

Next Generation Thinking on Divergences and Trust
in the U.S.-China Nuclear Relationship



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Based in Honolulu, the Pacific Forum CSIS (www.pacforum.org) operates as the autonomous Asia-Pacific arm of the Center for Strategic and International Studies in Washington, DC. The Forum's programs encompass current and emerging political, security, economic, business, and oceans policy issues through analysis and dialogue undertaken with the region's leaders in the academic, government, and corporate arenas. Founded in 1975, it collaborates with a broad network of research institutes from around the Pacific Rim, drawing on Asian perspectives and disseminating project findings and recommendations to opinion leaders, governments, and members of the public throughout the region.

The Young Leaders Program invites young professionals and graduate students to join Pacific Forum policy dialogues and conferences. The program fosters education in the practical aspects of policy-making, generates an exchange of views between young and seasoned professionals, promotes interaction among younger professionals, and enriches dialogues with generational perspectives for all attendees. Fellows must have a strong background in the area covered by the conference they are attending and an endorsement from respected experts in their field. Supplemental programs in conference host cities and mentoring sessions with senior officials and specialists add to the Young Leader experience. The Young Leaders Program is currently supported by the Freeman Foundation, the Luce Foundation, the Strong Foundation, and the Yuchengco Group, with a growing number of universities, institutes, and organizations also helping to sponsor individual participants. For more details, see the Pacific Forum CSIS website, www.pacforum.org, or contact Brad Glosserman, director of the Young Leader Program at bradgpf@hawaii.rr.com.

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Introduction

One of the least understood dimensions of China's rise is its impact on the strategic nuclear relationship with the United States. The nuclear component of Beijing's military modernization effort is coming under increasing scrutiny as China strives to become more prominent in regional and global politics.

U.S. and Chinese strategic cultures and doctrine are considerably different. That should be no surprise given the disparity in the size of their arsenals and respective levels of weapons development. Yet as both governments respond to a transformed threat environment and try to incorporate new capabilities, the credibility and survivability of their deterrents remain fundamental concerns for each country.

For deterrence to work, however, both the possessor of the deterrent and the party to be deterred must understand the communications between them. Signals have to be properly interpreted for messages to be received; history is littered with failures to grasp the real meaning of such communications. There are increasing worries that differences in the U.S. and Chinese strategic cultures are too wide and the chances of miscommunications, misunderstandings, and misperceptions are growing.

Recognition of the growing importance of this strategic relationship compelled the Naval Postgraduate School and the Pacific Forum CSIS to inaugurate a dialogue between U.S. and Chinese strategists to focus on these concerns. This discussion has proceeded through two rounds; the report from this conference is available at <http://www.ccc.nps.navy.mil/si/2007/May/twomeyMay07.asp>.

In addition to senior experts of the two countries, Pacific Forum CSIS also brought its Young Leaders to the table. These discussions tend to be technical, offering the next generation of security specialists considerable (and hard to acquire) insight into the strategic nuclear relationship. At the same time, these up and coming scholars and professionals view the bilateral relationship through a different lens, focusing more on the forest than the trees. Their thinking is evident in the papers that follow.

As in other meetings, the Young Leaders' discussions were cordial and candid. All of them appreciate the need for the U.S. and China to establish a working relationship that focuses on common concerns and ways to cooperate. At the same time, they are painfully aware of the differences that complicate attempts to collaborate. The fundamental issue is trust. Quite simply, neither side believes (or accepts) the fundamental principles that guide the other's thinking. Americans are quick to challenge China's acceptance of a leading U.S. security role in the region and assert that Beijing aims to supplant Washington as the predominant power in the Asia Pacific. Chinese believe the U.S. has not accepted the reality of China's rise and aims to contain Beijing. The zero-sum mentality of the Cold War lingers in both countries, although several Chinese Young Leaders said the next generation of Chinese has a different outlook.

While our Young Leaders are not nuclear specialists, they do recognize fundamental problems in the bilateral nuclear relationship. Americans find it hard to accept that China will honor its no first use policy; it is hard to believe that such weapons will not be used when the threat of a pre-emptive disabling strike seems real. For their part, Chinese see an overwhelming U.S. arsenal coupled with a ballistic missile system that makes such a first strike a possibility, putting the lie to U.S. assurances that it has no offensive intent. Moreover, Washington's readiness to strike a deal with India that would legitimate Delhi's nuclear status (without accepting it as a "nuclear weapons state" according to the Nuclear Nonproliferation Treaty) is seen by Chinese as proof that the U.S. commitment to nonproliferation is flexible and can be overridden by other priorities – namely, the containment of China. Our discussion of strategic perspectives made clear the Chinese concern that U.S. principles were malleable: for example, Chinese question the U.S. commitment to open markets after the bid by a Chinese oil company to buy Unocal was denied.

To their credit, our Young Leaders are not content to accept the status quo. Their essays are replete with suggestions on ways to strengthen the bilateral relationship, to build trust between the two countries, and find ways to escape the security dilemma that threatens to dominate relations between Washington and Beijing. While all participants agreed on the need for greater transparency, there was also the recognition that both sides needed the tools that allowed them to better interpret the information that would be made available. We like to think that the U.S.-China nuclear strategic dialogue and our Young Leaders program are valuable contributions to that effort.

Considerations on Sources of Divergence

By Justin Bishop

Since the end of the Cold War, the world has witnessed significant changes in nuclear strategies among the world powers. The most dramatic nuclear re-posturing has occurred in the United States. The U.S. has changed from a policy of deterrence, to a strategy of dissuading, deterring, and if absolutely necessary, defeating a threat. However, recent developments in strategic thinking between the People's Republic of China (PRC) and the United States (U.S.) have led significant sources of divergence between the two countries. The three most troubling sources of contention: Chinese and U.S. nuclear doctrine (particularly the doctrine described in the U.S.' *Nuclear Posture Review*), the U.S. attempt to build and deploy an Anti-Ballistic Missile defense shield, and the U.S. proliferation of "civilian" nuclear technology, specifically to countries that have not signed the Non-Proliferation Treaty. This paper will attempt to examine these sources of divergence within the context of the Second Annual U.S.-China Strategic Dialogue, and offer recommendations on how to solve these in a mutually beneficial matter.

To understand the underlying, modern, and historical contexts of disagreements between the U.S. and Chinese strategic nuclear weapons posture, one must examine the Nuclear Posture Review (NPR). The U.S. strategic nuclear forces have undergone a change in the way they can, and will be used. The NPR set a new and contentious set of guidelines outlining the use of nuclear weapons by the United States. This classified, but "leaked" document, gives insight into how the U.S. views China on a strategic dimension as a threat. The NPR allows for China and other powers to be targeted by U.S. nuclear forces. The NPR also allows for the targeting of nuclear-armed powers, as well as nonnuclear states that could threaten the United States and its interests; specifically, because of their possible proliferation of fissile material or support of terrorists. The fact that the United States was attempting a research program to develop a missile capable of significant penetration with a low nuclear yield to hit deep targets did nothing to allay these fears. However, this program was canceled due to the refusal of Congress to provide funds.

In addition, to releasing its own doctrine, China needs to do a better job of clarifying its "no-first use" (NFU) policy. The NFU raises questions. Can anyone truly expect China, when faced with a gigantic conventional threat large enough to cause unimaginable damage, will only use nuclear weapons as a response to a nuclear attack? Will China abandon its NFU policy if the threat is big enough? Is the prevailing view of many U.S. military experts that China will use its nuclear weapons to respond to specific threats accurate? Clarification on these and other issues is critical to advancing understanding between the United States and China on the strategic nuclear level. In addition track-2, and track-1 dialogues, as well as effective and open exchange programs between various levels of the political and military establishments of both countries, will lead to a better understanding of both sides' nuclear doctrines.

Certain participants in the conference agreed that deterrence has proved effective. However, other factors need to be included the strategic nuclear formula since the end of the Cold War. State-sponsored terrorism is a credible threat, as are the creation of rogue nuclear states with an urge to proliferate WMD.

China, in particular, has the resources and connections to assist the United States, and the world, in securing nuclear material and preventing proliferation. However, the way in which the U.S. has chosen to organize its nuclear forces stands to cause more problems, rather than solve new ones. Much of the Chinese political and military establishment questions the more aggressive stance by the United States, as by many of the papers at this conference. Perhaps a disarmament treaty between the PRC and U.S., to reduce nuclear weapons and nuclear delivery systems (long-range strategic bombers and SSBNs), will provide a historic success in disarmament, and provide encouragement to other nuclear powers to reduce their arsenals. Additionally, ending other causes of military contention between the U.S. and China will benefit global stability.

Most important, all sides must maintain peaceful relations over Taiwan. Finally, as the United States has “leaked” its NPR; it would prove prudent for China to “leak” its counterpart. Knowledge of both side’s nuclear doctrines creates an environment that allows a positive discussion about sources of contention within the respective doctrines. This also allows for the free flow of ideas within the U.S. and Chinese political, military, and economic establishments. History has shown that open discussion can lead to the development of crisis management systems that reduce the possibility of disaster. This was highlighted during several presentations at the U.S.-China Strategic Dialogue.

The second source of contention is the United States’ desertion of the Anti-Ballistic Missile Defense treaty. This was a serious source of conflict throughout the entire U.S.-China Strategic Dialogue, and needs to be addressed. It is important to recognize the capabilities an ABM shield provides for a home nation. If the shield works as advertised, then the U.S. will not only have the ability to defeat a pre-emptive missile strike from a potential “rogue state,” but a theatre commander may use a nuclear weapon at the tactical, rather than the strategic level. An ABM shield also lays the foundation for an arms race, similar to other arms races during the Cold War.

China fears that the United States will use its position as the world’s superpower, as well as alliances in the region, to “encircle” and “contain” Chinese political, economic, and military ambitions. China also fears that the building and deploying of an ABM system throughout the Asia-Pacific has the potential to unravel regional alliances and cause nuclear instability throughout the region. China also fears that an ABM system will allow the United States to lower the threshold of use for nuclear weapon. This was a significantly contentious argument during the conference.

The U.S. fears that “rogue” states with nuclear capabilities in the region, specifically North Korea, may launch nuclear weapons at the U.S. or its allies. Without an increased military presence in the region, as well as a capable ABM system, the U.S. will not be able to deter or defeat such a regional threat.

The divergence over the ABM shield is a significant one. However difficult, understandings must be reached on both sides. Increasing exchange programs and allowing for more open dialogue between political officials and military officers of both countries will have a positive effect. Reciprocal visits by U.S. and Chinese high-ranking officials to nuclear command

and control sites, as well as to nuclear launch sites, must continue at an increased frequency. Perhaps allowing third-party inspectors from several countries, or the U.N., to inspect nuclear sites, will trust between both countries. But as stated by several participants of the U.S.-China Strategic Dialogue, the ABM system which the U.S. is deploying will not be able to intercept all the Chinese nuclear weapon systems. In fact, the U.S. ABM system will intercept only a limited number of Chinese nuclear weapon systems. If true, then U.S. officials should allow more Chinese access to the ABM system, and keep the Chinese up to speed on the development and employment of the system. While it is understandable that certain specifications and details of the system must remain classified, the United States could do a much better job in sharing the system's capabilities to reduce misperceptions between the U.S. and China. This may allow for the relaxing of some strategic nuclear tensions.

A serious cause of divergence between the United States and China is U.S. agreement to transfer advanced "civilian" nuclear technology to India. Not only is the U.S. ignoring international law and violating several significant NPT prohibitions, it also raises suspicions in the Chinese government and military establishments. Chinese officials are questioning U.S. long-term goals in Asia. Officials in both the U.S. and India see this as a critical first step in turning India into a regional "counterweight" to China. The PRC worries the United States is using its strategic alliances, political, military, and economic clout to "encircle" and "contain" China.

U.S. nuclear proliferation caused a significant amount of contention at the conference. This does not mean mutual agreement between the United States and China cannot be reached on this issue. Even the global superpower should not have the right to ignore international laws and commitments on such an important subject as nuclear proliferation. The United States needs to hold itself accountable to the NPT, and should withdraw the idea of giving nuclear technology to India. There are other ways the United States and India can come to a strategic consensus, without the U.S. violating the NPT. It seems unlikely that the United States will withdraw the proposal however, as the U.S. Congress has just voted in favor of it. Instead the U.S. and China can reach accord in some other fashion. Assuming the technology is for civilian purposes, if China gave up its right to attack Taiwan, the United States could provide the same nuclear technology to the PRC. This requires a drastic change in the policies of the Bush administration, but could usher in an era of goodwill between the United States and China. Not only does this reduce tensions over the future of Taiwan, but will also reduce misperceptions and enhance trust between the U.S. and Chinese on energy policies.

As seen at the Second Annual U.S.-China Strategic Dialogue, there remain many issues between China and the United States which are sure to be sources of dispute. Such divergences must not go unheeded and track 2 dialogues, such as this one allow for open discussion. Such discussions go a long way in providing mutual understanding between the U.S. and China on how each side views the other in a strategic nuclear context. It is only through open, frank, and honest discussion can an honest solution ever truly be achieved.

This relationship has incredible economic and political benefits for both parties. The use and proliferation of nuclear weapons will have tremendous and long-lasting consequences for the world. This makes the sources of contention raised throughout the Second Annual U.S.-China Strategic Dialogue a global interest.

Defining the U.S.-China Relationship: Beyond the Cold War and Status Quo Rise Constructs

By Susan Craig*

The Second Annual U.S.-China Strategic Dialogue, held in Honolulu in November 2006, was entitled “Reducing Misperception and Increasing Mutual Trust in Sino-American Strategic Affairs.” As a Young Leader, my assignment was to write about the most significant area of disagreement I observed during this exchange. The assumption in this assignment was that the disagreement would be between clearly defined and divergent Chinese and U.S. perspectives. Interestingly, I found that the biggest discrepancy did not fall along China-U.S. lines, but was a disagreement among the group as a whole over how to define the China-U.S. relationship. Are we peers of equal stature or is there a gaping power imbalance? Are we adversaries with diverging national interests or partners in pursuing common goals? The answer evident from the dialogue: yes!

But how can we be both equals *and* unequals? Partners *and* adversaries? The complexity of our relationship makes categorizing it nearly impossible. Therefore, strategic dialogues are more difficult as representatives from both countries alternate between constructs of U.S.-China friendship and competition, equality and inequality. The flux in characterization seems determined not by whether you are Chinese or American, but whether the topic of discussion is economic, military, or diplomatic in nature. The U.S. admits the contradictory nature of the relationship by labeling it “hedging.” While this recognizes our policies’ inconsistencies, it does not provide a useful framework for dialogue. Until we can agree on a helpful construct with which to frame the U.S.-China relationship, these dialogues will only reinforce the misperceptions they aim to reduce. The following is an examination of the contradictory constructs to which both the Americans and Chinese ascribe and some recommendations that may assist in formulating a new framework.

Equality vs. Inequality

“As two major powers” is a phrase with which Chinese delegates often began sentences at the dialogue. Their calls for cooperation were often founded on this principle of mutual great power status. But this assertion stood in sharp contrast to the Chinese description of their country as a “status quo rising power,” a phrase meant to assure a more powerful America that its supremacy is not in jeopardy. Chinese delegates were also content to portray their country as inferior when discussing transparency. It is much easier for a vastly superior military power to be transparent, they argued. As the weaker power, all China has is its secrecy. Chinese representatives were also quick to remind their U.S. counterparts of the small size of China’s nuclear arsenal in comparison to that of the U.S. This tendency to downplay their military stature and global aspirations was dissonant with the peer construct to which they appealed in principle.

* The views expressed in this article are those of the author and do not reflect the official policy or position of the Department of Defense or the U.S. Government.

The U.S. delegates also vacillated in their characterization of the relationship. There was a common default comparison of the China-U.S. relationship to that of the Soviet-U.S. relationship during the Cold War. While we know in hindsight that the U.S. was the greater power, the construct assumes a certain parity between the two countries. It conjures up an image of two powerful opposing forces, with competing agendas and world views, vying for international influence in order to tip the zero-sum balance of power in one's favor. At the same time, however, the Cold War references are made by the Americans in a paternalistic, sometimes even condescending, way that contrasts with the peer competitor model inferred by the construct. By harkening back to our Cold War experiences, the message conveyed to the Chinese is this: as the experienced world power, we know the ropes. By following our instructions, about how to write and enforce export controls or anti-piracy regulations or about when and where to engage (or not engage) in international affairs, you too can achieve great nation status.

Friend or Foe

This rather paternalistic approach taken by U.S. thinkers and decision-makers is not intended to be condescending. Rather, it is primarily meant to be perceived as a cooperative, friendly approach and as part of our good-natured effort to help China become a "responsible stakeholder." U.S. policymakers recognize the potential for China to share the burden in addressing the North Korean threat or other transnational problems and business leaders recognize the potential for China's market. The Chinese also recognize the opportunities provided by a partnership with the United States. Cooperation on issues of common concern, such as trade and investment, infectious diseases, proliferation, and terrorism allows China greater freedom to focus its attention inward and manage and maintain its dramatic growth.

Yet, for all the common strategic interests shared between the two countries, we hardly consider each other to be friends. The Chinese military is focused on developing capabilities to defeat the U.S. Likewise, the U.S. military devotes considerable time and resources to considering and defending against "the China threat." (The Chinese are quick to point to the Department of Defense's Annual Report on China as evidence.)

None of these characterizations – friends or foes, equals or unequals – fully captures the complexity of the China-U.S. relationship. But none of them are wrong either. There are two frameworks, however, that are most referenced and least constructive – and the Chinese and Americans are equally guilty in propagating them. The Chinese overuse of their "peaceful rise" or "status quo rise" rhetoric and the U.S. use of the Cold War concept are dangerous mental shortcuts that allow us to apply comfortable but outdated theories of international relations. In this era of globalization, nonstate actors and transnational threats can have as much impact on the balance of power as the rise and fall of nation-states or nuclear parity.

The Chinese are justified in complaining of U.S. reluctance to abandon its "Cold War mentality." It still permeates the minds of many of U.S. decision-makers (as demonstrated during the Strategic Dialogue) and it is no longer a relevant construct. It assumes both enmity and equality. China and the U.S. are not equals; the U.S. is the world's pre-eminent military, diplomatic, and economic power and China is not reluctant to admit this. Their calculus of

comprehensive national power arrives at the same conclusion. Further, the extent of trade, travel, and cooperation far exceeds any interaction between the U.S. and Soviets during the Cold War.

At the same time, U.S. skepticism over China's declared contentment with the status quo is also warranted. While China claims its intentions are peaceful and it is "satisfied" with its role in Asia and the world, it also aspires to be treated and respected as a peer, despite its claim that it has no intent to replace the U.S. If China were truly a peer – for instance, if its calculations of comprehensive national power equaled that of the U.S. – the status quo would be anything but. Yet there seems to be little reflection from the Chinese on how their country's rise, given the size of the country and the speed of its development, inherently affects the balance of power and their place in Asia and the world. The Asia Pacific and the international community does (and will continue to) feel the effects of China's ascendance. If the Chinese fail to appreciate the profound repercussions inherent in their country's growth, their rise may not be peaceful, despite even the most benign intentions.

Beyond the Cold War and Status Quo Rise

If the Americans and Chinese could abandon the overly simplistic constructs of the status quo rise and the Cold War, perhaps our conversations could be more productive. Beyond these characterizations, there is much upon which the two countries agree. By exploring where our interests converge, perhaps we can find a more useful construct for our relationship.

The long-term peace and stability of East Asia is in both countries' interest as is the nonproliferation of nuclear technologies and weapons. Both countries are concerned about affordable, accessible, and abundant energy supplies and the security of sea lanes of communication. Nontraditional transnational issues, such as infectious diseases, drug trafficking, terrorism, and pollution threaten both countries. Deterring a unilateral declaration of independence by Taiwan is also a shared goal.

Evident from the Strategic Dialogue, there is also much the U.S. and China have in common regarding nuclear issues. Whether or not we are equals, both are established nuclear powers. And whether our nuclear doctrine is one of strategic ambiguity or no first use, we both consider nuclear weapons to be a useful deterrent and a weapon of last resort. The security and reliability of both countries' nuclear weapons stockpiles is an increasing concern, especially given the testing limitations to which both countries adhere. And, both countries recognize the importance of establishing lines of communication that are reliable in times of crisis.

We also share concerns about the other's nuclear command and control. Both sides are concerned that there is a blurring of conventional and nuclear responsibilities within nuclear deployments and a devolution of nuclear authority has resulted. Further, both sides question the independence the other country's military commanders have in executing orders from their leadership.

Given these areas of agreement and mutual concern, there is a wealth of opportunities for China-U.S. collaboration. The following recommendations are intended to make the limitations

of the Cold War and “status rising power” constructs self-evident so that a more constructive, mutually beneficial status as partners can be pursued.

Return to joint collaboration on nuclear security issues. China and the U.S. conducted a productive lab-to-lab program for several years in the 1990s, prior to the Cox Report and a moratorium on any nuclear cooperation with foreigners. While concerns over the security of classified nuclear information are justified, the access to Chinese nuclear facilities and scientists that the program provided was valuable, and is only possible with the promise of reciprocity. We have engaged successfully with the Russians without compromising classified nuclear information for over a decade. This experience and an aggressive counter-intelligence posture should protect sensitive information and allow for the reinvigoration of the program.

Explore the possibility of a strategic assurance between China and the U.S. Chinese delegates repeatedly expressed concern about the U.S.’ proclivity toward “first use” of nuclear weapons and a desire to understand how China was categorized in U.S. nuclear doctrine. Is China a nuclear adversary similar to the Soviet Union or is it a rogue third world state upon which nuclear weapons could be used pre-emptively? A principled agreement between the U.S. and China not to use nuclear weapons against one another (with stipulations for each side in the event of extreme threat, etc.) could quell these concerns without seriously degrading the deterrent value of the U.S. nuclear arsenal.

Engage in more mid-level officer exchanges to facilitate openness and confidence of future PLA leader in communicating with American peers. It was admitted by a Chinese delegate that most PLA officers are not allowed to communicate with foreigners. Therefore, establishing a hotline at the operational level, from the leaders of U.S. Strategic Command to the PLA’s Second Artillery, for example, will be difficult and unproductive. The U.S. cannot do much to change this PLA regulation, but Pacific Command’s continued attempts to engage at the mid-grade officer level can facilitate peer communication at less than the highest levels.

Draft a joint statement declaring our mutual interest in preventing a unilateral declaration of independence from Taiwan. This is an eventuality both the U.S. and China want to avert and it is one of very few issues regarding Taiwan on which there is agreement. In order to avoid too much politicking by China (about circumstances where Taiwan takes slightly less overt actions, for instance), the statement would be largely symbolic. Nonetheless, it would serve to diminish the chances that Taiwan take such an action and further, it would reassure China that the U.S. is more concerned about peace in the region than containing or defeating the Communist Party. If the collaboration was successful, we could even go so far as to consider what joint response could be taken if Taiwan did declare independence.

Continue to engage in Track II dialogues and use the venue to explore the issue of defining a mutually acceptable construct for the relationship. While the lack of agreement on a framework for the China-U.S. relationship limits progress in Track II, it is still a valuable forum that permits greater frankness and familiarity with one another over time. The U.S. and Chinese participants agreed vociferously on this point after the utility of the forum was questioned. Devoting a Track II dialogue to the issue of characterizing the relationship would at a minimum reduce the use of the Cold War and status quo rising power constructs.

Engage the younger generation in Sino-U.S. Track II dialogues to get beyond the Cold War and status quo rising power constructs. This generation is not bound by Cold War constructs or 20th century theories about the balance of power. Their world is much smaller than the world of the generation before them as email, cell phones, the internet and 24-hour news have facilitated greater communication, collaboration, and awareness. Perhaps their connected, collaborative lifestyles will provide a more appropriate framework in which to discuss the U.S.-China relationship.

Procuring Trust in U.S.-China Strategic Relations, Resolving Differences over Nuclear Weapons, and Confidence Building

By Leif-Eric Easley

As China's role and influence in the world increases, so does the complexity and importance of its relationship with the United States. Both Beijing and Washington are developing national strategies for dealing with the other as a global player. Today's climate is characterized by hedging as China-U.S. cooperation is increasingly valuable and needed, but deep uncertainties remain between the two countries. Hedging, of course, means different things to different strategic planners. Nowhere are gaps in strategic concepts more worrisome than in the area of nuclear weapons deliverable over long distances. The Cold War might not have avoided nuclear winter had the United States and Soviet Union not had similar understandings of mutual assured destruction.

Shared security interests for stability-inducing strategic force postures mean that both Beijing and Washington in favor of avoiding misperception, building confidence, and increasing cooperation. Perhaps the greatest divergence between Washington and Beijing is the preferred order in which to pursue these aims. The U.S. side tends to focus on reducing specific misperceptions (via institutional commitments and greater transparency) to avoid conflict and increase cooperation. In contrast, China focuses on strategic dialogue and increasing cooperation in the overall China-U.S. relationship to build confidence. This paper addresses the tension between U.S. and Chinese visions and proceeds as follows: the first section briefly reviews current trends in China-U.S. security relations. The second considers the two countries' nuclear postures and the sequencing problem in confidence building. The third section concludes with policy recommendations for moving beyond the sequencing problem and increasing trust in U.S.-China strategic relations.

Between strategic competitors and partners

Three major trends have shaped China-U.S. security relations in the post-Cold War period: China's rise, China's international socialization, and intermittent low-level crises. China's rise is based on impressive economic growth, notable not only for its speed and scale, but also for its correlation with increasing openness. Meanwhile, Beijing has engaged in a massive military modernization program with annual double-digit spending increases. Combine this expanding national comprehensive power with diplomatic inroads including the return of Hong Kong and Macao under "one country, two systems" and the result is growing Chinese confidence and international political clout. China is a rising, but no longer revolutionary power: soaring economic interdependence has given it much to gain from the current international order, and much to lose by challenging it.

This particular rising power path has involved what some call China's international socialization. China has rapidly integrated into the international trading system. It has increased institutional membership and multilateral involvement while adopting international norms and standards. China has developed a more sophisticated diplomacy and is now focused on winning

the game instead of changing the rules. The U.S., hopeful of building what Beijing likes to refer to as a “win-win” relationship, has clearly opted for engagement rather than containment.

U.S.-PRC security relations have been prone to shocks, however. The 1999 U.S. bombing of China’s embassy in Belgrade and the 2001 collision of a Chinese fighter jet with a U.S. reconnaissance plane were flashpoints. Security relations also suffered shocks from changes in leadership and government reports, but then reached what was called “best ever” status after Sept.11, 2001. Security relations were not only affected by military issues such as nonproliferation (export controls on Chinese companies and pressuring North Korea and Iran), mil-mil transparency, and Taiwan, but also by economic issues such as the trade deficit, intellectual property rights, currency manipulation, and energy competition. And of course, issues such as the rule of law, human rights, and the environment provided challenges as well.

The result of post-Cold War trends and China-U.S. interaction are increasingly complex relations with a new imperative to be constructive. Both sides realize the benefits of further cooperation, but with great uncertainty, mistrust remains. The new dynamic in U.S.-China relations is one of strategic restraint, dictated by mutual perceptions of high-cost conflict, based on economic interests that demand of stability. Strategic restraint between China and the U.S. has several implications:

- Emphasize positive developments, downplay differences; focus on potential benefits of cooperation;
- Modest coordination and exchange of favors such as U.S. support for China’s international integration and China’s hosting of the Six-Party Talks on North Korea’s nuclear programs;
- Avoid obstruction: China generally not blocking U.S. global initiatives and UN Security Council resolutions, U.S. generally withholding sanctions and censure of China;
- Less discussion of threats, more summitry and working-level dialogues.

Despite these new patterns in China-U.S. security relations, there are strong signs of hedging via military modernization, contingency planning, and alliance maintenance. Mixed signals abound as governments try to satisfy domestic political forces, and dangers run high of self-fulfilling prophecies (making the other an enemy by behaving as if it were) and unrealistic expectations followed by disappointment. In sum, shared interests and interdependence have not yet led to a U.S.-China strategic partnership. Deep cooperation requires more than mutually assured economic recession.

Nuclear postures and confidence building

A balance of terror, while perhaps developing between the Chinese and U.S. economies, is not being sought by Washington or Beijing in terms of nuclear weapons. Some Chinese strategic planners may wish to capture more than one major U.S. city with second-strike capable nuclear missiles, and some U.S. strategic planners may wish to be able to capture all of China’s strategic forces with a combination of nuclear and conventional first strikes and missile defenses. But a critical mass of strategic planners on both sides likely sees such strategic advantages as not worth the costs or potential consequences of pursuing.

Beijing's interest in maintaining a credible deterrent vis-à-vis superior U.S. nuclear forces only requires that Chinese strategic forces be able to capture one major U.S. city after surviving a first strike and evading missile defenses. This is a much lower bar than what Moscow has long maintained with Washington, but is in all likelihood sufficient to deter nuclear intimidation or strikes against China. Meanwhile, most U.S. strategic planners likely calculate that pursuing nuclear primacy vis-à-vis China would be destabilizing and, given no reasonable expectation for Beijing to disarm, have every interest in China being a responsible nuclear power.

These circumstances suggest that relations between the U.S. and China, as nuclear weapons states, should be quite stable. However, uncertainties remain about the current international security environment, the post-Cold War role of nuclear weapons, and the future of U.S.-China relations. As a result, both Beijing and Washington are concerned about avoiding misperception, building confidence, and increasing cooperation. A major problem appears to be that the two sides cannot agree on a vision for pursuing these aims. The U.S. tends to emphasize institutional commitments and greater transparency to reduce misperceptions and avoid conflict. China seems to prefer strategic dialogue and increasing cooperation in the overall China-U.S. relationship to build confidence. These different approaches stymie progress and lead to finger pointing.

It could be that each side is approaching the problem from a different end due to a combination of historical and cultural peculiarities. It could also be that both sides suffer from sequential or parochial thinking. More likely is that different approaches reflect areas in which a country believes it has more to gain or areas it finds more politically comfortable. But given that neither the United States nor China has any interest or intention of attacking the other with nuclear weapons, confidence building regarding strategic forces should be positive rather than zero-sum. Concrete steps are needed to show that positions are genuine and governments are not using rhetoric for strategic deception. The arrows have to go both ways between the U.S. and China, and both ways between reducing misperceptions and increasing cooperation.

Toward Greater Trust and Cooperation

The simple solution for resolving competing visions for confidence building is to increase consultation. More complicated, however, is credibly making clear U.S. and Chinese intentions and making positive adjustments in a process where cooperation is both a means and an end. Below are policy recommendations in five key areas.

Strategic Dialogue

- Engage in expert-level dialogues, devoted not to gathering the highest ranks and titles possible together in a room, but having the right people at the table (counterparts from STRATCOM and the Second Artillery for example) with the ability to confer with their superiors in real-time for authorization to engage in exchanges with substance.
- Resolve any gap between declaratory policy and operational doctrine, for example: do China's nuclear weapons have operational purposes other than deterrence? Internal Chinese debates suggest possible use in a Taiwan contingency or in response to a nonnuclear strike on critical infrastructure.

- Counter misperceptions about official policy, for example: some Chinese misperceive that the U.S. has a preemptive nuclear strategy. U.S. officials could provide detailed explanations for why non-declaration of a no first use policy, i.e., calculated ambiguity, does not equate to a first use policy.

Greater transparency

- The United States could offer China unrestricted and unconditional access to early warning systems data, including notifications of U.S. missile launches in an arrangement similar to the U.S.-Russian Joint Data Exchange Center (JDEC). If and when U.S. missiles are launched, this would assure China they are not headed toward Beijing.
- China, rather than simply assert its military modernizations are for legitimate security concerns, could provide data to the U.S. about Chinese military improvements and why new capabilities are being developed. Such data sharing, including invitations of U.S. officials to hitherto unseen Chinese military facilities, could greatly reduce suspicion of Chinese military modernization.

Crisis management and communication

- Both sides could formally commit to maintaining direct channels of communication (hotlines) for clear signaling in a crisis and exercising escalation control.
- The two sides could make an agreement ruling out use of nuclear weapons in a Taiwan scenario.

Safety of nuclear weapons

- Upgrade the software of nuclear weapons infrastructure against vulnerabilities to cyber warfare and malfunctions that could result in accidental launch or detonation.
- Increase physical security of nuclear material from attack, theft, or purchase by terrorists.

Nonproliferation

- Strengthen and harmonize export control laws to prevent transfer of nuclear technology to states of concern or terrorist organizations.
- Provide clear, coordinated, and strong disincentives for the development of nuclear weapons by North Korea and Iran.

These recommendations assume that China and the U.S. agree that nuclear weapons are for war prevention, not war fighting. Internal debates are to be expected as strategic planners in Washington and Beijing cope with the changing security environment. Despite current uncertainties, it is most likely China and the U.S. will share interests in decreasing the post-Cold War role of nuclear weapons and consolidating norms against nuclear weapons use and proliferation. This suggests that Washington redouble efforts for multilateral arms control, reduce its nuclear deployments, and resist temptations to develop new types of nuclear weapons. This also means that China should seriously engage in arms control and disarmament mechanisms rather than merely maintain that its arsenal is too small for such discussions.

There is no single formula for building confidence in U.S.-China strategic relations. Reducing misperceptions and increasing cooperation are interactive rather than simple causes or effects; they are dynamic rather than sequential processes. Washington and Beijing can pursue strategic dialogue, greater transparency, crisis management and communication, nuclear safeguard, and nonproliferation simultaneously. Such efforts can complement rather than contradict investments for maintaining safe, reliable, and sufficient deterrent capabilities. Rather than procuring of new U.S. nuclear weapons or Chinese MIRV technology, the national interests of both sides, and international security more generally, would be better served by procuring trust in U.S.-China strategic relations.

Ambiguity and Clarity in the U.S.-China Relationship

By Justin Hastings

At the U.S.-China strategic dialogue in Honolulu in November 2006, there was considerable frustration on both sides when it seemed as if the Americans and Chinese were talking past each other. The Americans would complain that the Chinese were not sufficiently transparent, while the Chinese would object to what they perceived to be unclear American intentions. One Chinese participant noted that the mutual misperceptions came not from genuine obfuscation, but from different Chinese and American conceptions about the meaning of transparency, and its role in strategic and tactical calculations. While China claims its strategic goals are clear, it remains cagey about its capabilities and how its top leaders make decisions. By contrast, the U.S. is quite open about its military capabilities, and the decision-making process in the U.S. is (perhaps too) transparent, but in many areas it has long practiced a studied ambiguity about how it would react, on a strategic level, in hypothetical situations. I will illustrate this confusion about strategic and tactical ambiguity and transparency with discussions of U.S. and Chinese nuclear weapons doctrine.

The Chinese often interpret U.S. strategic ambiguity to mean that the U.S. has a policy that is diametrically opposed to whatever the stated Chinese policy is – they are apparently unable to accept that the lack of a clear U.S. policy means that the U.S. has no plan for a given situation. On the other hand, the U.S. rarely accepts China's declarations at face value. Since the U.S. does not feel comfortable making sweeping principled statements, it has a hard time believing other countries' sincerity. Nevertheless, there are things the U.S. and China can do to decrease mutual misperceptions.

Nuclear weapons doctrine

Misperceptions about the other country's nuclear weapons doctrine were evident during the strategic dialogue. China has long publicly held a "No First Use" doctrine, by which it promises not to be the first country to use nuclear weapons in a conflict. In practice, this means that China's nuclear weapons are purely for deterrent value, and must be able to withstand a first strike. China's "minimal deterrence" dictates that it have as few nuclear ICBMs as possible, not only to contribute to a credible deterrent, and to save money, but also to underline the credibility of its "No First Use" policy. It is essentially throwing away the option to strike first at a strategic level (such a small number of warheads could destroy U.S. cities or take out U.S. military forces in the Asia-Pacific region, but not both at the same time), sustain an attack, and launch a second strike. China also points out that its launch vehicles are kept unfueled and separate from its warheads, another indication of its good intentions, although this is less relevant: unless China were attacked without warning, it would have time to prepare its weapons as a crisis builds. On the other hand, a minimal nuclear force also means that China maintains a high degree of tactical secrecy. Ambiguity about the location of the ICBMs, specific decision-making procedures, and the like helps ensure survivability through a first strike.

In contrast to China, the U.S. has never agreed to a "No First Use" policy. During the strategic dialogue, Chinese participants at one point referred to the U.S. policy as "First Use,"

which is revealing in how the Chinese think about U.S. strategic ambiguity. In general, U.S. leaders are reluctant to rule out any course of action, primarily for two reasons. First, they do not want to limit their options. Announcing that they will never do something before the facts of a given situation are in, and then being forced to do it would open American leaders up to the charge of hypocrisy, which has a sting in domestic political discourse often not found in other countries. Second, U.S. leaders take a policy of calculated ambiguity to be prudential hedging. Unfortunately, for countries such as China that maintain strategic transparency, ambiguity means that the U.S. is concealing a doctrine that is not only definite, but presumed to be hostile to them – hence the Chinese participants’ description of the U.S. “First Use” policy. China’s secrecy about much of its nuclear program (but not its “No First Use” policy) is similarly a hedge, but it is not enough to say that China has strategic transparency, but the U.S. has tactical transparency, and leave it at that.

China faces three problems in maintaining a public “No First Use” policy that is credible to the U.S. First, because the U.S. cares so little about the content of sweeping public pronouncements in general, it puts little stock in China’s declarations (perhaps to its detriment). Second, while China’s own limitations on its nuclear deterrent provide some comfort to the U.S., the nature of nuclear weapons is such that even one is enough to disrupt international politics. But a threat consists of both capability and intentions. Ignoring China’s strategic declarations, the U.S. attempts to divine China’s strategic intentions from the build-up of its conventional capabilities, and focuses on the secrecy of its nuclear program. Third, China’s economic growth (and accompanying military build-up) itself concentrates U.S. policymakers and analysts’ minds on capabilities rather than its intentions. A country with little capacity to fight a war can have whatever intentions it wants (for example, if Paraguay threatened to invade Togo) – its threats are not credible. A country with a greatly increased capacity to wage war can credibly change its intentions quickly.

The U.S. faces different problems in convincing China that its strategic ambiguity is not hostile. First, China discounts the U.S.’ relative openness about its military capabilities and operations. The U.S. is, after all, the world’s leading democracy – this is what is expected of liberal Western democracies. Given that the baseline for expected U.S. behavior is openness, any ambiguity stands out and can be condemned by others as hypocrisy, justified or not. By contrast, it is difficult to call out dictatorships for hypocrisy because baseline expectations are so low (whatever those countries’ rulers might say). This produced the odd assertion that China should be “rewarded” and “recognized” for the steps it has made toward greater tactical transparency in its nuclear weapons program, as if secrecy about its military is something it can’t help, or something over which it has little direct control.¹ This trend is accentuated by an international system that seems to value words and solemn declarations more than actual behavior – witness China’s presence on the UN’s Human Rights Council.

Second, countries that emphasize sweeping statements of principle as the basis for their foreign policy (or military strategy) appear not to think in terms of probabilities, at least publicly. In the conference, U.S. participants argued that the lack of a “No First Use” policy did not mean that the chances that the U.S. would be the first to use nuclear weapons in a conflict were more

¹ This is not to say that recognizing China’s steps toward transparency is a bad idea, merely that it should not be perceived as anything other than what it would have been useful for China to do in the first place.

than close to nil. Nevertheless, the Chinese participants still interpreted the absence of “No First Use” to mean “First Use.” Third, U.S. military and conventional capabilities are so much greater than those of any other country that capabilities have essentially been dropped in determining whether the U.S. poses a threat. The U.S. *could* pose a threat to any country in the world; the question is whether it will choose to. As a result, intentions become all-important, and U.S. ambiguity about this becomes a liability.

Conclusion

So what is to be done? We can continue to host exchange programs and take confidence-building measures, but the underlying problem will remain as long as we fail to realize that Americans and Chinese are not talking about the same thing when they discuss “transparency.” Both the U.S. and China have to move out of the conceptual impasse.

The U.S. should give China what it wants, and announce a new policy of “No First Use,” but only with regard to China (and other states that the U.S. considers “responsible” nuclear weapons states). At the same time, it should keep in mind that the policy will have as much applicability in an actual war as China’s – which is to say not much. It’s true that violating the policy in wartime (such as by threatening nuclear weapon use) could expose the U.S. to charges of hypocrisy, but being the U.S., it will be criticized no matter what it does by dictatorships and democracies trying to appease them. It may as well derive some diplomatic benefit from making largely meaningless gestures.

A “No First Use” policy directed only at China will also have the indirect, but beneficial, effect of increasing the credibility of U.S. threats against rogue states such as Iran or North Korea, since they will have pointedly been left off the “No First Use” list. In turn, China should realize that its “No First Use” policy simply does not hold much currency with the U.S., and accelerate the transparency of details about its nuclear weapons program and doctrine for use (above and beyond “No First Use”). There is not much that it can do about suspicions arising from its increasing economic and military capabilities (aside from curtailing them, which no sane leader in China would do), but it can make clear that it backs up its strategic declarations with concrete steps at the tactical level. Such steps by both China and the U.S. will help ameliorate misperceptions they might have in the future.

Overcoming Divergences

By Sun Namkung

The divergences in Chinese and U.S. views on strategic nuclear policy over “no first use” and military transparency were highlighted in the second annual meeting of the U.S.-China Strategic Dialogue “Reducing Misperception and Increasing Mutual Trust in Sino-American Strategic Affairs” held Nov. 6-7 in Honolulu. The divergences are not in themselves a negative – they merely reflect national interests. But it did mean no consensus could be reached at this meeting on the issues of military transparency and a no first use policy. Then again the importance of the meeting was to have a dialogue on the differences and to clear away misperceptions. Shared China and U.S. programs and activities should be created and pursued to prevent accidental and intentional use of their respective nuclear arsenals.

No first use vs. transparency

At this moment, the U.S. prefers to have military transparency over a declared no first use policy, while China prefers a no first use nuclear policy over military transparency. (See Table 1) Each country’s preferred policy has the same effect: it announces to other nuclear and nonnuclear weapons states that it will not use nuclear weapons as a first-line arsenal.

Table 1: China-U.S. Strategic Nuclear Divergences

	China	U.S.
Military Transparency	N	Y
No First Use Policy	Y	N

It is incorrect to assume that having no “no first use” policy means that the U.S. will use its nuclear arsenal first. U.S. ambiguity over first use does not necessarily mean that nuclear weapons are offensive in nature. Even at the height of the Cold War, nuclear weapons were seen as defensive weapons. Nuclear weapons were seen as a deterrent and the U.S. public accepted these weapons as such. Had the Soviets launched intercontinental warheads at U.S. targets, the U.S. would have responded with its own. Alternatively, having a “no first use” policy does not mean that China will not use nuclear weapons to defend its interests if warranted. It is simply not known what the Chinese would do if its national interests were threatened.

The U.S. seeks a stable, global environment, including a protected homeland. If ambiguity keeps enemy states from attacking U.S. interests then ambiguity has done its job. There are several reasons that “no first use” is not the U.S. nuclear policy. As the North Korea nuclear crisis shows, Kim Jong-il doesn’t fear a nuclear attack from the U.S. He is more worried about conventional U.S. firepower as used in the two Iraq wars. It’s been understood and reinforced by the U.S. that should U.S. interests be attacked with a weapon of mass destruction that could be chemical or biological, the U.S. could use nuclear weapons as a means of retaliation.

The U.S. nuclear strategy is transparent, from the strategic review to the budgeting process. The 2002 revision of the Nuclear Posture Review called for new nuclear weapons that could penetrate buried facilities. Congress has halted development of these new weapons. The

U.S. public did not want new usable nuclear weapons. There are sufficient political and bureaucratic processes that expose and reveal the thinking of lawmakers and the public.

This transparency does not exist in China. The Peoples' Liberation Army (PLA) is secretive about its forces and its force strength. Its opacity creates concern. China may feel that since it is a "rising" state that it needs to keep its numbers ambiguous. This need for secrecy has caused many in the U.S. and in the region to call for a reexamination of its modernization and the increased military budget. Having a no first use policy does not mean much when the rest of China's military establishment is cloaked in secrecy. The Chinese insistence on opacity is one of the reasons that East Asian nations hedge against China and why the Europeans continue their arms embargo. Declaratory policies have less value than a transparent system. In the end, China will need to become more transparent to prevent incorrect guestimates of their forces and armament capabilities by U.S. and their East Asian neighbors.

The U.S. needs to lead by example and continue to be transparent. U.S. Pacific Command Commander Adm. William Fallon was correct in pushing for military-to-military relations. The interaction between high-level and working-level officers is critical in dispelling misperceptions that Chinese forces have about the U.S. and vice versa. The divergences of U.S. and Chinese views on no first use and transparency will matter less as more visits and exercises take place comfort levels and trust is built between the two sides. As China modernizes its military, it will need to be transparent to assuage the concerns of its immediate neighbors like South Korea, Japan, and Vietnam. The increased numbers of China and U.S. bilateral and multilateral exercises show that China sees some utility in these contacts.

Policy recommendations

It is important that the U.S. and China be able to work together. The U.S. Congress should recognize that there are confidence building measures that can draw upon the trust that will be built on the increasing contact between the U.S. and Chinese militaries. Funding should be set aside to make more exercises between the U.S. forces and the PLA possible. It could also address space cooperation. More importantly the U.S. should assist China in building systems that will allow for increased transparency. One thing that prevents greater transparency is not political will, but the lack of a systematic and verifiable process to track munitions and personnel. As the Chinese are well-known to value face, the possibility of restating munitions and personnel counts could be very embarrassing to the leadership at the national and international levels.

Trust building should aim to achieve installation of a hotline between the top political leadership in Beijing and Washington. Beijing's reluctance to install a hotline is a clear example that the U.S. and China relationship has farther to go. The April 2001 *EP3* incident might have been defused quickly if a hotline had existed. Hotlines should be created between all states that have nuclear weapons whether they are recognized or de facto nuclear powers. The need for communications is heightened between nations when it comes to nuclear weapons and misinterpreted intentions. The hotline, even when relations are difficult, is a sign that an open line exist between the two militaries and commander-in-chiefs.

Key Divergences in the U.S.-China Relations [China-United States Nuclear Relations Paper]

By Kha M. Nguyen

In the 1950s, you three times threatened nuclear strikes on China, and you could do that because we couldn't hit back. Now we can. So you are not going to threaten us again because, in the end, you care a lot more about Los Angeles than Taipei.

Lt. Gen. Xiong Guangkai¹

This infamous statement by the Chinese Lt. Gen. Xiong Guangkai on the supposed Chinese willingness to use nuclear weapons to deter the U.S. from a Taiwan conflict belies some of the fundamental issues within the United States-China nuclear relationship. What these issues are themselves remains in argument. This short paper is an attempt to clarify the U.S.-China nuclear relationship through two means. The first is an explanation of key divergences between the two countries in their stance on the use of nuclear arms, and of the underlying reasons. Last, it uses the aforementioned explanation as a basis to recommend solutions for this convoluted and controversial subject.

The first perceived key divergence between the two states is when to use nuclear weapons. China now views the U.S. as having abandoned from a high-stakes nuclear policy into one that lowers the threshold for using nuclear weapons. It interprets the first Nuclear Posture Review as broadening the use of U.S. nuclear arms as a deterrent against the threat of weapons of mass destruction. Since WMD incorporates biological, chemical, nuclear, as well as radiological weapons, China concludes that the nuclear option is now a viable response in previously unthinkable scenarios. The most recent NPR, which calls for the development of a “New Triad” that incorporates both nuclear and conventional weapons as forms of strategic deterrent against the threat of WMD, sparks similar fears. Instead of being a weapon whose value is to prevent its use in the first place, Chinese thinkers now portray U.S. nuclear weapons as simply another choice for the U.S. on the list of possible response or actions. Chinese thinkers also interpret the U.S. talk of preemption against rogue states or terrorists as another sign that the U.S. lacks previous same constraints on nuclear weapon application.

Speculative thinking on Chinese views of nuclear weapons use pervades the U.S. establishment as well. First, many U.S. scholars contend that, like the NPR, China’s “no first use” policy is at best a political statement, and hence leaves room where unrevealed Chinese doctrine or operational concepts on the employment of nuclear weapons can exceed the limits such a policy would seem to impose. You Ji states that the policy of minimal deterrence may be a way to buy time for the PLA until its nuclear weapon force develops to the point of being a credible deterrent to other major powers.² He also contends that PLA thinkers are considering the use of tactical nuclear weapons in the future battlespace.³ The initial proposal to develop

¹ “Doctrine Overview,” par. 19; available at <http://www.fas.org/nuke/guide/china/doctrine/overview.html>; accessed Dec. 5, 2006.

² You Ji, *The Armed Forces of China*, (I.B. Tauris: London, 1999)92.

³ *Ibid.*, 94.

tactical nuclear weapons in the PLA originates in the 1970s when the PLA high command realized that tactical nuclear weapons were necessary to stop an advance over China's northern frontiers by Soviet Union tank armies. The PLA's Strategic Missile Force even has carried out a tactical nuclear weapon exercise to simulate the aforementioned conditions. That in many of the nuclear exercises afterwards special attention was given to a PLA fight on the seas⁴ points to another controversial issue between the U.S. and China: Taiwan. Western analysts looking at the new Chinese emphasis on missiles in future conflicts also have a hard time distinguishing when China will use conventional or nuclear warheads.

The last key divergence between the U.S. and China concerns missile defense. The 2002 NPR defines the role of missile defense systems as a way to dissuade attacks, enhance U.S. positions in a conflict with possible nuclear use, and to defeat an enemy. The following three quotes from the NPR express both the intent of the U.S. in developing such systems, and its appraisal of the benefits of these systems.

“Defenses can make it more arduous and costly for an adversary to compete militarily with or wage war against the United States. The demonstration of a range of technologies and systems for missile defense can have a dissuasive effect on potential adversaries. The problem of countering missile defenses, especially defensive systems with multiple layers, presents a potential adversary with the prospect of a difficult, time-consuming and expensive undertaking.”⁵

[Missile] [D]efense of U.S. territory and power projection forces, including U.S. forces abroad, combined with the certainty of U.S. ability to strike in response, can bring into better balance U.S. stakes and risks in a regional confrontation and thus reinforce the credibility of U. S. guarantees designed to deter attacks on allies and friends.”

“Missile defenses could defeat small-scale missile attacks intended to coerce the United States into abandoning an embattled ally or friend. Defenses that provided protection for strike capabilities of the New Triad and for other power projection forces would improve the ability of the United States and its allies and friends to counterattack an enemy. They may also provide the President with an option to manage a crisis involving one or more missile and WMD-armed opponents.”

Hence, it is clear that the development of anti-missile defense systems serves to not only safeguard but better the interests of the United States and its allies.

This role for anti-missile defense systems creates a contentious issue within the China-U.S. nuclear relationship. China views the development of such system with apprehension in terms of its effects both on the utility of Chinese nuclear forces as a deterrent and the future U.S. employment of nuclear weapons. First, China worries that the U.S. development and use of a missile defense system will negate China's nuclear deterrent. As a result, China will have

⁴ Ibid., 96.

⁵ “Nuclear Posture Review Report,” pars 29-34; available from <http://www.globalsecurity.org/wmd/library/policy/dod/npr.htm>; accessed on 5 December 2006.

involved itself into a costly arms race to maintain a sufficient nuclear deterrent. China also notes that such an arms race could trigger a destabilizing regional if not global arms race. Second, China feels that the development of such systems would lower the stakes for using nuclear weapons by U.S. decision-makers. Since the system would supposedly protect the United States and its allies from retaliatory strikes, China feels that such guarantees would embolden the U.S. and its allies to take riskier actions abroad, including the use of nuclear weapons.

Though there is some discord about nonproliferation, this author does not see it as a key divergence in U.S.-China nuclear relations. Recent events with North Korea prove that China and the U.S. share the same interest and sense of emergency regarding non-proliferation, and the two's involvement in major international institutions to fight proliferation keeps this issue from being a key divergence. The constant theme that runs through my two key divergences is mistrust on both sides about the other intentions. For this author, this is the result of three problems within wider China-U.S. relations.

Despite efforts on both sides, there remain misunderstandings between the two powers. The problem may in part be due to cultural or linguistic differences. Words that express clear meanings in English or Chinese are hard to define in a foreign language. The two states' different political systems also contribute to this misunderstanding. Analysts on both sides lack critical experience to fully grasp the other system's strengths, or more importantly, its failings. A lack of digestible information on both sides compounds the situation. Chinese analysts have a hard time sifting through the deluge of information from the U.S. On the other hand, the lack of transparency in the Chinese political system, especially regarding defense issues, not only frustrates U.S. analysts but also makes them dependent on Chinese writers who may not express the view of the Chinese government.

A more specific problem is that both sides are still unsure about the role of China as it reemerges as a major power in Asia. There continue to be discussions on the ideas of the status quo, and what constitutes revisionist or non-revisionist actions. While it continues to aid China's development, the U.S. has recently embraced more hawkish language in describing China. Hence, while it welcomes China into the WTO and allows Chinese companies into Afghanistan, the phrase "China threat" is not uncommon in Washington. While China highlights its role in international institutions, China's actions in Africa provide the U.S. with evidences to dismiss the idea of China's growth as a responsible. That China currently seems to ostracize Western scholars that do not toe the Chinese government's accepted line of thought leads many in the U.S. to think that China is hiding something. This feeds U.S. uncertainty and mistrust about China.

The last problem is the fractious Taiwan issue. Much talk from both sides on the use of nuclear weapons in wartime scenario points to a Taiwan crisis. As stated, the U.S. dismisses China's NFU pledge in a Taiwan crisis. Likewise, much of the commentary from China reflects fears about U.S. nuclear weapon use in a Taiwan scenario. Words such as "friend" in the NPR and the murky area that Taiwan occupies in U.S. foreign policy seems to spark Chinese apprehensions about the U.S. extending its missile defense umbrella over Taiwan an action that would drastically rebalance military power across the Strait. Similarly, Chinese analysts' belief that the U.S. is not inclined to commit ground troops to a Taiwan crisis in turn increases the

possibility of nuclear weapon use. The lack of understanding about the other's concept of escalation further complicates understanding, the other's military response.

My proposed solutions addresses these three problems. The first set of solutions aims to reduce the misunderstanding between the U.S. and China that feeds the mistrust. Beside cultural and language studies on both sides, I propose joint work on both sides to translate key defense terms and concepts from one language to the other. This would allow us to obtain a common vocabulary that scholars can use without the need to speculate on the meaning of the term.

Even more vital is for China to increase its transparency in defense matters. This is far from a call to China to emulate the U.S. Rather, China should regularize publication of white papers on defense matters, and increase the scope of these papers to more specific issues such as nuclear doctrine. Second, China should not limit the movement of Western scholars in China based on their political views. Not only does this give these scholars more resources to develop a more balanced analysis, but decreases the fear that China is hiding something. In the areas of military relations, both China and the U.S. need to institutionalize discussion on defense matters. Talks behind closed doors should allow for more frank discussions, and comes with the caveat that no agreement is to be reached. The end goal is understanding and not agreement. American visits to Chinese military compounds similarly should allow more time for candid discussion between local commanders and the U.S. delegation. Even U.S. involvement as observers in large Chinese military exercises would help to increase transparency and decrease misunderstanding and mistrust.

There also needs to be discussion on what role China should take in the international system. Despite its flaws, such discussion at the Track 2 or 2.5 level would lead to better understanding of U.S. expectations for China are, and what China views as its current limitations and abilities. By focusing specific areas of U.S. expectations, Chinese limitations, and Chinese abilities, there then should be discussion on how China can grow in a way that the U.S. does not view as threatening, and a way that it allows it to assume the mantle of a responsible major power, and not a superpower. This distinction along with the idea of increasing Chinese involvement in international affairs within a multilateral framework is critical to this proposal.

Finally, this paper has two proposals to manage the most explosive issue in U.S.-China nuclear relations, Taiwan. First, there should be an informal military institution involving Chinese, Taiwanese, and Americans that can provide critical communications flow. This institution should be military (in that its staff will be from the three players' militaries), but informal in that these members serve simply as a conduit for their government's intentions during a Taiwan crisis, and not in any official military function. The highest rank of officers should be at the field level to limit not only its profile, but also enable the respective governments to maintain effective control of the flow of information. This institution will have limits, but this author believes that having Chinese, Taiwanese, and American military officers in the same room during a Taiwan crisis will lessen the speculation on all sides. Second, there should be an agreement between the U.S. and China to ban the use of nuclear weapons against each other in Taiwan scenario. An addendum to this is that the U.S. and Taiwan should come to an official agreement over what is acceptable for U.S. involvement in a Taiwan crisis. This diplomatic effort will serve not only to lessen the probability of nuclear weapons use during a

Taiwan crisis, but also clarifies the relationship between the U.S. and Taiwan, and hence U.S. and China as well.

This paper argues that the key divergence between the U.S. and China in their nuclear policy use of nuclear missiles and the role of missile defense systems. Furthermore, it posits that these are the results of misunderstanding, uncertainty over the role of a reemerging China, and the Taiwan issue. Correspondingly it proposes a set of solutions that improvement Chinese defense transparency, discussions about Chinese behavior that can meet both Chinese abilities and U.S. expectations, and structures to stabilize Taiwan strait relations. These solutions will not be easy to implement, and require both time and a more definite plan of action with defined steps and criteria. Hopefully, they are a start in the right direction.

Understanding China's Intentions and Finding a Solution to a Potential Nuclear Crisis

By Junbeom Pyon

In a two days conference on U.S. China nuclear strategic dialogue, U.S. and Chinese experts exchanged concerns about Chinese military modernization and U.S. involvement in the Taiwan Strait.

From the U.S. perspective, China's sharp increase in military spending far exceeds what is necessary to deter Taiwan's independence movement and suggests that China seeks to challenge the existing world order. Chinese experts dismiss this view and claim that China has no intention of challenging U.S. hegemony in global affairs and that it wishes to remain a status quo power. China's inability to understand and state its national interests, and thus failing to explain its intentions, causes great mistrust in the United States.

From the Chinese perspective, the U.S. involvement in the Taiwan Strait, and strengthening of alliances with traditional allies in the Asia Pacific region, suggest that the U.S. seeks to contain China. Furthermore, the absence of no first use policy in U.S. strategic planning and the Pentagon's citing of China as a threat in its Quadrennial Defense Review implies that China must prepare for hostile decisions by Washington.

The fundamental problem in the bilateral relationship is the lack of trust. Thus this paper seeks to explain why China needs to better understand its objectives and become more transparent while discussing a possible solution to the Chinese concern about the absence of a no first use policy in U.S. strategic thinking.

China, a status quo power?

At our meeting, a Chinese participant claimed that "China wants to remain as a status quo power." But the Chinese notion of "status quo power" is perplexing, if not entirely wrong. While the participant argued that China does not seek to challenge the U.S. role in the Washington-led world, the participant also argued that China will continue its military modernization, expansion, and seek to solve territorial disputes, though peacefully, with its neighbors. The participant elaborated that China has always been a big power, politically and militarily, since 1971 and thus the notion of a China threat stemming from the 'Rising China' concept does not explain Beijing's intentions.

What the Chinese misunderstand is the notion of "status quo." Status quo means the existing condition or state of affairs. Expanding and modernizing China's military to a level that exceeds what is necessary to deter Taiwan's independence movement or what it considers a threat means it is not a status quo power but seeks to change the current state of affairs. Nor can China be a status quo power when it seeks to 'solve' territorial disputes with its neighbors by building military sites in disputed regions or when it conducts anti-satellite missile tests.

The status quo argument also contradicts China's long argued 'peaceful rise' concept. China's rise, although peaceful, suggests that China seeks a change in the current state of affairs in the region. Instead of arguing that China does not seek a change, Hu has advocated a peaceful transition in the state of global affairs.

The contradictions found within the Chinese arguments alert China experts in the United States and force Washington to speculate about Chinese intentions. China's national objectives are unclear to the outside world. Its official reports, such as its military budget, suggest an ambiguity in China's intentions in the region. As a result, other countries, such as the United States, have no option but to speculate that China seeks to become a hegemonic power like other countries have in history. The U.S. must prepare for any unwelcome outcomes.¹ This in return causes a concern in Beijing and forces the PLA to accelerate its military modernization process.

In order to persuade Washington that its military modernization and the increase in military expenditure are not a threat to the U.S. and are only to deter Taiwan from declaring independence, China needs to adopt the following policies.

First, China needs to better explain its intentions and needs to conceptualize what its national interests are and how these objectives shape China's future. Throughout the nuclear strategic dialogue between U.S. and Chinese experts, the Chinese pointed out that not even Beijing understands what it seeks to do in the future with its economic and military might. China is changing everyday. But China can no longer afford to excuse itself stating that it does not know where it wants to go. If China does not know what it wants, the U.S. must also consider the possibility that China may seek to confront the U.S. one day.

Policies are a tool of national interests. Without a clear understanding of the role China wants to play in the region, its policies create uncertainties that may be harmful to both Chinese and U.S. interests.

Second, China needs to explain its military budget. Different accounts of its military budget and sharp increase in spending such as 17 percent in 2007 do not help convince Americans that China does not seek to change the global order. Instead, it suggests that China is manipulating the budget to deceive the world and hide its 'intentions.'

China can better explain its budget by adopting a transparent accounting system to keep track of its military expenditures. This is one area where the U.S. and China can cooperate. Chinese experts have expressed frustration: even in China, there are various military expenditure reports that depend on which department has compiled the data. The U.S. can provide expertise to standardized accounting. It can invite and train Chinese accountants and other officers so that when they return to Beijing, they are able to produce one report instead of five.

Third, Beijing needs to send and encourage its officers to have dialogues with counterparts in the U.S. As proven in track-two conferences, experts from both countries are far more open to express concerns and positions, thus clarifying to what may become a source of

¹ See the article "Rumsfeld Warns on China Military: North Korea seen as worldwide threat," Associated Press, June 4, 2005 and "Defense Paper Assumes China Invasion of Japan," Japan Times, May 2004.

potential conflict. Many Americans complained that China pays little attention to the need for exchanges of thoughts and dialogues among officers of the two countries. When there is a lack of communication, one cannot expect the other side to understand his/her intentions.

Absence of no first use policy: finding a solution

Since the U.S. does not have a no first use policy, it is not surprising that Beijing fears U.S. intentions. For China, integration of Taiwan is a domestic and a sovereignty matter that must be solved by any means. Peaceful integration is desirable. But if Taiwan's political leaders seek independence, or if the U.S. encourages Taiwan to make such a bold move, Beijing will not refrain from a military conflict.

In this context, America's no first use policy is a great concern for China. Because China has no option but to attack Taiwan if it declares independence, and because Washington is ambiguous whether the U.S. will take China's action as a signal to begin a full-scale war, the Chinese feel the need to improve the capability and the durability of its nuclear weapons.

A Chinese participant suggested a solution to the problem: the U.S. and China should sign an agreement stipulating no use of nuclear weapons against each other. For Washington, this is problematic because Washington has never kept nuclear weapons out of its strategic planning. Furthermore, Washington believes that the absence of no first use policy is a good deterrent against Chinese aggression. Thus, it is unrealistic for China to expect or demand that the U.S. adopt a no first use policy against China.

A different solution can be found. The U.S. can adopt a no first use policy limited to a Taiwan Strait crisis in exchange for a Chinese agreement to not use force against Taiwan. If China signs the agreement, there is no reason why the U.S. should use nuclear weapons against China as the U.S. prefers a peaceful resolution to the crisis.

Signing of such agreement is beneficial for the United States because it forces China to agree that it will not use military force against Taiwan. The U.S. can state that if China violates this agreement, the U.S. will consider all options against Chinese aggression, including the use of nuclear weapons. This will discourage China from breaking the agreement.

Such agreement is also beneficial for China because the U.S. would agree to the peaceful integration of the two parties. Certainly, the U.S. cannot expect China to remain silent when political figures in Taipei seek for Taiwan's independence. Thus, such agreement will rule out the possibility of war for China and put more pressure on the United States to better manage the crisis.

If such agreements could be reached, the people of Taiwan, PRC, and the U.S. would be freed from at least one potential risk of an outbreak of a war. With assurances that nuclear and conventional weapons will not be used against each other in the Taiwan Strait, the U.S. and China may better use their diplomatic skills to further reduce mistrust and improve the bilateral relationship.

Overcoming Major Divergences Between the U.S. and China

By Ana Villavicencio

U.S.-China relations are at their best in the post-Cold War era. This is due to increased bilateral trade and economic relations. When it comes to strategic matters, however, lack of transparency and cooperation continue to be obstacles to improving relations between the two countries. Both the U.S. and China understand each other's strategic priorities but choose not to listen to and accommodate each other due to different stakes and interests. To overcome these divergences it is important for the U.S. and China to share more strategic information and move away from seeing each other as rivals.

China and the U.S. view different issues as threats. Although they understand why the other side considers specific matters a risk to national security, each chooses not to take the other's concern into consideration. One example of this is Taiwan, one of the few potential sources of military conflict between the two countries. The Chinese feel that U.S. support for Taiwan is a major obstacle to China's reunification. While the U.S. does consider Taiwan a diplomatic and military matter, it does not take fully into consideration China's view of Taiwan as a threat to Chinese sovereignty. On the other hand, China understands why the U.S. chooses to maintain relations with Taiwan, but chooses not to listen and accept U.S. position in this matter. Both countries have too much at stake to compromise with each other and therefore their relationship does not improve.

Nuclear developments in other countries is another issue that has caused a rift in China-U.S. relations. China sees better U.S.-India relations as a threat. After North Korea's nuclear test, China has also grown increasingly concerned with the possibility that Japan will develop nuclear weapons or increase its military power. A nuclear Japan be a serious threat to China's security.

The U.S. does not view these two countries as China does. On the other hand, the U.S. feels the instability in the Middle East is a more serious threat to U.S. and international security than issues in East Asia. One of the main U.S. concerns is a terrorist group getting hold of nuclear weapons. Even though the U.S. and China are trading nuclear technology, the U.S. fears China could sell nuclear information to other nations. The U.S. also sees Beijing as not helping resolve the North Korean problem and is unsure of how close their relationship is. The U.S. and China have different priorities on the issue of nuclear proliferation. Each side wants to stop the proliferations of nuclear weapons and each side is aware of the other's priorities. But rather than trying to cooperate to stop the development of more weapons of mass destruction in the region, they focus on issues they both disagree on.

Lack of transparency is an excuse that each country uses to justify a future to cooperate. Although both countries have made efforts to share some strategic information, each side believes the other is not doing enough. The U.S. feels China has not been clear on its strategic policy while the U.S. has shared information with China and has reduced its nuclear stockpile. The U.S. feels it has been as transparent as a nation can be – China has not. China, a rising power, feels it cannot disclose some strategic information, especially to the U.S. It needs to protect its

own military from external threats. China believes that this does not mean that China is not transparent – especially since it has made it clear through its no first use policy that China will use its weapons only for defensive purposes. China sees the U.S. as having an aggressive strategy and that the U.S. is not being clear about its strategic plans. This lack of transparency increases mistrust in U.S.-China relations. Both nations understand why the other side cannot fully share its plans, but they choose not to understand the other's position and use this as to explain a lack of cooperation.

Nonetheless, the U.S. and China share strategic responsibilities in East Asia. They seek to stop further proliferation of weapons in the region and to keep peace and stability. Both sides also want to use nuclear energy for peaceful purposes. These two goals should be the basis for collaboration.

Are trade relations between the U.S. and China enough to keep their relationship growing? It does not seem so. Both countries are close trade partners but political differences pose obstacles to a healthy relationship. The only way to achieve a better strategic relationship is to have as much transparency as possible and be as accepting as possible when assessing the other's priorities. Both countries must try to work together first on common goals. As they solve some international issues together their relationship will grow stronger politically and develop into more than a simple trading partnership.

Clearing the Ambiguities: Overcoming Misperceptions in the China-U.S. Strategic Relationship

By Wang Liang

The China-U.S. relationship is one of the most important and one of the most complicated international relationships. The strategic nuclear relationship is a key aspect of this bilateral tie. As two major nuclear powers, any misperception or miscalculation between the two could lead to severe unintended consequences, particularly in the case of military contingency. To reduce misperceptions, both sides have conducted strategic dialogues through track-I and track-II channels. Through my recent participation in a track-II dialogue, I find that the existence of the so-called misperceptions in the China-U.S. strategic relationship is deeply root in the ambiguities in each side's nuclear policies. These ambiguities allow each side to have their interpretation based on their own security concerns, which often create misperceptions. Therefore, to overcome these misguided misperceptions, it is necessary for both sides to eliminate the ambiguities in their nuclear policies. This short essay identifies existing ambiguities in Chinese and U.S. nuclear policies, and offers suggestions to overcome the mutual misperceptions.

The U.S. view of China's nuclear policy: the enigma of the NFU

China's development of nuclear weapons has always been for the purpose of self-defense. Since the first day when it came into possession of nuclear weapons, the Chinese government has solemnly declared that it would not be the first to use such weapons at any time and in any circumstance.

—*White Paper on China's Endeavors for Arms Control, Disarmament and Non-Proliferation. Sept. 1, 2005*¹

China's official nuclear doctrine is straightforward and longstanding²: no-first-use (NFU) and self-defense. It has not changed since 1964 when China detonated its first atomic bomb. Despite Chinese government officials, military leaders, and nuclear strategists' repeated explanations, Washington remains convinced that there is a hidden strategy behind the official policy statements.

First, to U.S. nuclear strategists, the NFU is only a policy statement rather than an operational doctrine. In other words, the NFU cannot tell them when, or under what circumstances, China will use nuclear weapons – the question Washington cares about most. The NFU does not mean “no use.” What is the threshold for China to use its nuclear arsenal? The answer is a literal reiteration of the NFU: China will use nuclear weapons only when it is attacked by another country with nuclear weapons.

¹ Information Office of the State Council of the PRC. 2005. *China's Endeavors for Arms Control, Disarmament and Non-Proliferation*. Accessed online at: <http://www.china.org.cn/english/features/book/140320.htm>.

² Shambaugh, David. 2002. *Modernizing China's Military: Progress, Problems and Prospects*. Berkeley: University of California Press. p. 90.

Nevertheless, considering that China's conventional and defense weaponry system, despite its rapid modernization, still cannot close the gap with Japan and the West,³ its nuclear arsenal plays a key role in its defense strategy. A question frequently raised by Washington is: would China use its nuclear weapons when its conventional weapons were devastated or its nuclear weapons were attacked by conventional weapons?⁴ Conventional wisdom suggests that in either case, it would hardly be sensible for China (or any other nuclear country!) to allow its nuclear weapons to sit and be destroyed.

Chinese military leaders and strategists have generally avoided addressing this question.⁵ Therefore, the Pentagon has to find clues from China's other policy statements, particularly those with regard to Taiwan – an issue related to China's fundamental interest as well as the likely flashpoint of military conflict. More than once, Chinese leaders and the PLA have said that the PLA will “adopt all measures”⁶ to crush Taiwan Independence “at any costs.”⁷ The possibility of using “any measures” including nuclear weapons in the case of military contingency in Taiwan is echoed by many military analysts in China. Professor Shen Dingli has reasoned, “it would be inconceivable that China would not use nuclear weapons as a true means of deterrence if China's conventional forces are devastated in a Taiwan conflict.”⁸

Chinese nuclear strategists attempt to reassure the United States by explaining the rationale of China's adoption of the NFU policy, especially after internal discussion about the NFU within China became known to the outside world.⁹ While reassuring the United States that the NFU will continue to be the leading doctrine of China's nuclear strategy is important, China remains ambiguous on the fundamental question Washington cares about most – will and when China use nuclear weapons in conventional conflicts? From this perspective, the United States has a legitimate concern.

China's ambiguity regarding NFU is also directly related to the second feature of China's nuclear strategy: self-defense, which means “minimum deterrence” – a strategy that maintains only second-strike capabilities and does not pursue war-fighting capabilities.¹⁰ Generally, the U.S. has no problem with China's deterrence doctrine, as the deterrence function is intrinsic in the nature of nuclear weapons.¹¹ However, the means China adopts to achieve effective deterrence is another source of concern for the U.S.

³ Shambaugh. 2002. p. 282.

⁴ Tyson, Ann Scott. “Pentagon Finds China Fortifying its Long-Range Military Arsenal.” *The Washington Post*. May 26, 2006. p. A17. Accessed at: <http://www.washingtonpost.com/wp-dyn/content/article/2006/05/23/AR2006052301552.html>.

⁵ An interesting exception is Maj. Gen Zhu Chenghu's remark in 2005. See Harney, Alexandra, Demetri Sevastopule, and Edward Alden. “Top Chinese General Warns US over Attack.” *Financial Times*, July 14, 2005. Accessed at: <http://www.ft.com/cms/s/28cfe55a-f4a7-11d9-9dd1-00000e2511c8.html>.

⁶ *Jiefengjun Bao* (PLA Daily), March 6, 2000 cited in Shambaugh, 2002, p. 307.

⁷ Information Office of the State Council of the PRC. 2004. *White Paper on China's National Defense in 2004*. Accessed online at: <http://www.china.org.cn/e-white/20041227/II.htm>.

⁸ For instance, Shen Dingli, 2005, “Nuclear Deterrence in the 21st Century,” *China Security*, Autumn, No. 1, pp. 10-14.

⁹ For instance, Pan Zhenqiang, 2005, “China's Insistence on No-First-Use,” *China Security*, Autumn, No. 1, pp. 5-9.

¹⁰ Sun Xiangli, 2005, “China's Nuclear Strategy.” *China Security*, Autumn, No.1, pp. 23-27, pp. 24-25.

¹¹ Waltz, Kenneth N., 1981, “The Spread of Nuclear Weapons: More May Better,” *Adelphi Papers*, No. 171, London: International Institute for Strategic Studies.

China's approach seems to be different from the conventional way to achieve effective deterrence taught in U.S. military textbooks.¹² As Graham Allison reasoned, effective deterrence requires "three Cs": clarity, capability, and credibility. Clarity means clear-cut lines and unacceptable consequences. Credibility is to be understood by other countries based on your capability.¹³ In applying this measurement to China's approach toward effective nuclear deterrence, discrepancies are obvious.

First, the aforementioned enigma of China's NFU is simply because it does not offer red lines to delineate the threshold of using nuclear weapons. Instead of clarity, China's nuclear deterrent is based on ambiguity.

Second, the credibility of China's nuclear deterrent is not built upon capability. Instead, its construction is based on China's "secrecy as deterrence" approach. China has been working hard to build up the credibility of its deterrent by improving its nuclear capability, including the survivability, accuracy, and penetration capabilities.¹⁴ However, due to financial and technological constraints, the modernization pace has been slow and its strategic nuclear arsenal is still limited.¹⁵ To make up for the credibility shortage created by its limited capability, China uses secrecy to support deterrence by keeping its nuclear program covert. There is also a general lack of transparency on nuclear matters. China's Second Artillery Corps and its nuclear strategists seldom interact with their foreign, especially U.S., counterparts.¹⁶ Without accurate information about China's nuclear arsenal, no country, even the United States, dares to declare nuclear primacy over China. Thus, this strategy works to keep China's nuclear deterrent functional, if not credible. However, the cost of such an approach is to invite further suspicion and distrust from the United States and other countries about the intentions and progression of China's nuclear program.

The Chinese view of the U.S. nuclear policy: where does China fit in?

The establishment of this New Triad can both reduce our dependence on nuclear weapons and improve our ability to deter attack in the face of proliferating WMD capabilities in two ways: (1) the addition of defenses means that the U.S. will no longer be as heavily dependent on offensive strike forces to enforce deterrence as it was during the Cold War; (2) the addition of non-nuclear strike forces – including conventional strike and information operations – means that the U.S.

¹² For instance, see Defense Science Board, 1998, *The Defense Science Board Task Force on Nuclear Deterrence*. Washington DC: Office of the Under Secretary of Defense for Acquisition & Technology. Accessed online at: <http://www.acq.osd.mil/dsb/reports/nucdet.pdf>.; Gray, Colin S. 2003. *Maintaining Effective Deterrence*. Strategic Studies Institute of the U.S. Army War College. Accessed online at: <http://www.strategicstudiesinstitute.army.mil/Pubs/display.cfm?pubID=211>.

¹³ Allison, Graham, 2006, "Deterring Kim Jong Il," *The Washington Post*, 2006, p. A23. Accessed online at: <http://www.washingtonpost.com/wp-dyn/content/article/2006/10/26/AR2006102601254.html>.

¹⁴ Yang Huan. 1989. China's Strategic Nuclear Weapons, In *Defense Industry of China, 1949-1989*. Beijing: National Defense Industry Press. Accessed online at: <http://www.fas.org/nuke/guide/china/doctrine/huan.htm>.

¹⁵ Lieber, Keir A. and Daryl G. Press, "The Rise of U.S. Nuclear Primacy," *Foreign Affairs*, Mar/Apr, Vol. 85, issue 2, pp. 42-54. pp. 46-47.

¹⁶ Shambaugh, 2002, p. 93.

will be less dependent than it has been in the past on nuclear forces to provide its offensive deterrent capability.

–Nuclear Posture Review Report, January 9 2002.¹⁷

The 2002 Nuclear Posture Review (NPR) offers the latest nuclear policy statement of the United States. Based on the changed security environment – multiple, uncertain security threats and a new relationship with Russia, the new U.S. nuclear strategy aims to establish the New Triad, which includes nuclear and nonnuclear offensive strike forces, missile defense systems, and a responsive defensive infrastructure. The New Triad is designed to reduce reliance on offensive strike forces and nuclear weapons to enforce deterrence, and gives the U.S. maximum flexibility.

The Chinese view of the U.S. nuclear policy is based on recognition of the pre-eminence of the U.S. in both conventional and nuclear weaponry. Its major concerns rest on two questions: (1) How will the United States use its nuclear weapons? (2) What is China's position in the U.S. nuclear strategy?

China generally agrees that the post-Cold War international environment is more peaceful than ever and the possibility of a full-scale war between China and the United States is very low.¹⁸ However, many people in China believe that the U.S. has a “containment” strategy to block China's rise. The U.S. is afraid that China's rise would threaten its global status and eventually replace its pre-eminence in the Asia Pacific. The United States is also involved in the issue of Taiwan, a question upon which Chinese leaders believe they can never compromise. Solving the Taiwan issue and fulfilling national unification is a fundamental interest of the Chinese nation.¹⁹ The Chinese also generally believe that the U.S. interest is in preventing unification with Taiwan, keeping China divided and thus limiting China's capacity to emerge as a great power. This perception was re-affirmed when Clinton sent aircraft carriers to the Taiwan Strait in the 1996 missile crisis. Therefore, China tends to view America's security policy and maneuvers, particularly those in the Asia-Pacific region, through the prisms of “containment” and Taiwan.²⁰ This mentality also shapes China's view of U.S. nuclear policy.

How will the United States use its own nuclear weapons?

Many Chinese strategists believe that the NPR represents a fundamental change in the U.S. nuclear weapons policy. They believe that by lowering the threshold for nuclear weapon use, as advocated in the NPR, the U.S. no longer sees nuclear weapons as “weapons of last resort” but as ways to deter other nuclear threats. The United States no longer treats nuclear weapons only

¹⁷ Department of Defense, 2002, Foreword to Nuclear Posture Review Report, accessed at: http://www.defenselink.mil/transcripts/2002/t01092002_t0109npr.html.

¹⁸ Xiong Guangkai, 2000, “The International Strategic Situation and China's Security Environment,” *International Strategic Studies*, January 2000, p.3.

¹⁹ Guowuyuan Taiwan Shiwu Bangongshi (Taiwan Affairs Office of the State Council), 2000, *Yige Zhongguo de Yuanze yu Taiwan Wenti Baipishu (White Paper on the One China Principle and the Taiwan Issue)*. Retrieved online at: http://www.gwytb.gov.cn/bps/bps_yzyz.htm.

²⁰ Christensen, Thomas, “China, the U.S.-Japan Alliance, and the Security Dilemma in East Asia,” *International Security*, 23, No. 4 (Spring), 1999 pp.49-80.

as part of its deterrence strategy. Increasingly, the U.S. sees nuclear weapons as an offensive weapon.²¹

Chinese strategists' next concern is whether the United States will use nuclear weapons in a pre-emptive attack. The NPR did not provide an answer. According to some U.S. strategists, the United States maintains strategic ambiguity to have maximum flexibility in the first leg of its New Triad. This vagueness and Washington's continued refusal to adopt a NFU policy convince Beijing that the U.S. has a strategy to use nuclear weapons in pre-emptive strikes. Moreover, the U.S. is the only country that has used nuclear weapons in history, although that use is widely believed to have been just.

The tentative conclusion reached by Chinese strategists is that the United States would use nuclear weapons in a preemptive attack, which prompts them to ask: will China be the target of a preemptive nuclear attack?

What is China's position in the U.S. nuclear strategy?

The U.S. nuclear strategy stated in the NPR is deterring potential adversaries and reducing the dangers of proliferation of WMD. China's position is the U.S. nuclear policy is unclear. American nuclear strategists have repeatedly reassured Chinese officials and strategists that, unlike the Cold War, U.S. nuclear policy does not aim at particular countries. It would be wrong to presume that the U.S. nuclear strategy has China as a target.

Chinese strategists understand the U.S. is not targeting any single country. Although they have long suspected the United States has nuclear targeting and contingency plans that include China, they recognize that no country, including Russia and China, can match the United States when it comes to mutually assured destruction (MAD). However, China worries about its place in U.S. nuclear thinking. American nuclear strategists say that China's place in the U.S. nuclear vision has yet to be determined; Chinese strategists remain suspicious. The leaked sections of the NPR that list "China as a country that could be involved in an immediate or potential contingency" and "a military confrontation over the status of Taiwan as one of the scenarios that could lead Washington to use nuclear weapons"²² hardened that suspicion. The leaked NPR not only reinforced Chinese concerns about U.S. military intervention in the Taiwan Strait, but it also alerted China about the possibility of nuclear escalation with the United States.

The prospect of a possible nuclear escalation with the U.S. makes Chinese strategists worry about another issue that is rarely openly discussed – U.S. nuclear primacy. China finds it disturbing that the United States is most active in nuclear technology development. The purpose of continued nuclear modernization, in the eyes of Beijing, is to keep and improve nuclear-war-fighting capability and develop nuclear primacy.

²¹ Zhu Feng, 2002, Meiguo Keneng Dui Zhongguo Fadong Hedaji? (Will U.S. Launch Nuclear Attack on China?), *Lianhe Zaobao*, March 12. Accessed at:

http://www.zaobao.com/special/china/sino_us/pages3/sino_us120302b.html.

²² Arkin, William A, "Secret Plan Outlines the Unthinkable," *Los Angeles Times*, March 9, 2002. Accessed at: <http://www.commondreams.org/views02/0309-04.htm>.

China is worried that the United States is trying to neutralize China's nuclear deterrent by negating China's second-strike capability with a disarming first strike. Some U.S. analysts have argued that the United States already has nuclear primacy that allows it to destroy Russian or Chinese nuclear systems with disarming nuclear strikes.²³ So far, both U.S. and Chinese officials have been cautious in talking about this matter. For the U.S., admitting its nuclear primacy is risky for the simple reason that it may not possess enough accurate information about China's nuclear program and misinformation or miscalculation can have grave consequences. For the Chinese side, admitting U.S. nuclear primacy renders its own deterrent efforts irrelevant.

Clearing the ambiguity: implications for the future

This analysis reveals considerable mutual misperceptions between China and the U.S. regarding nuclear policy. Are the differences simply reflections of misperceptions, or are they accurate interpretations of each side's declaratory policies?

To me, the fundamental source of these different perceptions is the strategic ambiguity in both sides' nuclear policies. China keeps its nuclear operational concepts and capability unclear to maintain effective deterrence. The U.S. remains vague on whether it has a pre-emptive or an offensive nuclear strategy, and China's position in its nuclear strategic framework. This kind of ambiguity, leaves plenty of room for the other side to interpret through the prism of its own security concerns. Considering the lack of trust between the two on many security issues, particularly with regard to Taiwan, the ambiguity invites divergent interpretations and understandings. The "misperceptions" are not only legitimate and understandable, but some may also be accurate understandings of the other side's declaratory policy. This logic encourages further guessing by each side, which creates a risk of further and deepened misperceptions.

How can China and the U.S. correct these misperceptions? There is no way to overcome misperceptions resulting from misguided interpretations if neither country is not ready to eliminate ambiguity in its nuclear policies.

China needs to send a clear message to the U.S. on whether China will use nuclear weapons in the case of disarming conventional weapon attack.²⁴ Eliminating this ambiguity would give the U.S. a clearing understanding of where China's red line is and help China's nuclear deterrent become more effective and credible. It would help to prevent possible military escalation in the Taiwan Strait or elsewhere.

The transparency of China's nuclear program is another big issue. The lack of transparency has a deep root in the "secrecy as deterrence" approach adopted by China. This approach may work in the short run, but its long-term effectiveness is thwarted by China's integration into the world. Additionally, its effectiveness comes at the expense of trust between China and other countries, which runs against China's interest. Even though "secrecy as deterrence" may be the most effective approach (with probably the lowest expenses) today, its

²³ Lieber & Press, 2006.

²⁴ Maj. Gen Zhu Chenghu's comments are essentially a positive step in this direction. He told the U.S. his personal opinion on where China's red line is. However, his comments were not interpreted appropriately and were not given enough credit.

future effectiveness would be offset by its costs in the long run. Eventually, China has to rely on its capability instead of secrecy to establish the credibility of its deterrent. The transition from secrecy-based to capability-based deterrence may take a long time but should start as soon as possible. With China moving more toward a capability-based deterrent, its nuclear and other military matters would become more transparent. Therefore, the increase of transparency will be gradual and will go hand in hand with the incremental transition of China's deterrence strategy. In this transitional process, continued institutional and dialogue building on nuclear matters between the two sides is important. The positive news is that following then Secretary of Defense Rumsfeld's trip to the Headquarters of the PLA Second Artillery Corps in Beijing last October, the heads of the nuclear operational entities from the two sides will eventually meet. Gen. Jing Zhiyuan, commander of the PLA Second Artillery Corps will for the first time visit the U.S. Strategic Command at Offutt Air Force Base in Nebraska and start talks over nuclear strategy with counterpart Gen. James E. Cartwright.²⁵ This is an important step forward toward sustained dialogue.

Equally important, the U.S. also needs to clear its ambiguities with regard to China's concerns. First, it needs to clarify whether the U.S. plans to keep nuclear weapons as an option in a preemptive attack. If yes, it must specify under what conditions the U.S. will use nuclear weapons in a pre-emptive strike. If no, it has to convince China that nuclear weapons will remain a strategic instead of tactical weapon. In the leaked NPR, one of the three conditions that would prompt nuclear retaliation – “surprising military developments” – deserves further clarification.

The second ambiguity – China's position in its nuclear strategy – requires more efforts from the U.S. Due to the leaked NPR and the continued “China Threat” message transmitted through Pentagon reports,²⁶ a general belief has been formed among Chinese strategists and military officials that the U.S. regards China as a target for a nuclear strike. It is likely that the United States would use nuclear weapons in a military contingency in the Taiwan Strait.²⁷ This is highly risky. It would deepen China's mistrust and may invite competitive or even irrational behavior from China to develop its own nuclear program – a scenario not in line with the U.S. interest. For the United States, listing the Taiwan scenario as one that might include nuclear weapons also undermines its own strategic ambiguity toward the defense of Taiwan.

Therefore, if the U.S. does not intend to target China with nuclear weapons, it should make its stance explicit and reassure China with concrete actions including, but not limited to, signing a mutual NFU agreement. Given that the U.S. enjoys pre-eminence in conventional weapons, signing an NFU agreement with China would not undermine its military leverage, but would bring about tremendous political gains.

Finally, given the unbalanced nuclear capabilities, if the United States does not remove the ambiguities in its nuclear policy first, it would be highly unlikely that China will make its

²⁵ Rodman, Peter W, *Military Dimension of China's Future*, remarks before the Conference on “China and the Future of the World” at the University of Chicago, April 28-29, 2006. Accessed at: http://www.dod.mil/policy/sections/public_statements/speeches/asd/isa/rodman/apr_28_06.html.

²⁶ See Department of Defense, 2006, *Quadrennial Defense Review Report*. Accessed at: <http://www.defenselink.mil/qdr/report/Report20060203.pdf>, p. 30.

²⁷ Tian Jingmei, *The Bush Administration's Nuclear Strategy and Its Implications for China's Security*, Center for International Security and Cooperation, Stanford University 2003, pp. 12-14.

strategies clear. To a large extent, many of China's nuclear calculations are based on its assessment of U.S. strategy. The U.S. should and can be more pro-active in clearing the ambiguities to overcome the misperceptions between the two nations.

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