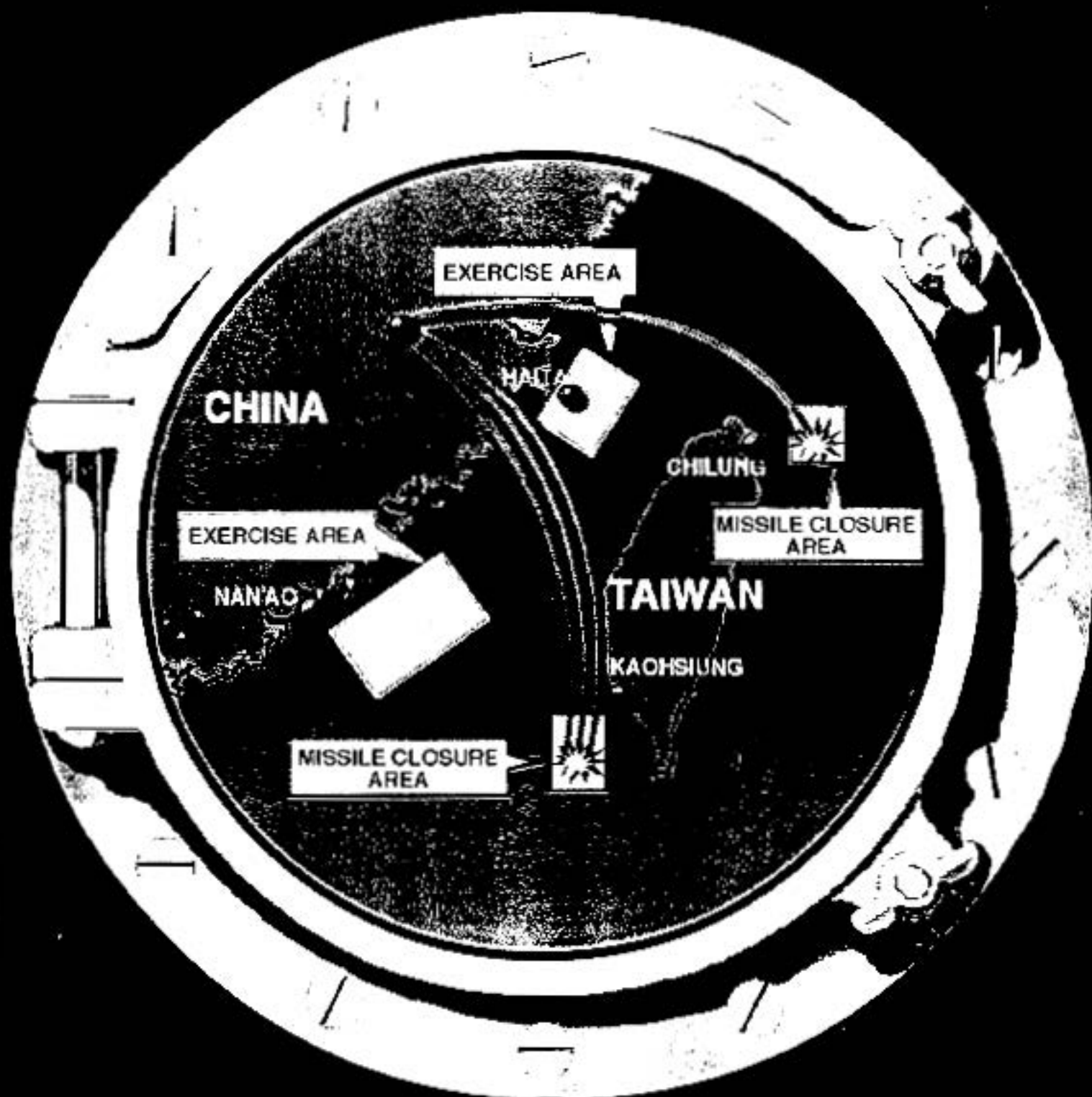


CHINESE EXERCISE

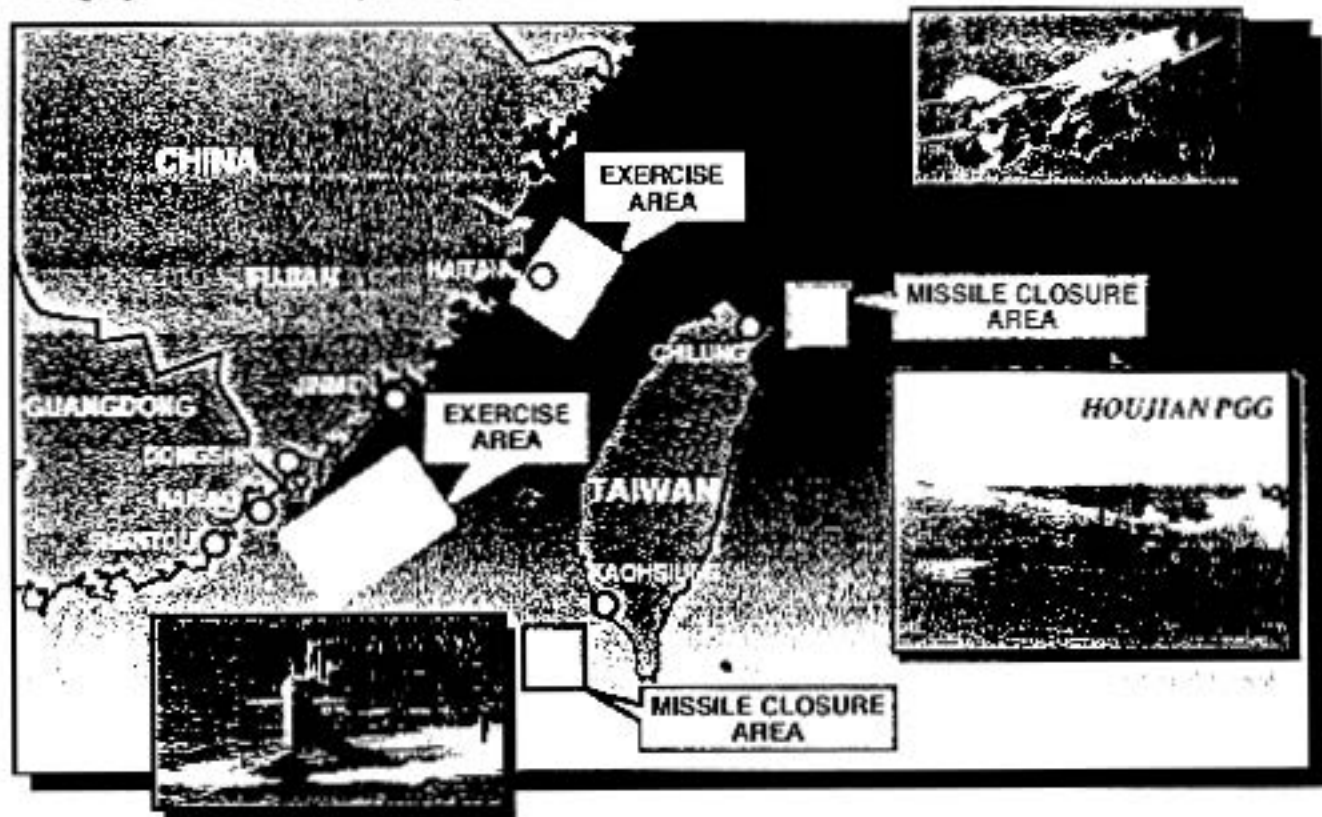
STRAIT 961: 8-25 MARCH 1996



EXECUTIVE SUMMARY

Between 8 and 25 March 1996, the Chinese military conducted Exercise "Strait 961" in the Fujian and Guangdong Military Districts opposite Taiwan. This was the latest and largest in what ONI assesses to be a series of rehearsals of a contingency scenario for the invasion of Taiwan that was first identified in a 1994 command post exercise (CPX). "Strait 961" shared common objectives with the two similar exercises China conducted in the same area in 1995. The primary objective of the exercise was to demonstrate China's resolve on the Taiwan sovereignty issue and to impress upon Taiwan's

began with the launching of three M-9 short range ballistic missiles (SRBM) into two closure areas situated provocatively close to the major Taiwanese ports of Kaohsiung and Chilung. The large-scale movement of forces, the missile firings and the intense rhetoric against Taiwan during the exercise work-up phase aroused the suspicion that China might conduct some limited military action using the exercise as cover; assaulting one of Taiwan's offshore islands would serve to underscore its seriousness over the issue of reunification.



leadership and electorate the futility of further moves toward independence. "Strait 961" was staged to influence the outcome of Taiwan's first popular election for government leader, scheduled for 23 March 1996. A secondary objective of the exercise was to provide combat forces an opportunity to train in a realistic environment. While political tension with Taiwan determined the timing and location of "Strait 961," it is likely that China would have conducted some sort of large-scale, triservice exercise in the first half of 1996 anyway to evaluate the military's evolving capability to operate in a joint environment.

Preparations for the exercise began in early February with troop deployment operations codenamed "Express 60." Between 4 and 7 February, troops arrived in Fujian Province from throughout China. "Strait 961" actually

"Strait 961" appears to have produced mixed political results. On one hand, Taiwan's Lee Tenghui achieved a simple majority victory in the election which legitimized his status as the central figure with whom Beijing must deal. Conversely, the staunchly pro-independent Democratic Progressive Party (DPP) received not only a smaller percentage of the vote than it had received in other elections but also significantly less than projected for the March 1996 election. The combination of intense cross-Strait rhetoric and Chinese military posturing highlighted the extreme to which each side may be willing to go to stake out its position on the reunification issue. With the positions of the two sides now established, it is likely that they will adopt a more conciliatory stance and return to negotiations.

POLITICAL BACKGROUND

Chinese President Jiang Zemin's January 1995 Declaration on the Promotion of Unification marked a watershed in relations between China and Taiwan and charted a new diplomatic course on the issue of reunification. His eight-point declaration revolves around the following basic principles:

- ◆ "One China" is the basic principle for peaceful unification.
- ◆ As a first step, negotiations should be held and an agreement reached on officially ending the state of hostility.
- ◆ In the interim, efforts should be made to expand social and economic exchanges and cooperation.



Jiang Zemin



Lee Tenghui

Instead of the usual *pro forma* Taiwanese rejection of such pronouncements from Beijing on the reunification issue, Lee Tenghui's April 1995 six-point counter-proposal noted that:

- ◆ In the pursuit of unification, both sides should persist in using peaceful means to resolve disputes (Later, in February 1996, Taiwan dropped its long-standing insistence that, as a precondition for negotiation, China renounce the option of force for reunification).
- ◆ Unification must be based on the reality of separate "rules" across the Strait (thereby rejecting Beijing's insistence that Taiwan's government is "provincial" rather than "sovereign" in character).

In spite of the obvious major differences in the two positions, this early 1995 diplomatic exchange between the two sides set the stage for what appeared to be a useful framework for further negotiations.

Despite the early 1995 appearance of improving relations, events quickly cast a pall over Beijing's rising expectations that Taiwan would earnestly commit to negotiations on the reunification issue.

Taiwan leader Lee Tenghui's June 1995 visit to the U.S. to give an address at Cornell University, his alma mater, infuriated Beijing on two counts. First, it called into question the U.S. commitment to its announced "one-China" policy. Second, while in the U.S., Lee used the term "Republic of China on Taiwan" without reference to the obligatory "one China" formula insisted upon by Beijing. The Chinese leadership saw Lee's choice of words as part of his attempt to further prepare domestic and foreign opinion for the equally unacceptable options of "two Chinas" or "one China, one Taiwan."

Consequently, Beijing postponed the second round of cross-Strait "Ku-Wang Talks"* that had been scheduled for July 1995. At the same time, Beijing

initiated increasingly strident propaganda attacks against Lee as the embodiment of Taiwanese independence aspirations.

Lee's visit to the U.S. and the related breakdown of the "Ku-Wang Talks" in mid-1995 prompted China to adopt a new, "get-tough" policy toward Taiwan. The new approach entailed use of the military to intimidate the Taiwanese into ceasing moves toward independence and into accepting the reality of eventual reunification. The plan to carry out the intimidation tactics appeared to follow a contingency Taiwan invasion scenario that was first identified in a 1994 Command Post Exercise (CPX). The full-scale contingency invasion scenario was carried out during "Strait 961" to influence the upcoming elections.



* Ku Zhenfu and Wang Daohan are the Taiwanese and Chinese representatives of the semi-official bodies established by their respective governments to improve relations across the strait.

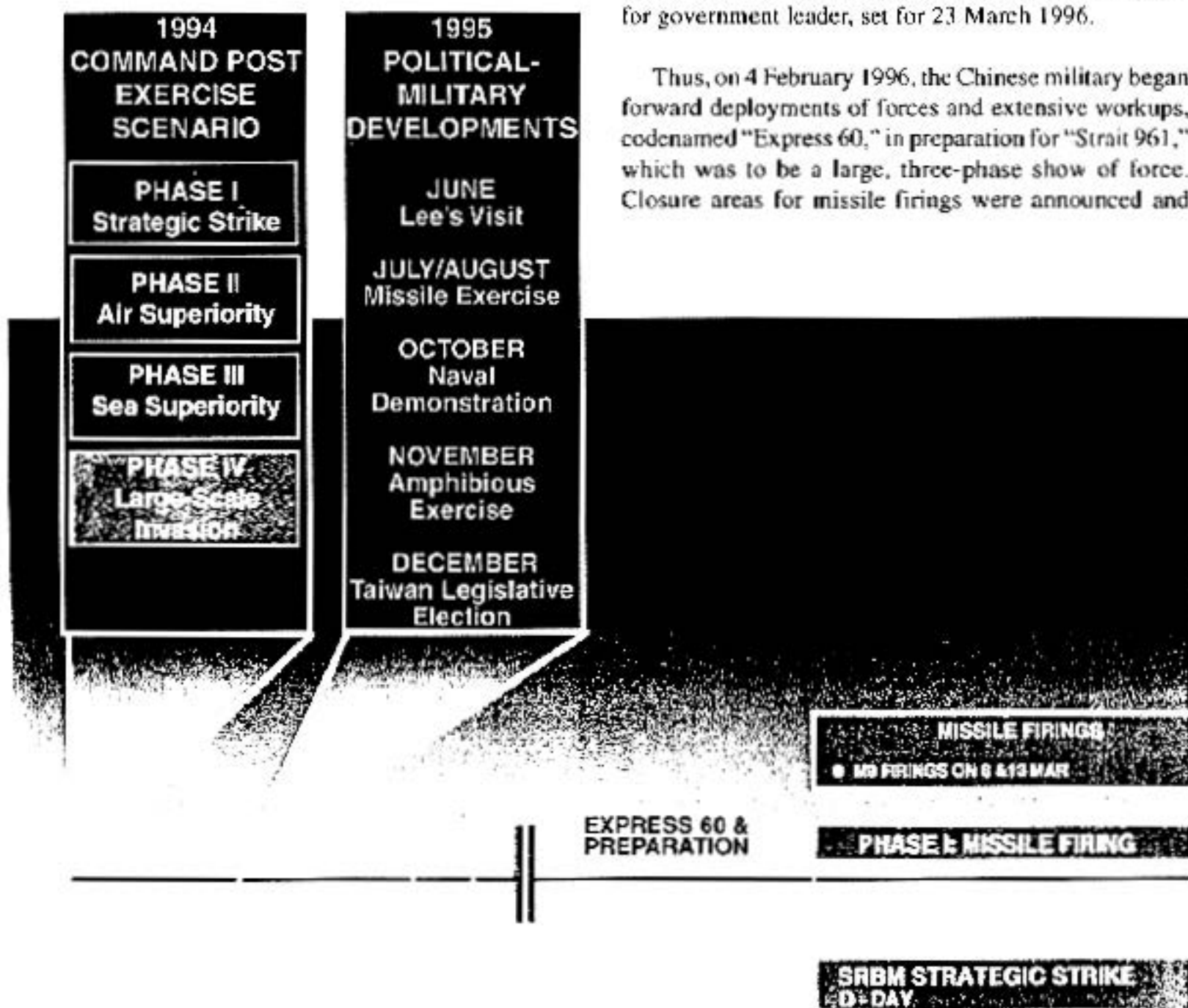
TIMELINE

The new, "get-tough" policy that China adopted in mid-1995, following the U.S. visit by Taiwan's Lee and the breakdown of the "Ku-Wang Talks," was designed to influence Taiwan's internal politics. The Chinese decided to demonstrate their seriousness on the matter of Taiwan independence by conducting a series of military exercises in the Taiwan Strait area just before Taiwan's legislative elections in December 1995 and again prior to the scheduled March 1996 elections. The scenario chosen for the exercises and military demonstrations was based loosely on a Taiwan invasion

scenario that had been played out in the CPX identified in 1994.

In 1995, the Chinese conducted an unprecedented demonstration of military capabilities and two major exercises which were widely publicized on Chinese television and in the press. The hostile display of military capabilities appeared to yield the results desired by Beijing — Lee Tenghui's Kuomintang (KMT) Party lost 16 seats, 14 of which were picked up by the New Party, a KMT splinter group favoring reunification. The successful impact of the military muscle-flexing on Taiwan's legislative elections in 1995 led Beijing to adopt the same tactic to influence Taiwan's first popular election for government leader, set for 23 March 1996.

Thus, on 4 February 1996, the Chinese military began forward deployments of forces and extensive workups, codenamed "Express 60," in preparation for "Strait 961," which was to be a large, three-phase show of force. Closure areas for missile firings were announced and



Phase I, the missile firing phase of the exercise, commenced with the launch of three M-9 SRBMs into the two closure areas near Taiwan on 8 March.

Phase II of "Strait 961," replicating both the air and sea superiority phases of the 1994 CPX scenario, began on 12 March at the southern end of the Taiwan Strait near Dongshan and Nan'ao Islands. This phase featured live-fire exercises and surface attack activities.

Phase III, the triphibious* landing and invasion portion of the exercise scenario, was conducted 18-25 March near the city of Pingtan on Haitan Island at the northern end of the Strait. Adverse weather delayed the start of the exercise and likely limited Phase III activity to small-scale amphibious rehearsals and simulated operations. Troop insertions by helicopters, artillery firing, flights by IL-76 troop transport aircraft, and amphibious

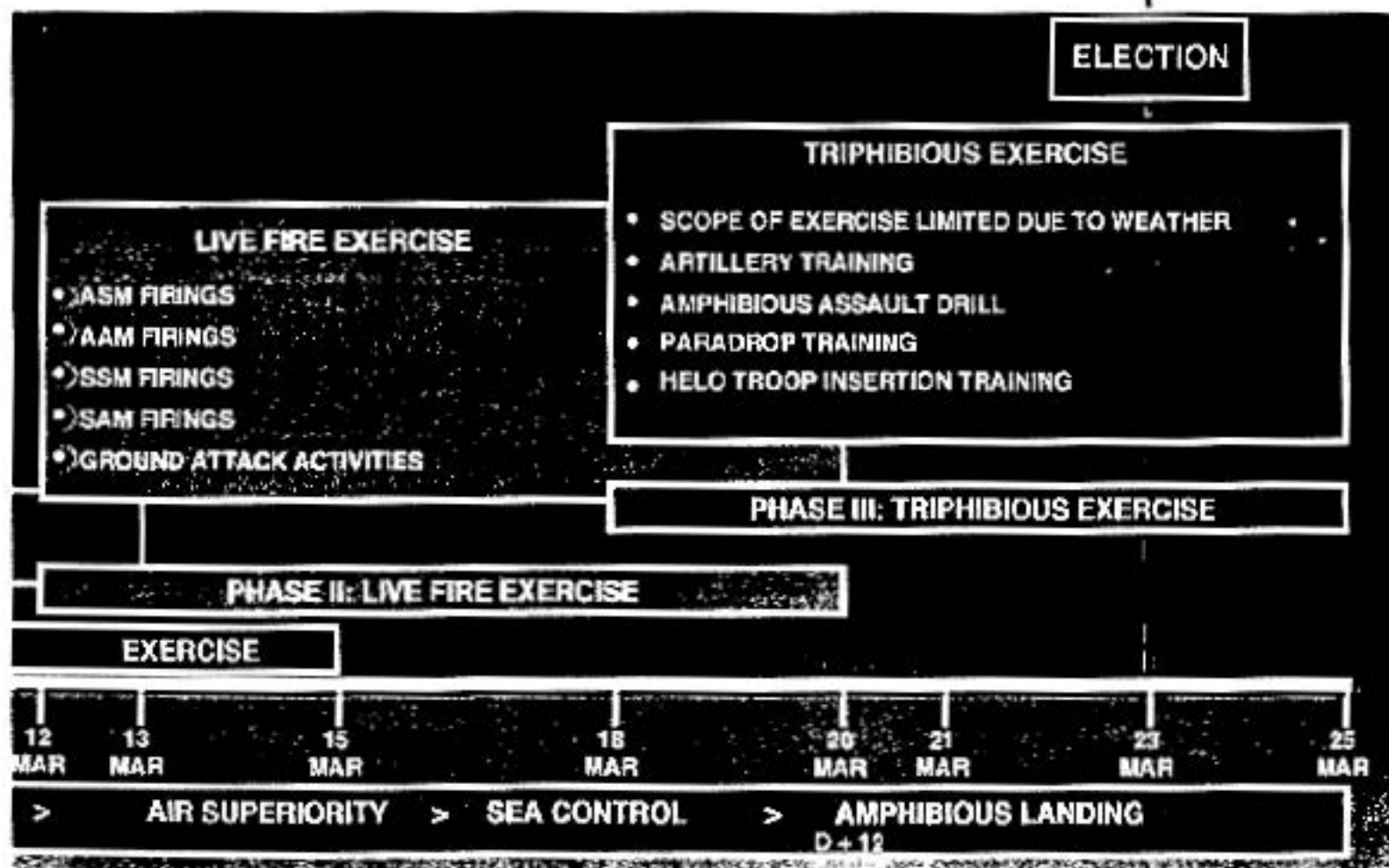
assault drills also occurred, albeit on a much smaller scale than appears to have been planned.

(*The Chinese term "sanjun" has been translated as "joint" or "triservice.") Both suggest some degree of close coordination. "Triphibious" is used to describe the air, sea, and land nature of the operations without judgement about the actual level of coordination.

TAIWAN'S FIRST POPULAR ELECTION RESULTS

- Lee Tenghui, Taiwan Government and Kuomintang (KMT) Party leader, won with 54% of the votes cast.
- The pro-independence Democratic Progressive Party (DPP) received 21% of the vote.
- Two independent, pro-unification candidates received 10% and 15% of the vote.

The results reaffirmed the ruling party status of the KMT and provided Lee the mandate he needed to deal with China. However, the results dealt a blow to the DPP. Its 21% of the vote was down from the high of 40% in 1995.



EXERCISE PREPARATION

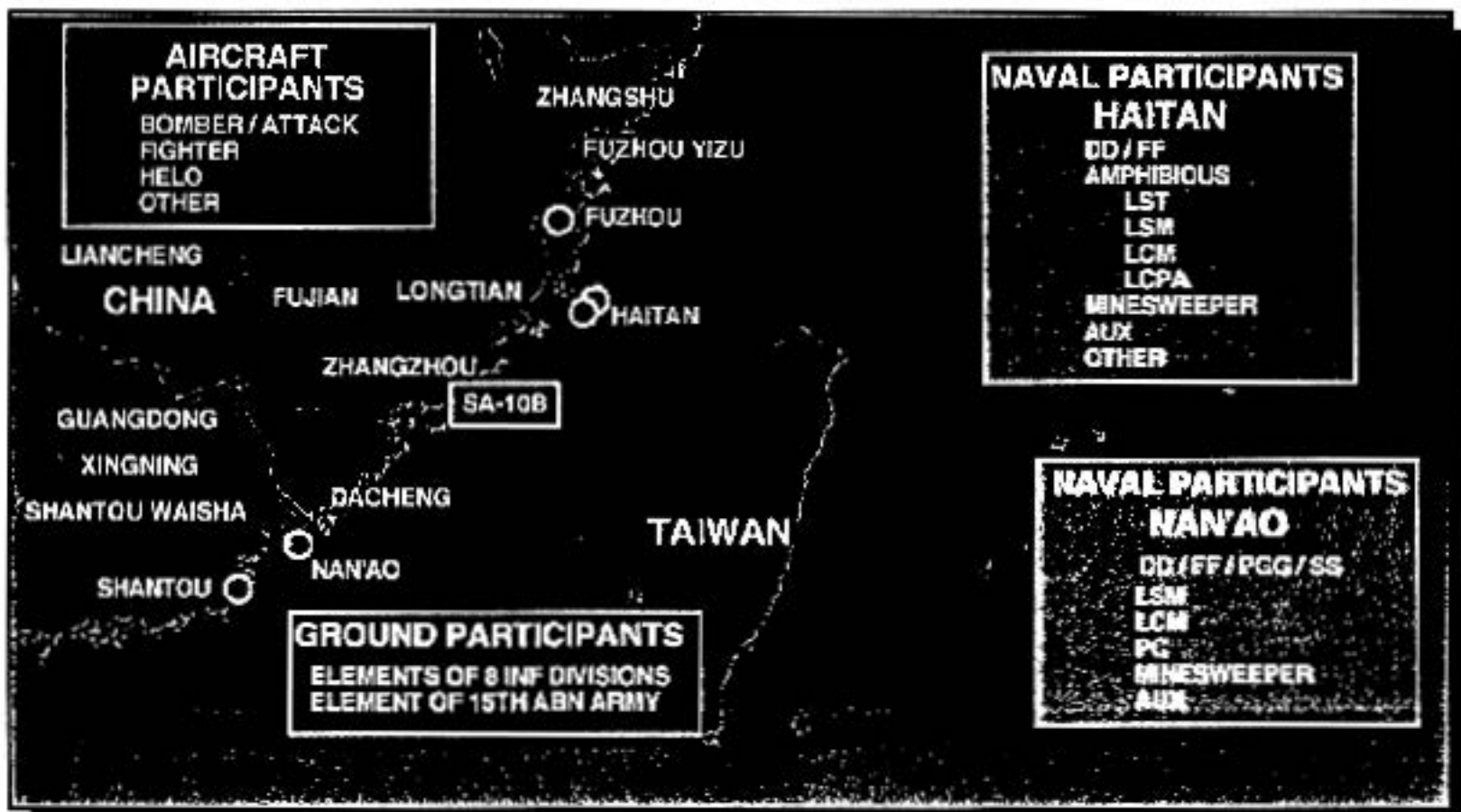
The Military Commission (MC) of the Central Committee of the Chinese Communist Party directed the planning and approved execution of exercise "Strait 961."

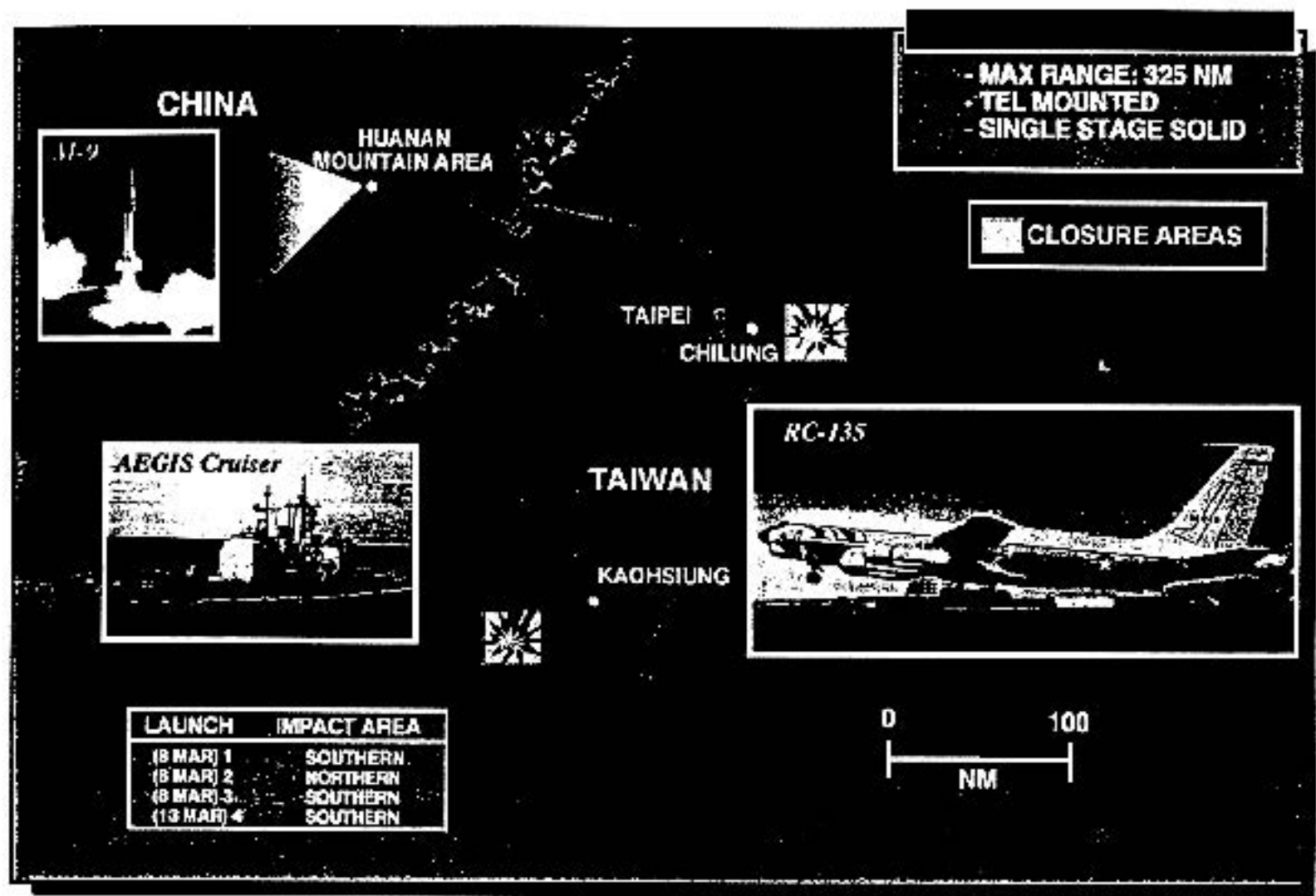
Participants began to deploy into Nanjing Military Region (MR) on 4 February. Elements that mobilized for the exercise were aircraft and forces from throughout China, naval platforms from all three Chinese fleets and ground force units, primarily from the Nanjing MR. Elements of the Second Artillery (China's strategic rocket forces) and at least an element of its air defense missile units equipped with the SA-10B also took part. ONI assesses SA-10B units were deployed to the Taiwan Strait area both for exercise play and as a precautionary, defensive measure. The Chinese may have been concerned that Taiwan might miscalculate the nature and intent of the exercise.

According to Chinese press, all participating forces that were not already in the Nanjing MR mobilized and deployed under an operation code-named "Express 60." The "60" apparently refers to the 60-hour timeframe of

that portion of the mobilization and forward deployment phase.

Forces were most likely dispersed around the two separate exercise areas in the northern and southern approaches to the Taiwan Strait, with the composition and disposition at each site reflecting the exercise scenarios planned for that location. In the Dongshan/Nan'ao Island area, the force composition reflected the assigned missions dealing with the air and sea superiority phases of the invasion scenario. The complement of aircraft included fighters for air-to-air combat and bombers and attack aircraft for air-to-surface attack in support of fleet operations. The complement of naval platforms in this area covered the range of capabilities required to achieve sea superiority: destroyers, frigates, patrol craft, and nuclear and diesel submarines. The triphibious scenario in the northern exercise area at Pingtan (city on Haitan Island) required ground forces, troop transports and naval amphibious forces, along with the necessary air and naval escorts.





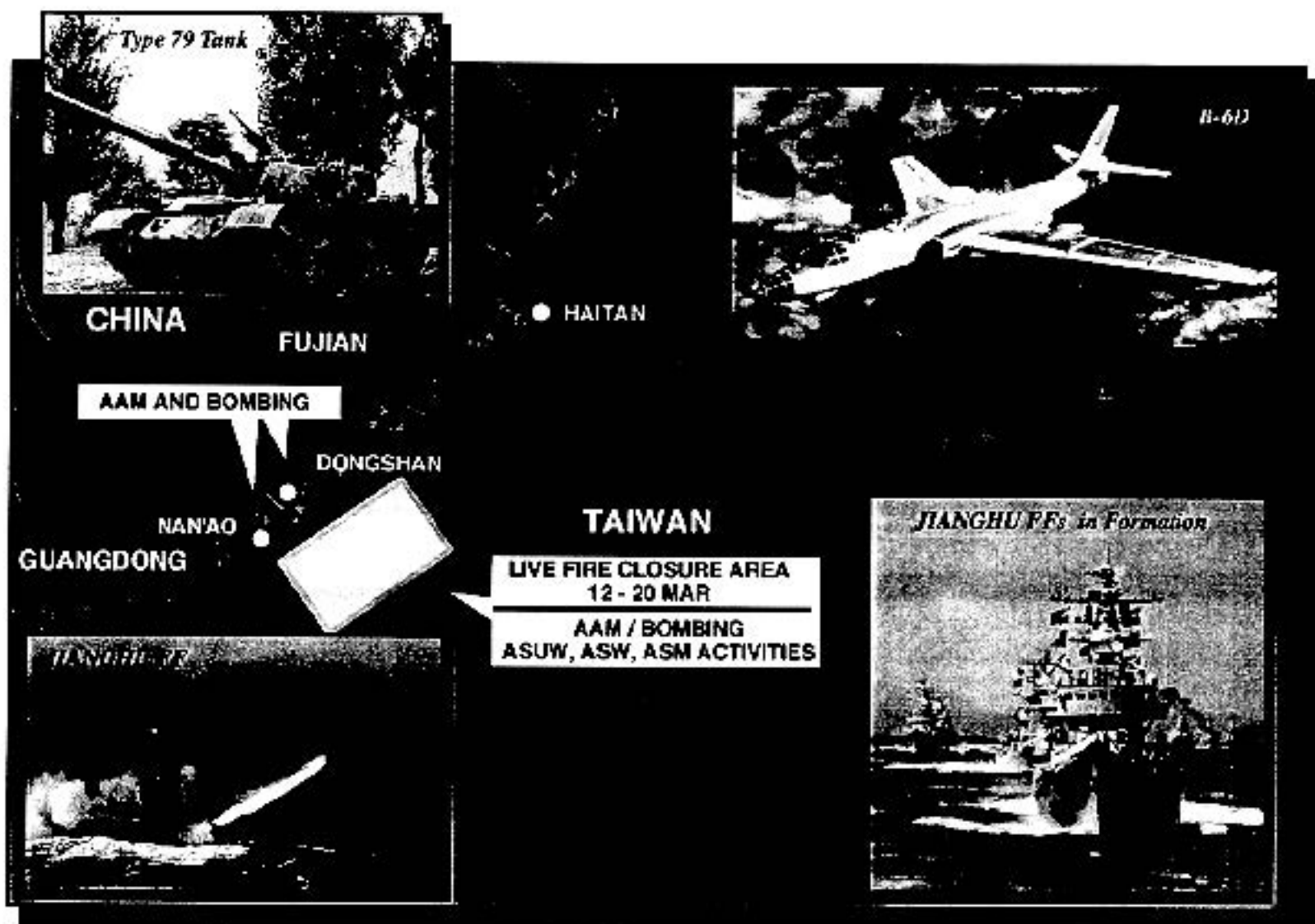
China announced two missile-related closure areas for the period 8-15 March at locations provocatively close to Taiwan's two largest commercial ports and adjacent naval bases. The northern closure area was 19 nm from Chilung, while the southern closure was 30 nm from Kaohsiung. In selecting these two sites, well apart and situated so close to the Taiwan landmass, China apparently intended to demonstrate its ability to undertake complex strategic missile firing operations.

Three M-9 SRBM missiles were launched—two to the southern and one to the northern closure area—on 8 March. Training benefits aside, this phase of the exercise was clearly an act of intimidation on the part of Beijing to stall further Taiwan moves toward independence by demonstrating China's determination to restore sovereignty over Taiwan by force if necessary. The fourth and final missile launch occurred on 13 March.

Media reporting alluded to the presence of the Aegis guided missile cruiser, USS *Bunker Hill*, and its capability to track and collect information on the M-9 missile flights into waters off Taiwan. The press also included references to the use of the RC-135 aircraft by the U.S. Air Force to monitor the technical data transmissions from the M-9 missiles to Chinese ground stations tracking the flights.

Overall, the Chinese media reacted strongly to what they perceived as unnecessary meddling and interference by U.S. Naval and Air Force entities in the vicinity of the exercise area. They were particularly disturbed by announcements that the United States reaction to the activity would include moving not only the USS *Independence* aircraft carrier into the region to monitor developments, but that it would be joined by the USS *Nimitz* as well.

PHASE II: LIVE FIRE EXERCISE



Exercise "Strait 961," particularly Phase II and the intended activity for Phase III, appears to have been the largest-ever exercise conducted in the area across from Taiwan. This is true especially in terms of a triservice deployment of forces for what the Chinese referred to as a joint exercise operation.

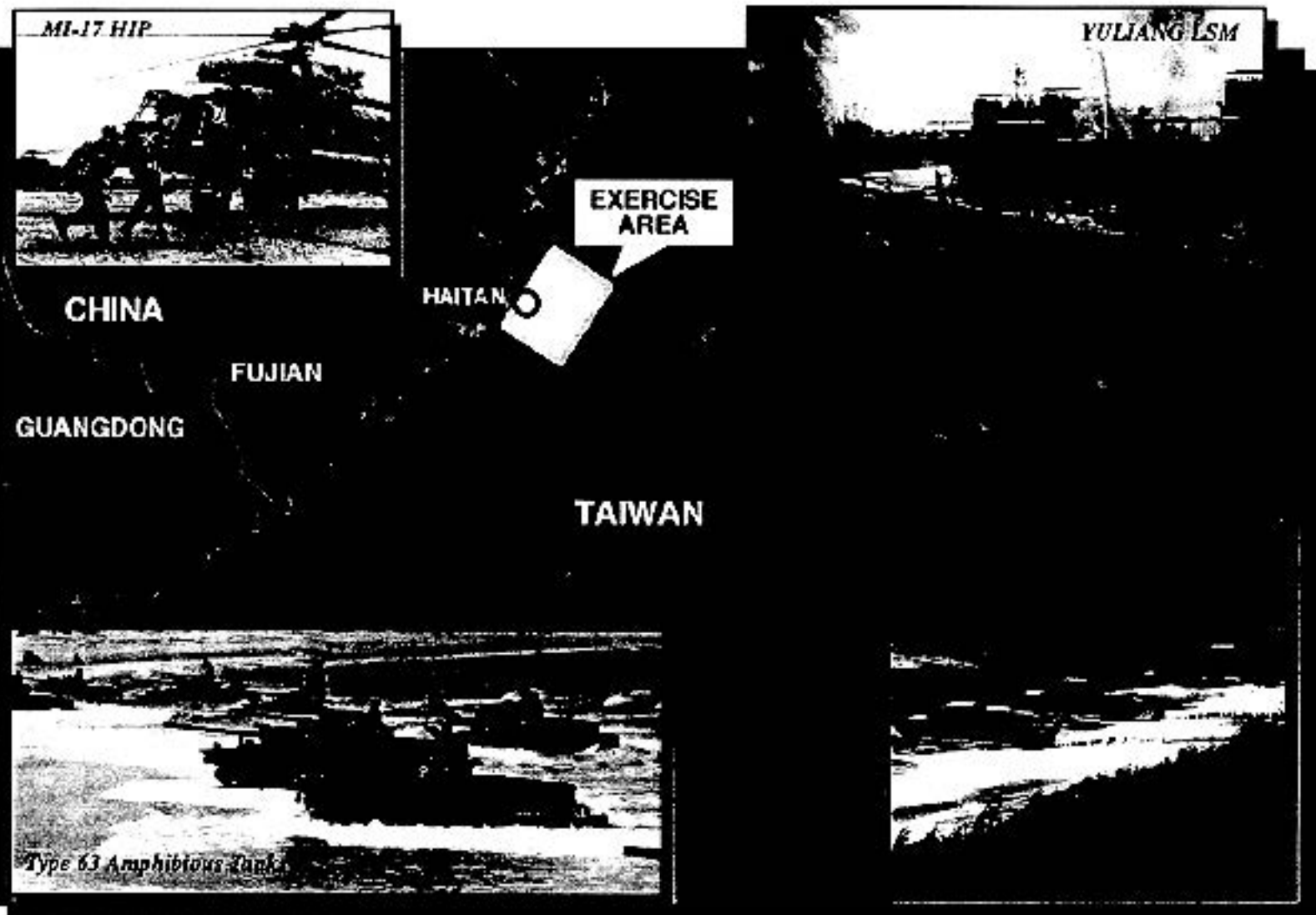
During Phase II naval activities, naval units and numerous naval air platforms that were divided into air-sea assault groups, gathered at the southern end of the Strait around Nan'ao Island. Many of these, including a nuclear attack submarine, diesel submarines, guided missile destroyers, guided missile escort ships, guided missile patrol combatants, patrol craft, and support ships, as well as fighters and bombers, most likely practiced both simulated and live fire training in anti-surface

warfare, antisubmarine warfare, naval gun fire support and air defense operations.

Air Force elements, including the Su-27 FLANKER aircraft acquired from Russia, exercised in the vicinity of Dongshan Island and in the announced live-fire closure area near Nan'ao Island where they likely conducted various training evolutions, including air-to-air attacks and routine flight operations.

Information on ground force participation in the southern area of the Strait is limited. At any rate, operations in and around the southern closure area probably consisted mostly of activities related to the air and naval superiority phases of the invasion scenario.

PHASE III: TRIPHIBIOUS EXERCISE



Activities planned for Phase III—the triphibious operations—were to have been the finale of the exercise. This phase of the scenario called for securing a beachhead on Haitan Island using a triad of Navy, Air Force and Army elements during the 18-25 March time frame. Press reports which described the activity around Haitan Island indicated Navy and ground forces were to conduct coordinated amphibious landing operations. As the forces were landing the Air Force probably would have dropped paratroops behind notional enemy lines and helicopters would have inserted additional ground troops. The combined forces of the initial operation would have secured the area for the follow-on landing by the assembled forces.

Although a large complement of naval, air, and ground forces did assemble near Haitan Island in preparation for a sizable operation, inclement weather forced the cancellation of most of the Phase III activity. Weather

also caused the planned visit by Chinese President Jiang Zemin to the exercise area to be cancelled. He was to have visited the area on 19 March, probably to view the final, invasion phase of the exercise.

Air Force and Army Aviation units managed to conduct limited bombing operations followed by small-scale troop insertions using MI-17 HIP helicopters, escorted by attack helicopters.

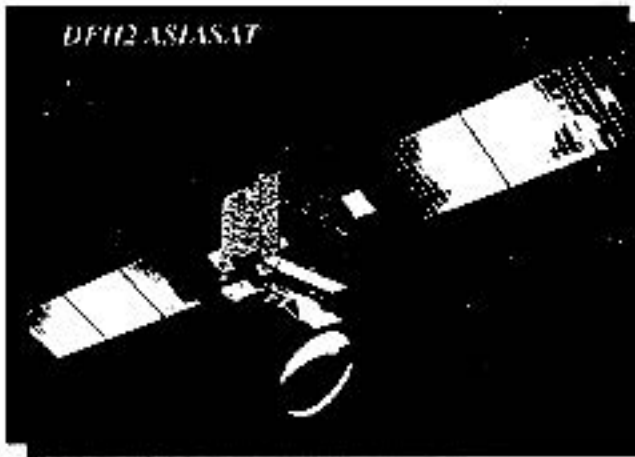
Little information is available on what actually occurred on Haitan Island itself during this phase of the exercise. The invasion scenario would have called for supporting artillery fire and assault operations in the vicinity of Pingtan.

The Chinese probably selected Haitan Island as the scene for the invasion scenario because of the similarity of the topography there with that of Taiwan.

COMMAND AND CONTROL

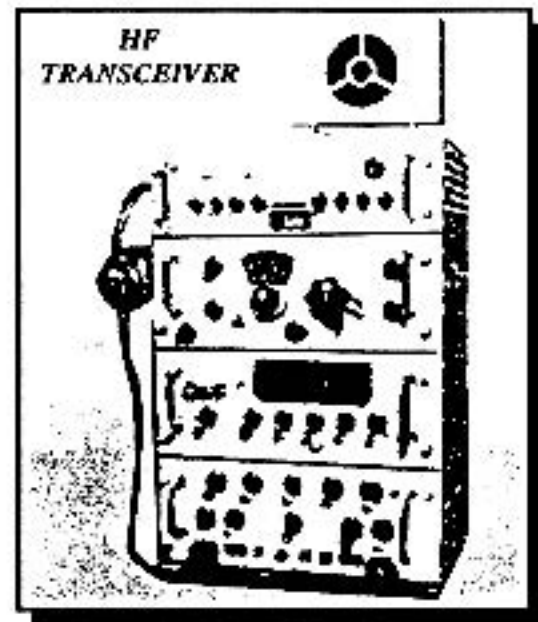
Command and Control:

In exercise "Strait 961," the Chinese forces most likely employed the fairly well-understood command and control structure depicted here. The Military Commission (MC) handed down the decision on the timing and the scope of the exercise to the General Staff Department (GSD) in Beijing, which then relayed orders to the Nanjing Military Region (MR) headquarters and other participants. Overall control of the exercise remained with the Nanjing MR Commander, although MC Vice Chairman Zhang Wannian was present at both the Dongshan/Nan'ao and Haitan exercise areas.

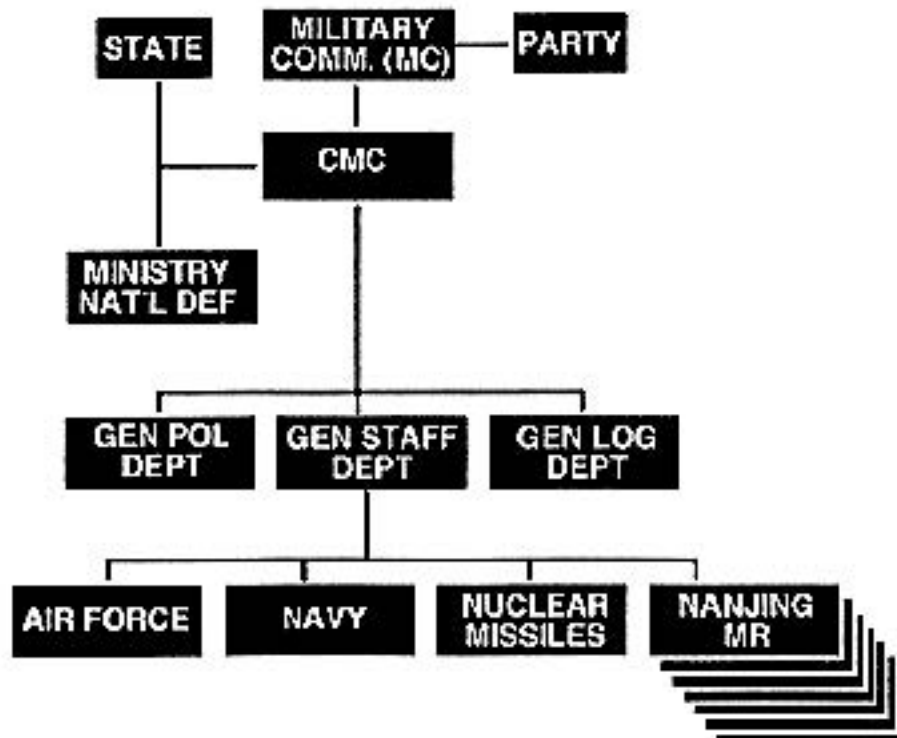


Communication:

An array of strategic and tactical communication systems probably was used successfully in support of forces involved in the exercise. Units probably relied on semaphore and other visual signals as well as high frequency and other communication systems. Coaxial and fiber optic landline, cellular telephone, and possibly satellite communications supported units ashore.



Command and Control Structure



CONCLUSIONS

Exercise "Strait 961" appears to have been the largest multi-service exercise China has ever conducted in the Taiwan Strait area, even though adverse weather conditions precluded completion of the final phase. There was a clear political objective in choosing the timing, scope, thrust, and location of this exercise: China sought to influence Taiwan's upcoming election process. It successfully met this objective and credits its military posturing for the lower-than-expected showing of the Taiwanese pro-independence party's candidate in the election. Aside from obvious training benefits, the military objective of the exercise was less clear. It can be surmised that China sought to gauge its progress in being able to carry out, in a joint warfighting environment, the contingency Taiwan invasion scenario first played out in the 1994 Command Post Exercise (CPX).

Exercise "Strait 961" provided an excellent opportunity for realistic training—employing the Taiwan invasion scenario—and for testing the current state of its newly-evolving, joint operations doctrine. The Beijing press indicated "Strait 961" reflected another stage in implementation of a new military strategy for carrying out a high-tech war, including integration of new tactics and logistics support capabilities. Reportedly, the new approach was approved by the Military Commission and training for its eventual implementation had been underway since 1993. The 1994 CPX scenario on which

"Strait 961" was based probably represented an early stage in implementation of the new strategy and tactics.

There are shortfalls that the Chinese may have to address before undertaking a "real-world" operation along the lines of the Taiwan invasion scenario. Logistics and amphibious lift capability will need to be improved. Also, we do not believe the Chinese have the logistics capability

to support the operations of a large complement of forward deployed forces conducting high intensity warfare. Despite some shortfalls in capability, Chinese political rhetoric leaves a very clear impression that they will employ whatever traditional or non-traditional means available to unify Taiwan with China if necessary.

Exercise "Strait 961" reflected top-level support by the Chinese leadership for the use of joint, offensive wargame scenarios to achieve political objectives.

The direct leadership involvement in this exercise, including exercise direction and control by the Military Commission, the presence of prominent Commission member Zhang Wannian at the two live-fire exercise locations, and the planned visit to the exercise site by Jiang Zemin (Chinese President, Party Secretary and Chairman of the Military Commission), reflects the important role assigned to the military in promoting Chinese political objectives. If cross-Strait relations do not improve significantly, China is likely to conduct similar, politically motivated exercises in the vicinity of Taiwan in the future.

EXERCISE HIGHLIGHTS

- Launch of M-9 missiles into two key locations close to Taiwan's major commercial ports.
- Apparent largest deployment of forces in the Taiwan Strait for exercise purposes.
- Employment of long-range H-76 CANDID aircraft for the planned paratroop operations.
- Deployment of SA-10B SAMs in exercise scenario.
- Participation by the newly acquired Su-27 FLANKER in air operations.