition and an Unified China," the "The War of Resistance against Japan," "The Wars of Rebellion Suppressing and Confrontations with the Communists," "The Modern ROC Military,"



Military artifacts exhibitions show the glorious history of the ROC Armed Forces.

"Arms Exhibition Room," and the "Military Ranks Exhibition Room." Special exhibitions are held according to special celebrations, festivals and important military exercises. From July 2002 to November 2004, the museum held the following special exhibitions, "Exhibition of Emblems," "Campaigns Oil Painting Exhibition," "Special Exhibition on the History of the Air Rescue Group, ROCAF," "Special Exhibition on the

History of Goodwill Cruising Squadron," "Military History: 80 Years Since Huang Pu (Whampoa)," and the "Special Exhibition on the 40th Armed Golden Statues Awards for Literature and Art."

2. Vision

(1) Enhance Model Promotion

Models elected by the ROC Armed Forces should be included into civilian friendly education and leadership seminars. The model's deeds shall be reported by the media so as to strengthen the ROC Armed Forces' civilian friendly images, encourage good interactions, and win people's support.

(2) Expand Dependant Services

To expand results of social events and dependant services, the ROC Armed Forces reinforce their event promotion through advertising channels to gain more popularity and participation from servicemen and their families. The ROC Armed Forces also hold various seminars to help troops and service families have better mutual communication so as to develop solidarity in troops.

Postscript

The National Defense Report is regarded as the most important publication published by the Ministry. Published periodically, and based on the latest developments in defense affairs, such reports always attract great attention from the general public. The compilation of the *2004 National Defense Report* took about one and a half years, from July 2003 to the end of 2004. To present a comprehensive, complete, professional and inclusive report, the Ministry invited more than thirty scholars to provide expert opinions. Members of the MND staff units, the National Defense University and Fu Hsing Kang College were organized into various writing and editorial groups.

The theme of this *Report* is on preventive defense, and builds on this to illustrate the ROC Armed Forces' military readiness and efforts to safeguard our national territory. To compile this *Report*, the Ministry set up a writing/editorial task group, which consulted scholars and specialists for suggestions and reference. Staff units from the MND collected information and drew up a preliminary draft, which went through a cross-examination review process before being finalized. Every subject was given the most detailed explanation, unless prohibited by military confidentiality.

The first draft was finished in June 2004. In July 2004, the second phase of compilation began to make the wording consistent with the national security policies adopted by the National Security Council. The second review was to highlight the Ministry's forward-looking policy concepts, planning and administration. Minister of National Defense Lee Jye convened and chaired a policy directive group, inviting more scholars and experts to provide a wealth of opinions. After streamlined coordination with related governmental agencies and scholars, the *Report* was finalized under the supervision of Deputy Minister of National Defense Michael M. Tsai.

The *Report* came into being through two editorial stages that enriched the content and improved readability with greater values for reference. Close coordination with other government agencies shows an intra-governmental consensus on national security, and an integrated spirit of government administration. Greater

transparency in defense affairs can be demonstrated by more extensive and in-depth accounts of current national defense policies and military strategies than previous reports. Finally, the change to horizontal Chinese typesetting makes the publication more lively, and easier to read.

This *Report* is a collective effort, a brilliant brainchild of all the staff of the MND and consultants. It is hoped that the *Report* is of great academic value for its richness in substance and vivid presentation, and that readers will be able to gain more knowledge about national defense. Also, a transparent report like this aims at developing a consensus on national defense.

In conclusion, the *Report* highlights the unselfish commitment and devotion of the ROC Armed Forces. Future publication of the "National Defense Report" needs the encouragement of all citizens. The *Report* will continue to serve as a roadmap to understand national defense and demonstrate the ROC Armed Forces' commitment to safeguarding the nation.

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