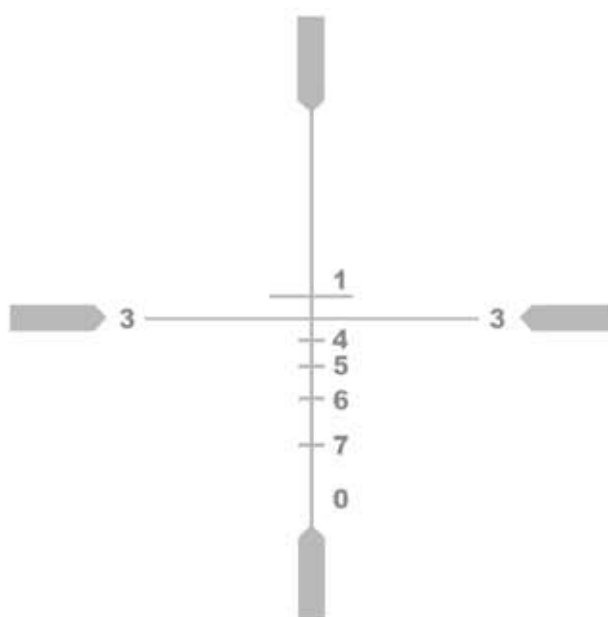


National Defense Report

Ministry of National Defense, R.O.C.

Building an Elite Armed Forces - Voluntaryism

2009




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A close-up, slightly blurred photograph of the flag of the Republic of China (Taiwan). The flag features a white sun with 12 triangular rays on a blue field, which is positioned above a red field. The lighting is bright, creating a soft glow around the sun emblem.


The objective of the national defense of the Republic of China is to safeguard national security and preserve world peace with a national defense force built from comprehensive national strength.

In order to cope with high-tech operations and the challenges resulting from changes in the nations' overall circumstances, defense human resources will develop along the goals of defense reform and transformation and improved military education and professional capabilities in the hope of nurturing modern cadres with military professionalism, physical fitness, technical skills and high morality to address future operational requirements.





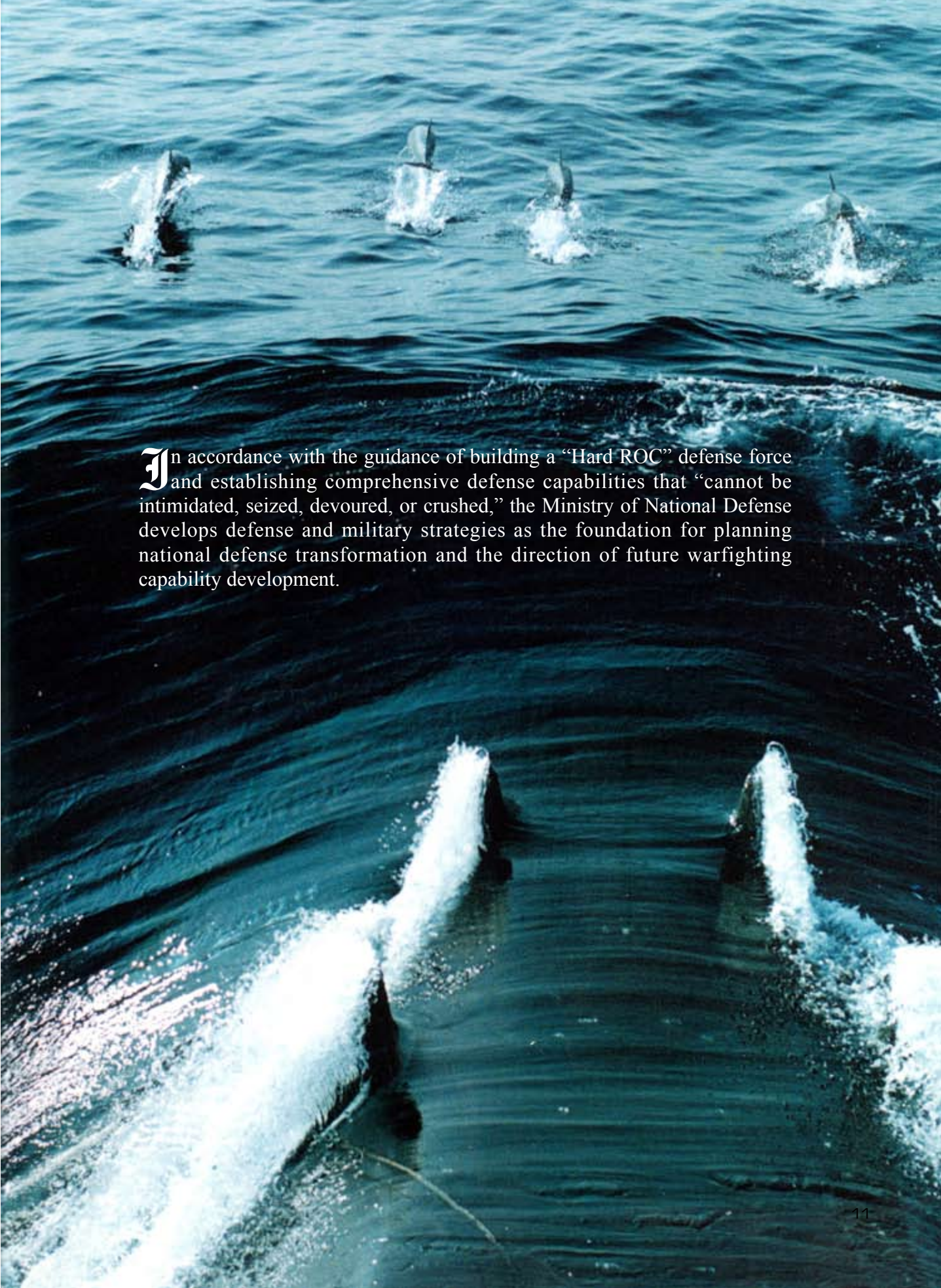


A soldier in camouflage gear is shown from the side, holding a rifle. The soldier's uniform features a green and brown camouflage pattern. A black strap is visible across the soldier's chest. In the background, a large, white, boxy military vehicle, possibly an armored personnel carrier, is parked. The vehicle has a dark, angular shape on its side. The background is slightly blurred, showing a clear sky and some distant structures.

The solid warfighting capabilities of the ROC Armed Forces are the strongest buttress for maintaining cross-strait peace and national security. To modernize the forces, it is necessary to continue promoting and improving defense transformation for the purpose of enhancing defense capabilities.

Peace and stability in the Taiwan Strait is critical for regional security. The ROC Armed Forces will devote themselves wholeheartedly to readiness training and pursuit of excellence to safeguard national security and protect the homeland.





In accordance with the guidance of building a “Hard ROC” defense force and establishing comprehensive defense capabilities that “cannot be intimidated, seized, devoured, or crushed,” the Ministry of National Defense develops defense and military strategies as the foundation for planning national defense transformation and the direction of future warfighting capability development.





Under the guidance of national defense strategy, the military strategic concept is “resolute defense and credible deterrence.” The Armed Forces’ joint warfighting capabilities and all-out defense are combined to defend the homeland and to disrupt, repel, and destroy the enemy, thus ensuring national security.

The Armed Forces' force development and readiness tasks require the ROC Armed Forces to maintain at its optimal conditions and strongest warfighting capabilities. It should continue to remain vigilant in peacetime and be prepared any time in dealing with the PRC's military expansion. Such is the commitment of the ROC Armed Forces to the people.







Disaster relief is akin to fighting a battle. The Armed Forces seek to enhance overall disaster relief capacity, manage available resources, ensure the forces' full and immediate efforts in disaster relief, and safeguard the people's lives and properties.





It is hoped that, through revealing the Armed Forces' new thinking on force development in the National Defense Report, the people will be encouraged to be made aware of, support and participate in national defense, so that the 23 million people can live and work in peace and the nation undergo sustainable development.





In response to digitized battlefield and the development and deployment of high-tech weaponry, the MND will combine public and private sector resources to recruit high-quality and motivated personnel of appropriate age for building a professional Armed Forces.

Minister's Foreword



The ROC Constitution has clearly stated that “safeguarding national security and preserving world peace” is the fundamental national defense policy as well as the honored mission of the ROC Armed Forces. The Armed Forces pays its loyalty to the country. As a whole, it is to observe constitutional provisions, abide by administrative neutrality, support government policies and ensure national security. As individuals, a serviceman has the duty to be loyal to the country, Constitution and people. With a great sense of responsibility and honor, he or she shall serve diligently as the people’s military and in the nation’s interests.

The government has examined current situation and formulated directions for policy reforms to improve relations, resume negotiations and promote exchanges and cooperation across the Taiwan Strait. This has enabled cross-strait tension that has lasted 60 years to ease substantially. It has also earned much approval from the people on both sides as well as the international society. Nevertheless, the PRC’s military threats against Taiwan have not been lifted. The ROC Armed Forces must still remain vigilant, relying not on the likelihood of the enemy’s not coming, but on their own readiness to receive him”, and continue to strengthen force development and readiness tasks.

The Ministry of National Defense follows the President’s “Hard ROC” guidance on national security and is at present stage building a defense force characterized by “resolute defense and credible deterrence” based on the defense strategic concept of “war prevention, homeland defense, contingency response, conflict avoidance and regional stability”, so that the enemies will not provoke wars lightly, thereby achieving the objective of war prevention to ensure national security.

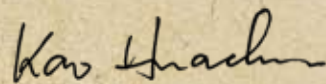
Promotion and development of voluntarism is necessary for the Armed Forces in pragmatically dealing with the trend of the times and heading towards innovative transformation in the new era. Warfighting capabilities of future forces will no longer depend on superiority in quantity but in quality, as dictated by current strategic environment, requirements for high-caliber manpower in modern high-tech wars, and changes in economic and social conditions. At the same time, in order that the Armed Forces’ command system may be more agile, operations more effective, warfighting capabilities more robust, the MND is actively promoting organizational adjustments in the hope of building an elite force that will fulfill operational requirements and effectiveness.

Based on the duty of protecting homeland security and the people’s well-being, the ROC Armed Forces not only deals with external military threats, it should also be responsible for prevention and relief of major disasters. While the MND’s relief work in this year’s major floods in the wake of Typhoon Morakot has gained the people’s approval, the

Armed Forces, instructed by the President and self-driven by the pursuit of excellence, has already begun planning to form a troop that is capable of immediate response to disaster relief and emergencies with existing force availability. Shall the nation suffer from major disasters, the Armed Forces could engage in rescue and relief immediately and quickly to safeguard the people's lives and assets.

Discipline is the lifeline of the military while honor is the life of a serviceman. To win trust from the people and maintain dignity of the Armed Forces, the MND is determined to eliminate all corruption and illegal conduct, upholding the principle of strict observance, discreet judgment, speedy process and heavy penalties to crackdown on illegal conduct. In addition, it will continue to reinforce the legal concepts of administration and use of public funds, cultivate in servicemen virtues of honesty and integrity, and institutionalize personnel affairs so as to ensure proper military discipline.


Lastly, I would like to thank the advisory committee and colleagues who participated in compiling this report for their dedication and give my recognition to the Armed Forces for the hard work and diligent efforts in force development and readiness. Moreover, we hope that people from all sectors of society will be generous in providing feedback and guidance to the Armed Forces' effort in innovation and progress and serving as a steadfast and stable foundation for the nation's security, survival and sustainable development.



Kao Hua-chu
Minister of National Defense
October, 2009

Introduction

According to the provisions in Article 30 of the “National Defense Act”, the Ministry of National Defense (MND) has the responsibility and obligation to report national defense plans and policy implementation results to the people. It is hoped that this may bring the people closer to understanding national defense and deepen their awareness on “all-out defense”, and further gain support from friends and allies. Over the years, MND’s key policy objectives have been promoting “voluntaryism” to enhance the quality of servicemen, adjusting force structure to improve defense organization, listening to local public opinion to facilitate unity between the military and civilians, reshaping intangible combat capabilities to focus on readiness training and so forth. The “ROC 2009 National Defense Report” presents these objectives to our people and international society to demonstrate the MND’s determination in promoting defense transformation and building a “Hard ROC” defense force.

 Over the past year, the government has committed to innovation in administering policies and improving foreign relations. In particular, dialogue across the Taiwan Strait has been resumed after many years while negotiations were reopened to promote exchange and cooperation. This greatly eases cross-strait tension that has lasted 60 years, makes Taiwan a peacemaker in the Asia Pacific region, and brings much praise from the friends and allies, including the United States.

Ancient wisdom teaches, “Although the world is at peace, danger is imminent shall vigilance be relaxed.” Despite the new situation of reconciliation in cross-strait relations and that the Taiwan Strait seems calm, the PRC’s defense budget, however, is still maintained at a double-digit percentage growth rate every year. Till this day, it has not yet removed the thousand guided missiles threatening Taiwan and, even, has not indicated the renunciation of using military force against Taiwan. As a matter of fact, threats still remain. Moreover, conflicts in the South China Sea and East China Sea have been taking place from time to time. Any mismanagement may evoke or evolve into conflicts. The ROC Armed Forces must cope with it with discretion.

At present, although cross-strait relations are gradually improving, the MND will not relax its force development and readiness tasks. On the contrary, it shall continue to uphold the “strict and arduous” standards and “smart and steadfast” criteria to build a “small but smart and strong” force that is as tough as steel for defending the country. At the same time, an Armed Forces with strong warfighting capabilities not only can resist enemies in wartime, it can also rapidly transform into the largest and most efficient disaster relief and counter contingency force during major disasters. During the Aug. 8 flooding caused by Typhoon Morakot, the Armed Forces’ performed disaster relief and aftermath recovery operations that have gained the people’s approval. In the future, disaster prevention and relief will be incorporated as one of the Armed Forces’ main missions to actively upgrade its disaster relief-related capabilities, so as to ensure the safety and welfare of the people.

In view of the rapidly changing international situation, increasing importance on non-conventional security issues and new developments in cross-strait relations, and judging from the implications of the PRC’s continuous military expansion, the 2009 National Defense Report has a core axis of “building an elite Armed Forces – voluntarism”. It announces the government’s new thinking and policy implementation results on national defense, addresses changes of the times and outlines a vision for future development. At the same time, it reveals Taiwan’s contribution to international society and the government’s honest attitude to be accountable to the people. This entire report is in three parts and eight chapters in the framework of “facing the challenges”, “prospective reforms” and “creating opportunities”. Each part is summarized as follows:

Part One “Facing the Challenges”

The two chapters in this part: “Security Situation”, and “The PRC Military” give an overview of the current global security situation. Besides conventional military issues, non-conventional security issues such as crude oil, food, marine affairs, natural disasters and epidemic prevention and control have gradually become the focus of international attention. While analyzing strategic defense thinking and military development trends in Asia-Pacific nations from an objective angle, one would find the PRC increasing military spending and enhancing weaponry and equipment along with its substantial economic growth. Although it advocates a military strategy of “active defense”, it has in fact gradually strengthened its warfighting capabilities. It has also incorporated the non-kinetic “three warfares” (public opinion warfare, psychological warfare and legal warfare) into its military thinking, working towards an expansion of offensive and defensive capabilities to resist militarily advanced countries. In addition, the PLA is continuing a course to complete operational readiness in a phased manner. It has decreed a principle of “pursuing talks, preparing for combat and ready for a long haul” when dealing with Taiwan. This clearly indicates that the PRC’s intention to invade Taiwan has not shown any signs of relaxation as a result of the easing of cross-strait relations. The Taiwan people should recognize the aforementioned facts and, in particular, come to the awareness that “peace needs to be backed by substantial strength” and only by building a modern Armed Forces can war be prevented and security of the Taiwan Strait ensured.

Part Two “Prospective Reform”

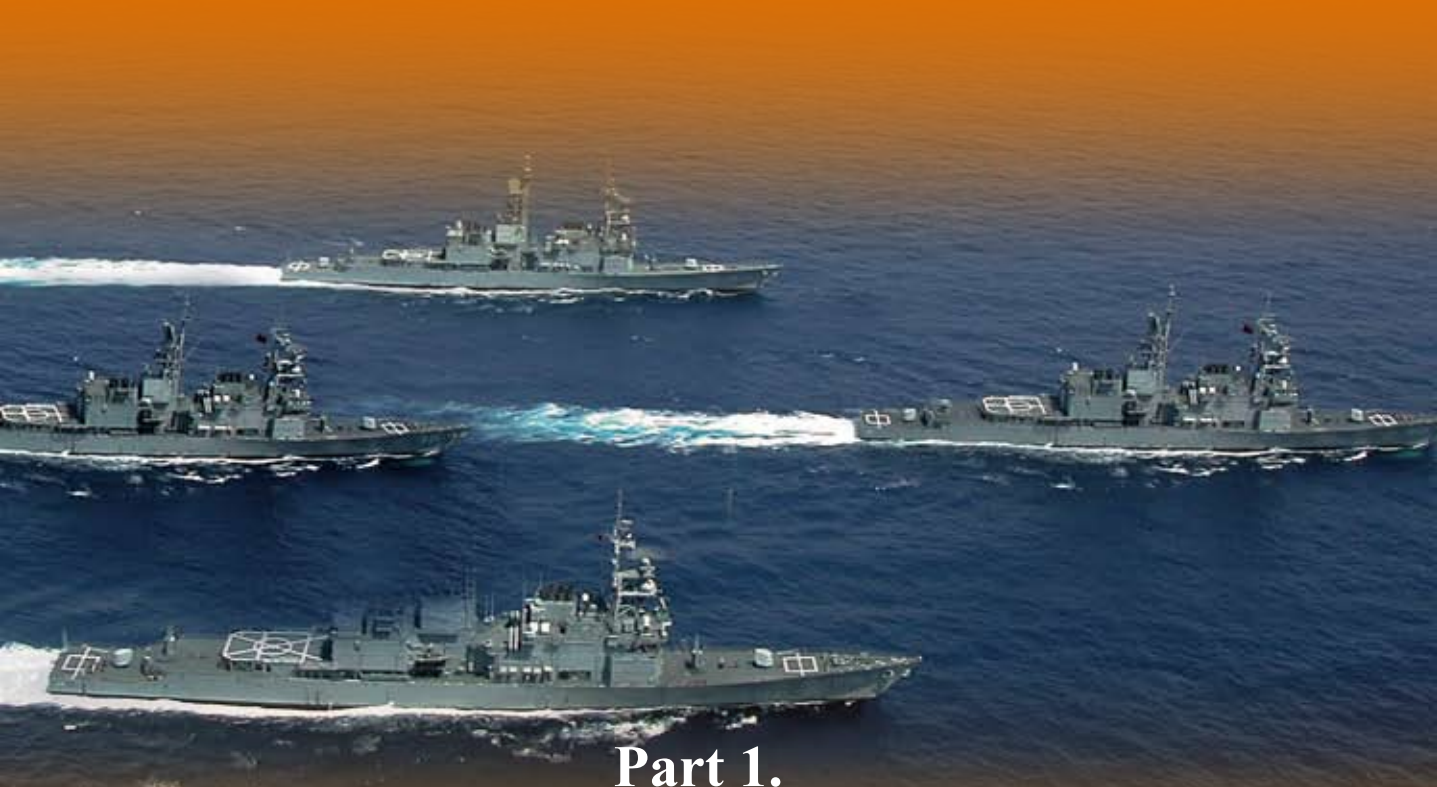
The three chapters in this part: “National Defense Policy”, “Defense Organization”, and “Military Service System” elucidate that to build a “Hard ROC” defense force and establish an overall defense capability that “cannot be intimidated, seized, devoured or crushed”, the MND will implement seven policy directives of “building an elite Armed Forces”, “promoting voluntaryism”, “reshaping intangible combat capabilities”, “Refining the armaments acquisition mechanism”, “strengthening cooperation with allies and friendly countries”, “enhancing disaster prevention and relief” and “improving care for military personnel” to set the directions for force development. Under the strategic concept of “resolute defense and credible deterrence”, the MND will seek to promote exchanges and cooperation on regional security issues to achieve the strategic objectives of “war prevention, homeland defense, contingency response, conflict avoidance and regional stability”. After considering the three factors of “operational requirements”, “available financial resources” and “anticipated level of manpower” as well as the requirement to be capable of “preventing the enemy from landing and establishing lodgment”, the Armed

Forces' future force level will be targeted at a total number of 215,000. The existing six commands of Army, Navy, Air Force, Combined Logistics, Reserve and Military Police will also be merged into three commands of the Army, Navy and Air Force. In addition, "voluntaryism", which has become the trend of the times, has now entered into the planning phase. When relevant legislation and complementary measures for the implementation phase are completed, the active force will be 100% volunteers by the end of 2014. This will mark the rebirth of the ROC Armed Forces, marching towards a new era of professionalism and high-quality.

Part Three "Creating opportunities"

The three chapters in this part: "National Defense Resources", "Solid Defense Capabilities", and "The Initiation of Peace" explain the limitation of defense resources and how the MND allocates financial resources, perfects the armaments mechanism and addresses operational requirements in a scientific manner and, at the same time, making defense management a part of the national economy and civil infrastructure. Besides this, the Armed Forces will implement measures to nurture quality manpower. It will also solidify national defense capabilities through various means—revolution in military affairs (RMA), defense transformation, cultivating military virtues, solidifying the conviction of "nation, duty and honor", reshaping intangible combat capabilities, while improving information and electronic capabilities, logistics support capabilities, joint operations effectiveness, all-out defense, and crisis management. Under the government's policy directive of "no unification, no independence, and no use of force", the Armed Forces will not initiate or provoke wars and be committed to self-defense and various force development and readiness tasks. At the same time, it will take a pragmatic and incremental approach to gradually promote the "building of cross-strait military CBMs", so as to create favorable opportunities and facilitate lasting peace across the Taiwan Strait.

The 2009 National Defense Report outlines the global security situation with an in-depth analysis on the PRC's military development and threats against Taiwan. It also presents the new thinking of the ROC Armed Forces on force development and articulates current defense policy undertakings and visions for development. By publicizing defense policies, it is hoped that awareness on national defense will be brought to the people to seek their support and participation in the concerted effort of building a "Hard ROC" defense force, so that the 23 million people can be free from threats of war, while the nation undergoes sustainable development and contributes to regional peace.



Part 1. Facing the Challenges



As globalization continues to be a mainstream force, the emergence of transnational actors and non-state actors has resulted in major impacts on international and national security. The existence and development of any region or state has become closely tied to globalization, which continues to challenge each country's governing capabilities in regional security, economic, political, diplomatic, environmental, and military cooperation issues.

The Taiwan Strait is vital to stability and security in the Asia Pacific region, and even more so to the survival and sustained development of Taiwan. Even as cross-strait relations have become relatively stabilized, the PRC's military expansion still continues unabated. As such, it still remains a major threat against regional security and Taiwan's national security. Such a situation warrants concerns and monitoring.

Chapter 1 Security Situation



Several developments in the 21st century are particularly noteworthy. First, the boundaries of national security are no longer limited to conventional armed conflicts. Terrorist attacks, epidemics of new infectious diseases, hacker infiltration and disabling of critical information systems have all become threats against national security. Second, developments in communication and information technologies have made the global economic order more interconnected than ever. Therefore, the financial crisis has sent far-reaching economic shockwaves around the world. Also, the economic growth of emerging states has accentuated energy problems. More and more countries have joined in the ranks of states competing for energy needs, causing considerable fluctuation in global petroleum prices. The result not only affects the global economy but also further impacts people's everyday lives.

Section 1 Global Security Situation

The current global political and economic order is still largely under U.S. leadership. However, the EU, Russia, the PRC, Japan, and India also wield considerable influence in their respective regions. In particular, the “Hu-Wen collective leadership” in China has become more consolidated, yielding a certain degree of political, economic, and military stability. In the future, the PRC is expected to intensify its intervention in global security affairs and to expand its influence over international affairs. In the process of the interaction between various actors, globalization has gradually fostered new political and diplomatic relationships. Overall, large states still assume leadership in global developments, while smaller states seek to create opportunities for development, thus producing simultaneously competitive and cooperative relationships.

I. Important Security Issues

Conventional military security issues have traditionally been a focus of attention for state actors, and constitute a major factor in interaction between state actors and the shaping of international affairs. In the 21st century, unconventional security issues have gained increasing prominence. Petroleum, food, or water shortages are no longer imaginary or futuristic problems. In early 2008, supply and demand imbalances in raw materials have resulted in high inflation, imposing adverse effects on the global economic well-being. Petroleum, food, territorial seas, and natural disasters are the most highly and globally prioritized among new emerging security issues. The following issues will remain international priorities in the next several years.

(I) Conventional military security issues

Conventional military issues are the most important element of international relations. Sovereignty and territorial disputes, coupled with ethnic, religious, and cultural schisms, are still causes for conflicts between states. Meanwhile, technological developments have enabled the possibility of precision strikes. Various countries continue to research, develop, and acquire advanced weapon systems and formulate new strategies and tactics against new modes of operations. Also, proliferation of and competition over raw materials, commodities, technologies, and finished products related to nuclear weapons, missiles, and other WMDs,

and the psychological intimidation and potential damages behind these weapons, still constitute a high international priority.

(II) Unconventional security issues

In recent years, terrorism and terrorist activities still result in considerable human casualties in Southeast Asia, South Asia, and the Middle East. At the same time, large scale pandemics around the world caused by avian flu, SARS, and swine flu (H1N1) and their associated psychological effects have also become factors in the stable development of security affairs. Issues such as energy competition, food shortages, and maritime rights disputes, all of which are triggered by climate change and global warming, have become international priorities.

1. Petroleum

Petroleum is a strategically significant energy source and commodity. Transportation, industrial production, and electricity generation still depend strongly on petroleum. Competition for control over petroleum resources has not only caused international conflicts but also entailed international political tensions. In recent years, there has been increasingly high petroleum demand from emerging economies, which results in dramatic rises in petroleum prices. Since petroleum prices will tend to remain high, states are formulating new energy strategies to account for this trend.

2. Food

In 2008, global food supply imbalances due to climate change has brought many states' attention on "food security". The application of food in bio-fuel production is also an important factor for the rise in food prices. The economic and social issues that have resulted due to inflation as invoked by food problems have become international concerns.

3. Maritime rights

Two issues are currently dominant in maritime affairs. The first is maritime resources. Global energy demand is increasing without commensurate increases in supply, rendering higher stakes in exploring for maritime petroleum and natural gas resources. Therefore, a consensus is difficult when it comes to sovereignty rights over controversial islands. The second is maritime transportation security. Global trade depends heavily on maritime transportation. For oil importing states, maritime transportation is the lifeline for their very existence. Various states have implemented measures to enhance maritime defense or escort capabilities to ensure maritime fisheries security.

4. Natural disasters

In recent years, major natural disasters and the complex effects of global climate change have become great threats facing the planet. In December 2004, the earthquake in Sumatra, Indonesia, resulted in the Indian Ocean tsunami. In August 2005, Hurricane Katrina hit the US. In May 2008, Nepal was subjected to severe wind disasters while Sichuan, China, suffered major earthquakes. In August 2009, Typhoon Morakot swept Taiwan. All of these disasters resulted in significant terrain and landscape changes and severe loss of lives and properties. Therefore, natural disasters have gradually become the latest security issues demanding global attention.

II. Major Regional Trends

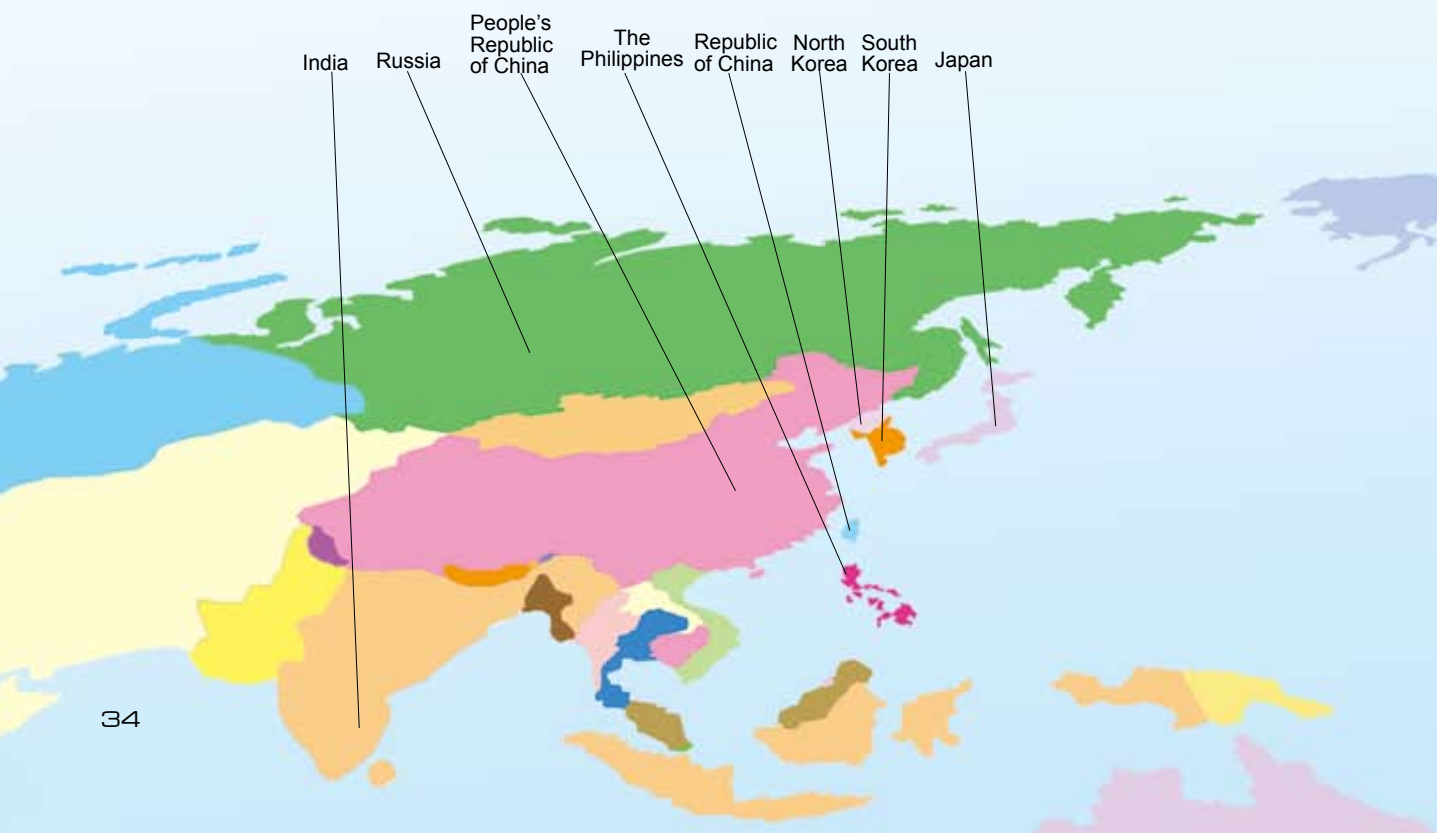
In recent years, regional armed conflicts still occur. Various states adopt security cooperation methods to prevent conflicts or exacerbation of risks. As well, natural disasters, terrorist activities, piracies, and other unconventional security threats have resulted in widespread global impacts, further highlighting the international, pervasive, and shared-risk characteristics of these security threats. To account for a diverse range of current and future security threats, military reforms and multifaceted response measures enabled by cutting-edge information and technological developments have become high priorities for major states around the world, bringing a wide array of opportunities and challenges for national defense.

(I) Asia

A stable security environment in Northeast Asia continues to be compromised by North Korea's development of WMDs, test launches of long range rockets and missiles, and the two underground nuclear tests. Also, Japan has witnessed governmental changes and frequent Cabinet reshuffles in recent years, while its economy is off to a slow recovery after being affected by global financial crisis. Its national defense affairs are still largely committed to the US-Japan alliance. In March 2009, JMSDF ships were sent to Somalia to enforce UN-sanctioned anti-piracy and fishery protection policies, demonstrating Japan's active participation in international affairs. Meanwhile, oil and gas field developments in the East China Sea, boundary definitions of coral reefs in China, and other relevant maritime rights appropriations, still require all parties involved to continue negotiations and dialogue to achieve meaningful solutions. The Southeast Asia region continues to undergo political and economic integration and anti-terrorism cooperation. However, because the countries surrounding the South China Sea have lobbied the UN to resolve sovereignty issues over outer islands in China's territorial waters, the stability of future interactions and relations among relevant regional states may be compromised. As well, the signing of the "Treaty of Amity and Cooperation in Southeast Asia" between the US and ASEAN demonstrates this

region's collective determination to maintain a certain political stature and level of influence. In South Asia, political and economic conflicts between India and Pakistan, as well as cross-border terrorist activities, have become important variables in regional security. Central Asia has become a major arena of Russo-US power competitions. Meanwhile, Pan-Pacific developments have raised the strategic importance of Oceania, where Australia now also expresses an intention to take active leadership over regional affairs.

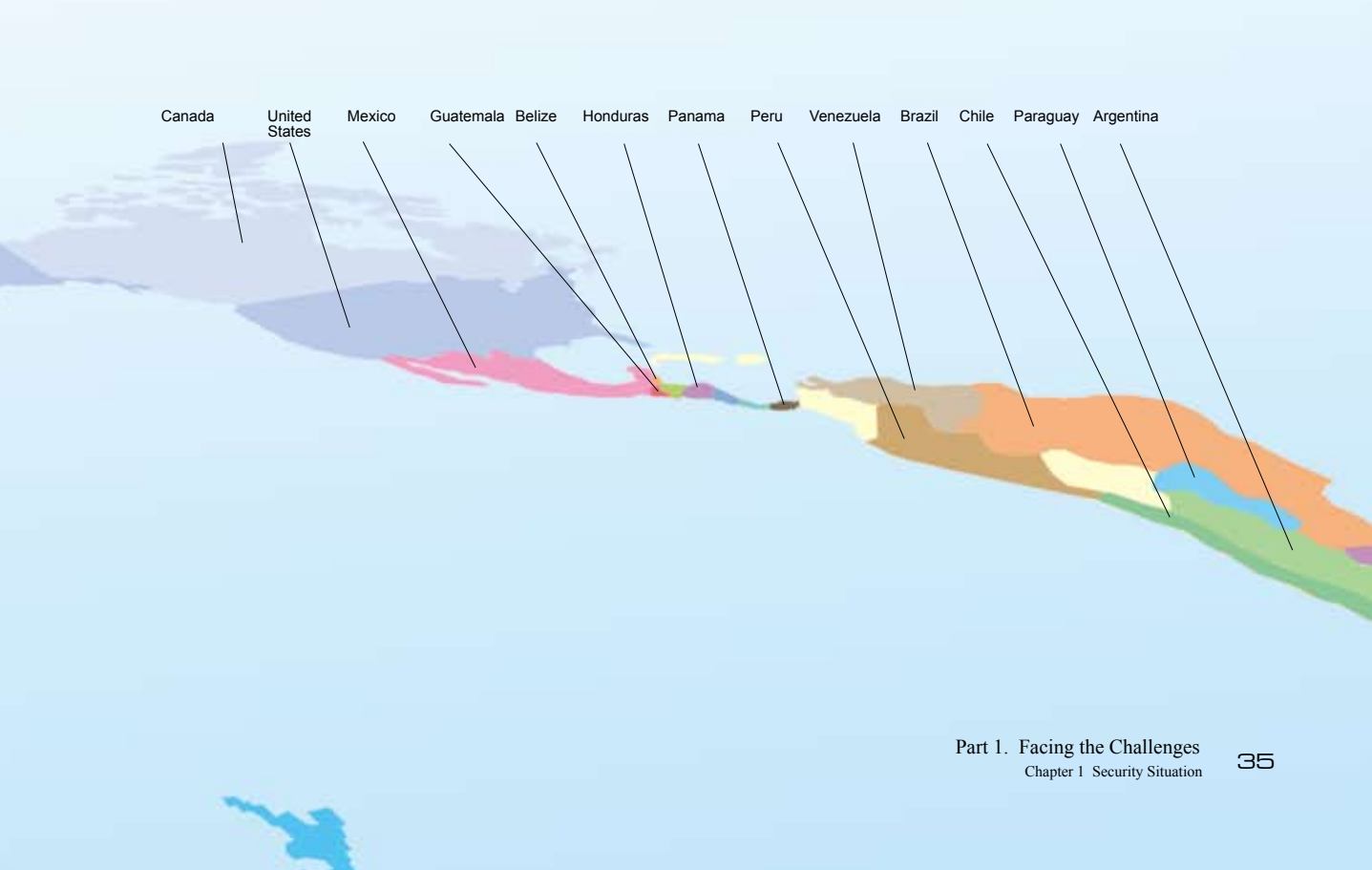
Due to its abundance of petroleum and strategic importance, the Middle East is still heavily focused on by major states. Iraq and Afghanistan have experienced several years of war, and western states will be highly devoted to improving the security situation in the two countries. Iran has caused considerable tension with the George W. Bush administration. After taking office, Obama intends to enhance dialogue, negotiations, and gestures of goodwill to entice positive feedback from Iran and account for Israel's security needs. However, after the Iranian presidential elections of June 2009, existing situations have not significantly altered. Nuclear problems still remain controversial, and it further encourages other Middle Eastern states to pursue nuclear energy technologies. In the future, resolutions to nuclear problems will become the central theme in this area. Meanwhile, Islamic Shiite influence continues to expand, where Saudi Arabia is intensely involved in mediation efforts between the factions. At the same time, Saudi Arabia is also committed to negotiating resolution between Israel and Palestine, with the hope of maintaining regional stability and building long term peace.



In June 2009, Israel announced conditional agreements to Palestine's statehood aspirations, raising international attention towards resolution over Israel-Palestine issues. However, the Israel-Palestine situation is influenced by factors such as domestic political climates in both parties, overarching international developments, and the countries playing a pivotal mediation role, all of which cause the situation to remain highly volatile.

(II) Europe

Under the EU framework, European states continue to become more integrated under the "Lisbon Treaty" as well as absorbing new member states to expand the EU's influence. However, due to mitigations from the global financial crisis, referenda in several states have been postponed, delaying the effective date of January 2009 to December. Also, the EU has initiated the "Eastern Partnership Plan", adding six former Soviet states, including Ukraine, Belarus, Georgia, Armenia, Azerbaijan, and Moldova to its membership. Negotiations are under way for free trade areas, enhancements to energy security, and defense affairs, which will help extend the EU's influence. The EU military, which is an amalgamation of military forces from various states, began formal operations in December 2008, and it has already yielded major effects on the maintenance of regional security affairs and the interests of EU member states. The EU forces' first mission is deployment to the piracy and hostage situation off the coast of Somalia, which accentuates the fact that piracy has become a major threat





The US enhances preventative measures against terrorist activities, playing an important role for regional security and stability. (Photograph courtesy of US Navy)

against international transportation safety, regional stability, and the interests of stakeholder countries, so that it should be dealt with through international cooperation mechanisms.

In recent years, regional tensions arising from sovereignty disputes over the Arctic Ocean have relaxed marginally as the US, EU, Canada, and Russia have agreed on restraint, reasonable principles, and the use of the UN's "Law of the Sea". As Russia's political and economic conditions continue to improve, its military reforms and recovery of overall military strength have witnessed considerable gains due to its solid technological foundation and abundant strategic resources. In particular, since NATO continues to produce security impacts by absorbing new members, and the US is deploying missile defense systems in Eastern Europe, Russia's position and military measures have become more obviously targeted. In August 2008, Russian forces were deployed to Georgia, and in November, it was announced that missile systems would be assembled in Königsberg, situated between Poland and Lithuania. Also, Russia held the first ever military exercise with Venezuela to enhance political and military relations with Latin American states. All of these actions are indicative of Russia's efforts of counteraction and penetration the strategic obstacles. Although the US and Russia have frequently maneuvered against each other politically in international security issues, the "Strategic Arms Reduction Treaty" signed in July 2009 has achieved a new level of consensus for nuclear arms reduction, which illustrates major progress for both parties as they deal with the importance of national security and international expectations for

nuclear nonproliferation. In summary, the overall situation of diplomatic relations in Europe will continue to be dictated by relations between the US, EU, and Russia.

(III) The Americas

After the American presidential election of 2008, the Obama Administration presented a new outlook on defense, foreign policy, the economy, and domestic social policies. It is primarily committed

to resolving domestic economic problems, restoring popular faith, and improving living standards. In terms of international anti-terrorism measures, 2011 had been set as the date for complete withdrawal of US troops from Iraq; the military focus will shift to post-war operations in Afghanistan; the anti-terrorism cooperation with India and Pakistan will be also enhanced. In terms of international relations, the US will strengthen relations and cooperation with Japan, India, the EU, and ASEAN, and engage in mutual trust and global security affairs cooperation and negotiations with the PRC and Russia, with the hope of retaining its international leadership position.

Central and South America officially renamed the “South American Community of Nations” into “Union of South American Nations” in April 2007. In May of the following year, the “Charter for the Union of South American Nations” was signed, symbolizing a step forward for regional integration. Regional wealth disparities, illegal international commercial activities, gang crimes, and drug trafficking continue to compromise the stability of regional security affairs. Also, in recent years, left wing political parties have been elected to the governments of El Salvador, Uruguay, Nicaragua, Haiti, Guatemala, and Paraguay. As well, Venezuela is proactively using its geographical and resource advantages to enhance political and military relations and exchanges, and cooperation with Russia and the PRC. Meanwhile, the Cuban government has undergone peaceful transition, formally ending the age of strongman ruler, Fidel Castro. The new government continues to enhance military cooperation with Russia, which simultaneously enticing Russia to consider redeployments to Cuba to consolidate their regional influence. All of these developments have had significant impact on regional affairs, and subsequent developments will remain important.

(IV) Africa

Ethnic conflicts, natural disasters, diseases, and Somali piracies have ravaged the continent,



Piracy, hostage taking, and ransom soliciting incidents have highlighted piracy's major threat against stability over regional affairs. (Photograph courtesy of US Navy)

causing overall instability. Due to its abundance in various resources and minerals, major world powers have been actively interfering with its affairs by means of financial assistance, energy resource developments and economic cooperation to acquire strategic resources. The PRC further incorporates Africa as its long term priority development area, and has sent peacekeeping troops to secure political recognition. Meanwhile, the US has formally established the “African Command” in October 2008, which will specialize in African affairs. In other words, the elevated status of Africa’s strategic value has rendered it an important competitive arena for major states. Regional affairs may become even more complicated if international powers and the actual needs of African states cannot be both accounted for.

III. Impacts and Challenges

Since the Soviet collapse and the end of the Cold War, the international system has essentially become one of US dominance. However, in recent years, economic growth in Russia and the PRC has greatly increased their respective national capabilities, including military capabilities. They are no longer only regional powers. They now wield influence over global developments. Unconventional security threats have gained increasing prominence globally.

(I) Large scale all-out wars replaced by regional conflicts

During the Cold War, the world was separated into two ideological camps, and military preparations were founded on the envisioning of large scale wars between these two camps. However, the two sides are relatively fearful of the occurrence of global, large scale, and nuclear wars, therefore they exercised considerable restraint, and international relations were relatively stabilized through fear. After the end of the Cold War, international relations have resumed the same pre-Cold War complexities. Culturally, religiously, and ethnically motivated regional armed conflicts have replaced the possibility of large scale wars.

(II) Rise of the PRC

Because the PRC’s overall national strength continues to grow, its influence has commensurately expanded. In recent years, the PRC has considerably stepped up its involvement in international affairs, and its economic strength demonstrated during the global financial crisis has forced the US to consider the importance of enhancing positive relations with the PRC. And, as Russia’s national capabilities are being revived, the PRC has maintained positive political and military relations with Russia with the resolution of perennial border disputes, which has minimized negative factors between the two sides. Also, global climate change, financial crises, and international peacekeeping will require the PRC’s support and assistance. In the future, the PRC is likely to play increasingly more important functions and roles in the international stage.

Over the course of the PRC's development, it has attempted to reduce or dilute international suspicions over its growing overall national strength with introduction of concepts such as "peaceful world" and "friendly diplomacy". However, its rapidly expanding military capabilities and its resultant oppression against cross-strait relations and threats against security of relevant regions around the world have not decreased. Moreover, the PRC's defense transparency falls far short of international expectations. In the future, if the PRC cannot be encouraged to raise its defense transparency and strategic clarity, reform its one-party political system, and improve its current conditions of human rights and legal administration according to the Universal Declaration of Human Rights, it will continue to pose a certain level of threat against global security and stability.

(III) Unconventional security challenges

Unconventional security threats, such as natural disasters, terrorism, major disease epidemics, energy shortages, food shortages, piracy activities, financial security, and information security, now wield a level of influence over human lives and assets that is as potent as war itself. Therefore, various states have established interdepartmental mechanisms for the purpose of effectively integrating overall state capacities to formulate countermeasure strategies against various plausible scenarios before a crisis takes place. Thus, when a crisis emerges, governments can rapidly decipher the situation, make appropriate decisions, and implement timely solutions.

If the transnational nature of unconventional security threats cannot be addressed effectively, it may result in a chain reaction of additional security threats. Currently, many states have established relevant crisis management mechanisms. Establishment of transnational crisis management capabilities will become an issue that will require considerable deliberation from stakeholders around the world in the future.

Section 2 Asia Pacific Security Situation

Currently, the greatest variable affecting regional security in the Asia Pacific is the PRC's rapid and continuous military expansion as part of its quest to become a military power in the Asia Pacific. These developments have resulted in major impacts against regional security and stability, and it even starts to threaten American interests in the Asia Pacific. In order to account for the PRC's rapid military growth, the US has initiated a new round of military deployments with Japan and other allied states, with the hope of maintaining the military balance and security dominated by American leadership. Asian Pacific states see challenges and opportunities coexisting with the rise of the PRC. However, in terms of regional security, these countries all harbor a certain level of suspicion towards the PRC. In recent years, Asian Pacific states have lobbied the UN Commission on the Limits of the Continental Shelf (CLCS) to investigate data and provide confirmation to resolve competitions over maritime interests, marking a relatively elevated prominence for maritime affairs. In the future, relevant relations over definitions of maritime boundaries, and resource explorations will become more interconnected and fluid between various states in the future.

I. Regional Situation Development

Because the PRC's internal decision-making processes are closed, and that it has many records of human rights violations, suppression against democracy, and crackdowns on freedom of speech, which is further complicated by continuous military growth in recent years, Asian Pacific states tend to harbor suspicion against the rise of the PRC. In recent years, the US has, on many occasions, called for the PRC to become a "responsible stakeholder in the international system", and that it should increase the transparency of its defense affairs. Japan has also frequently expressed high concerns over the lack of transparency in the PRC's armaments, force structures, deployments, military training, and defense budgets. All of these developments indicate international expectations and demands for the PRC to play a stabilizing and positive role and fulfill its responsibilities and obligations during the course of its gradual integration into the global political system and market economy institutions. Overall, the rise of the PRC has a wide range of implications, and the resulting political, economic, and military ramifications are all important priorities for major states in the Asia Pacific and around the world.

Faced with global financial crises and unconventional security threats, regional security is no longer limited by military scopes, and is moving more towards economic cooperation and regional security, such as the proposal for the "ASEAN Free Trade Area" and the holding

of the “East Asia Summit” and “Asian Security Conference” (also known as the Shangri-La Dialogue). However, despite superficially peaceful and stable developments in the Asia Pacific region, certain levels of military standoff and tense relations still pervade the Korean Peninsula and the Taiwan Strait, and their effects are not only regional, but global.

II. Regional Security Issues

(I) WMD proliferation

North Korea’s nuclear weapons and long range ballistic missile developments continue to threaten the defense, security, peace, and stability of neighboring states, becoming a global security hazard and also receiving considerable regional and international attention. In late 2008, North Korea expressed disagreement against the US’ nuclear disarmament actions and compensation measures, and the nuclear disarmament initiative was compromised under the combined effects of South Korea’s adjustments of its policy towards North Korea and the transition of the new US government. From April to July 2009, North Korea insisted on launching rockets, conducting its second underground nuclear tests, and test firing missile salvos, all of which have impacted security over the Korean Peninsula. Thus, South Korea was motivated to engage fully in the “Proliferation Security Initiative” and enhance inspections of suspicious ships entering South Korean waters to maintain its national security. Meanwhile, Japan is also enhancing its missile defense command systems, accelerating mobile force deployment adjustments, and enhancing cooperation with the US to raise emergency response capabilities to account for North Korean developments. Additionally, Major states in the area are also considering establishing missile defense capabilities out of consideration over the proliferation and potential threats of WMD proliferation. Overall developments indicate that WMD proliferation is still a major regional threat that urgently requires resolution through concerted efforts and coordination.

(II) Escalating competition over maritime rights

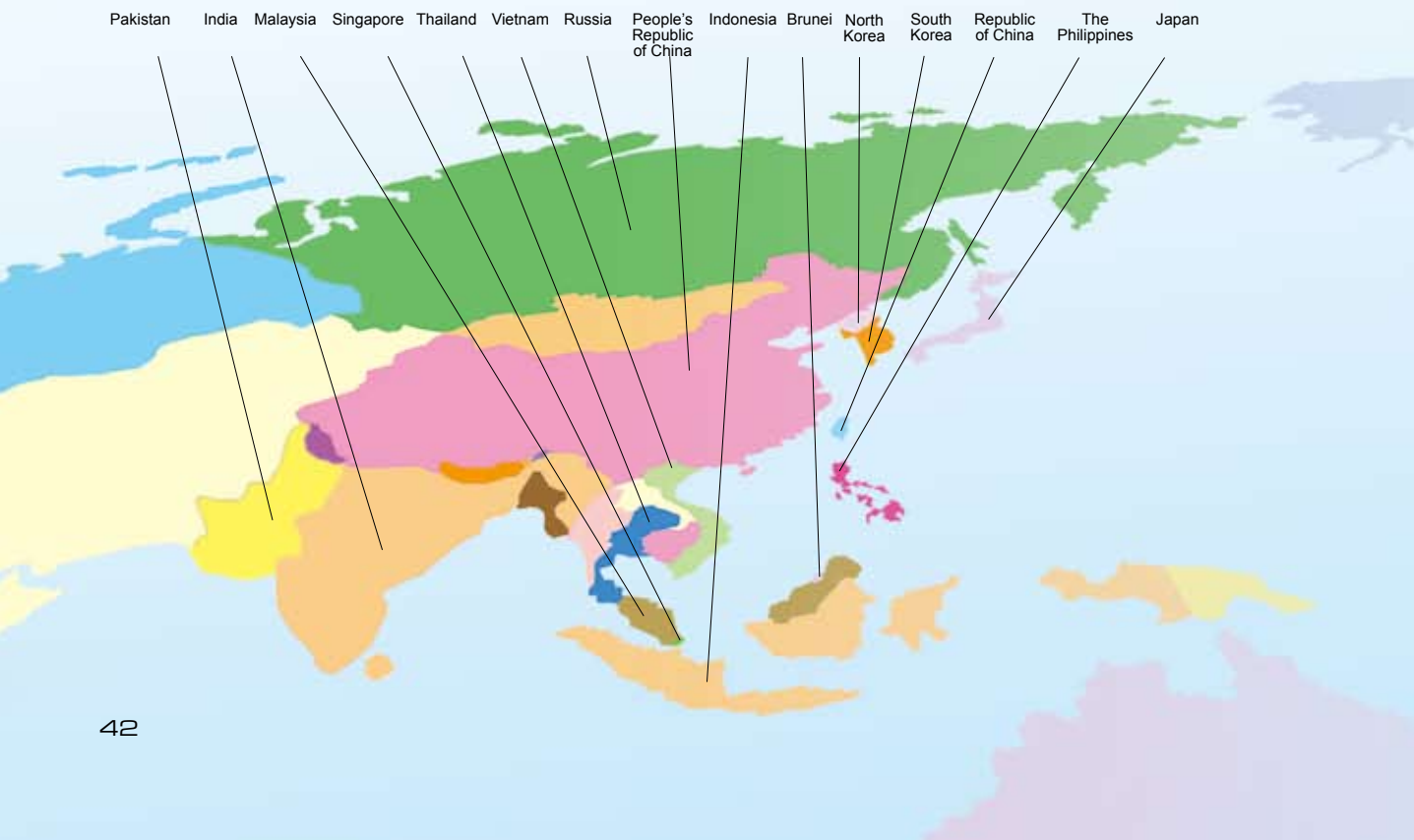
Over 70% of the world’s surface is covered by oceans, which contain extremely abundant resources. As part of the promulgation of the “United Nations Convention on the Law of the Sea” in 1982, each signatory state recognizes the importance of rights relevant to “continental shelf” and “exclusive economic zones”, which further intensifies maritime competition between various states. Also, before the deadline of May 2009, data investigations have been proposed for the CLCS for application evaluation purposes. During this time, the Philippines has used its legislative procedure to accentuate its maritime rights. Vietnam and Malaysia have jointly submitted a boundary definition plan for the South China Sea. Russia and Japan continue to dispute their sovereignty over the Kuril Islands. The standoff persists between Japan and South Korea over the Liancourt Rocks (referred to as Takeshima by Japan). There

is sovereignty dispute between the PRC and Japan over “Okinotori-shima” as well as oil and gas fields in the East China Sea. In March 2009, US data collection ships have been intercepted and surrounded by PRC ships in the South China Sea. In March 2009, the PRC’s foreign affairs department also established agencies specializing in border and maritime affairs. All of these developments can be seen as measures to advance maritime interests. It is thus evident that certain states have spared no efforts to compete for maritime resources and authorities. In the future, the importance of these issues may become more prominent, and produce long term effects on regional power structures and developing relationships.

Sovereignty over the Diaoyu Islands, Spratly Islands, Paracel Islands, Macclesfield Bank, Pratas Islands, and their surrounding waters belong indisputably to Taiwan. Taiwan enjoys all rights empowered by international law over the aforementioned islands and their surrounding waters, seabed, and bottom soil. Any other state who attempts to contest or seize this region with any method for any reason has no legal justification. In terms of relevant territorial or maritime rights disputes, Taiwan supports diplomatic solutions and opposes any provocative or radicalization of existing conflicts that will endanger the stability of regional security affairs.

(III) Expanding PRC influences

In recent years, the PRC has further diversified and modernized its armament procurement



variety and volume, primary combat equipment platforms and training models through high levels of defense funding. The PRC is also taking leadership over the “Shanghai Cooperation Organization”, encouraging the “Six Party Talks”, operating the “ASEAN +1”, and performing UN peacekeeping and naval escort missions around Somali waters, intent on demonstrating its status as a major state through befriending neighboring states and military relation measures. Ultimately, the PRC intends to dilute suspicions of regional security threats arising from its military expansions.

Having anticipated potential challenges from the PRC’s military developments and the military support required for dealing with the situation over the Korean Peninsula, the US has not only increased submarine deployments in the Asia Pacific and expanded military bases in Guam, the US has also expressed serious concerns over the PRC’s military expansions in the “National Defense Strategy” released in August 2008. In its annual “Defense White Paper”, Japan reiterated high levels of suspicion against the PRC’s lack of military transparency, sustained patterns of large military expenditures over the years, and frequent maritime exploration activities. Japan continues to be focused on security threats over the possibility of the PRC’s building its own aircraft carriers. In addition to enhancing joint sea and air reconnaissance and surveillance functions and military contingency response capabilities in its southwest borders, Japan is also proactively consolidating military cooperation measures with the US to counterbalance the PRC’s military expansions. Meanwhile, in June 2008, Australia proposed the establishment of the Asia Pacific security collective before 2020, with the hope of incorporating the US, Japan, India, and regional states in Southeast Asia to enhance economic, security, and political cooperation to reduce the ramifications of PRC threats. Moreover, Australia released its “Defence White Paper” in May 2009, which articulated high concerns over regional relations developments. Meanwhile, India is concerned about threats from the PRC’s newly established Hainan submarine base and the PRC’s harsh military actions on the Indo-Chinese borders. Not only is India enhancing its navy, adding airbases along the Indo-Chinese borders, and increasing deployments of high functionality fighters to account for the PRC’s growing national security threats, it is also committed to maintaining positive and stable relations with the US and PRC and reducing the PRC’s military threats through equivalency diplomatic strategies such as enhancing US-India military cooperation from military exercises, visits of senior officials to the PRC, and joint counter-terrorism military exercises. Overall, national security threat issues resulting from the PRC’s military expansion have become a major priority for states in the Asia Pacific region.

Section 3 Security Situation in the Taiwan Strait

Taiwan's efforts to maintain peace over the Taiwan Strait and regional security are compatible with the collective expectations of the cross-strait populations and international community. As cross-strait relations are being proactively improved by the government in recent years, tensions have relaxed considerably due to contact and exchange. Thus, the possibility of armed conflicts has reduced visibly. However, the military preparations of the ROC Armed Forces should not and will not be compromised due to improving cross-strait relations. The ROC Armed Forces need to maintain maximum functionality and maximum warfighting capabilities and never neglect the existence of the PRC's military threats. Remaining vigilant during peace and maximizing readiness at all times is the promise of the ROC Armed Forces to all Taiwanese people.

I. Current Cross-Strait Security Status

The government is committed to improving cross-strait relations and expanding economic and cultural relations. Cross-strait relations have thus been improving visibly. Since May 2008, both sides of the Taiwan Strait have undergone relevant policy adjustments and resumed the "SEF-ARATS" negotiation mechanism. The government intends to seek cross-strait mutual interests and balance points in win-win solutions on the foundation of "facing reality, pursuing mutual non-denial, creating welfare for the people, and striving for cross-strait peace".

(I) Taiwan's policy towards Mainland China

During his inauguration speech, President Ma pointed out that Taiwan's perennial objective is to pursue cross-strait peace and maintain regional stability. Facing new situations and environments, Taiwan's policy towards the PRC is mainly grounded on the objectives of maintaining stability over the Taiwan Strait, encouraging regional peace, and defending the rights, well-being, and dignity of the Taiwanese people. The government seeks to establish balancing points for the mutual interests of both sides of the Taiwan Strait while creating an overarching framework of "facing reality, creating rosy prospect, shelving disputes, and pursuing win-win solutions". In the current stage, the government is implementing various opening-up policies towards the PRC, with the objective of making international connections and increasing Taiwan's competitiveness, and thus creating concrete benefits for the people. Improvements in cross-strait relations not only consolidates Taiwan's position in the Asia Pacific region and greatly magnifies its international visibility, it is also helpful towards peaceful resolution of perennial cross-strait political differences. Therefore, the

current “SEF-ARATS” system of cross-strait negotiation works to put “manageable issues before difficult issues”, and “economy before politics”, as well as ensuring “equality, dignity, and reciprocity” in its efforts to catalyze long term cross-strait peace and prosperity and implement gradual relaxations of cross-strait policies and legislations.

(II) PRC Policy towards Taiwan

The PRC’s ultimate guiding principle for its policies towards Taiwan had traditionally been “One China”, and “peaceful unification”, and “one country, two systems”. This principle had not changed. However, the PRC has become more pragmatic and flexible in its application of this policy, and its handling of cross-strait relations has become more delicate and versatile.

On December 31, 2008, in the 30th anniversary press conference of the Message to Compatriots in Taiwan, the PRC government highlighted an six-point proposal for improving cross-strait relations. Other than reiterating “One China” principle and basic policies of “peaceful unification”, and “one country, two systems”, it further proposed an end to hostilities with a peace agreement. This proposal has become a clear policy guideline for cross-strait relations for some time to come, and the six points, in particular, established the PRC’s articulation and policy orientation toward Taiwan.



The PRC’s military deployments against Taiwan have not changed significantly, which means that military threats facing Taiwan still remain.



The ROC Armed Forces are devoted to force developments and readiness, and hopes to achieve the ultimate objective of stabilizing civil society and defending the nation.

The PRC has amicably responded to the issue of Taiwan joining the WHO, and also proposed concrete cross-strait cooperation measures such as financial cooperation, incentives for Taiwanese businesses, two-way investments, and agricultural cooperation. Compared to the past several years, the PRC had not issued negative statements on “preventing Taiwan independence” and “anti-secession”. Instead, it is focusing on expanding cross-strait economic, financial, and social cooperation, indicating improvements in current cross-strait relations and increasing level of interactions.

II. Developments in Cross-Strait Relations

The PRC and Taiwan had been governed separately for 60 years. During this time, there have been political standoffs, diplomatic competitions, trade partnerships, military confrontations, and social exchanges, producing a unique coexistence of “political hostilities and close economic ties”. After President Ma took office, “SEF-ARATS” negotiations were restored to pursue balancing points for mutual cross-strait interest and win-win solutions.

The political changes that took place in cross-strait relations in the past year have actually created a positive atmosphere for cross-strait dialogue and negotiations. The systematic channel of dialogue has become a driving force for developing positive cross-strait relations. Three “SEF-ARATS” meetings have produced nine agreements and one consensus. Since December 2008, the “three direct links” across the Strait have further normalized cross-strait



The ROC Armed Forces is the loyal defender of national security, and also a dependable support for the pursuit of regional peace.

economic relations.

However, caution is especially warranted in peaceful environments. Despite improvements in cross-strait relations, the PRC did not reduce military deployments against Taiwan. The PRC capitalized on its economic growth and injected large funding into military expansion. In the past 21 years, PRC defense budget had been growing in double digit percentage, expanding its military capabilities beyond what is necessary for self defense, and raising suspicions among Asia Pacific states. These factors continue to pose security concerns for the Asia Pacific region. Due to Taiwan's geographical proximity to Mainland China and recent improvements in cross-strait relations, the Taiwanese economy is able to benefit from the PRC's economic growth. However, Taiwan is also the most likely target of PRC military expansions. The PRC has no intention to amend the "Anti-Secession Law", which clearly authorizes "non-peaceful means" to resolve problems with Taiwan. Furthermore, PRC military deployments against Taiwan had not changed significantly, which continues to put Taiwan under military threats. As a loyal defender of national security, the ROC Armed Forces will not relax itself on military preparations simply because of improved cross-strait relations. The ROC Armed Forces will remain alert and make appropriate preparations to counter PRC military developments, so as to act as a strong buttress for improving future cross-strait relations.

Chapter 2 The PRC Military



The PLA had been fixated on the concept of “the people’s war” since its founding, but it is also adapting to domestic, foreign, and technological developments and continuously correcting and expanding its operation in recent. Since the First Gulf War of 1991, the PLA had been focused on becoming a “technologically powerful force”, which gradually evolved to the PLA’s current emphasis on “winning limited wars under conditions of informatization”. At this point, the PRC continues to enhance its defense and force modernization schedule, as well as its emphatic efforts at “composite and interdisciplinary” military developments as part of its plans to realize the objective of “national prosperity and military supremacy”. Currently there is a separation of military and state as both parties engage in direct confrontation against Taiwan and simultaneous demonstrations of goodwill and hostility. Ultimately, its objective of “unifying Taiwan” remains unchanged. Therefore, risks of cross-strait military conflicts still exist today.



Section 1 Current PRC Military Status

The PRC and ROC resumed negotiations since June 2008. Subsequently, restoration of “direct cross-strait flights” and other initiatives have been carried out. As a result, economic and cultural interactions have become more vigorous. While cross-strait relations are currently stabilizing, the two sides are still in military confrontation. In the past decade, the PRC greatly enhanced overall warfighting capabilities, resulting in cross-strait military advantages evidently tilting towards the PRC.

I. PRC Military Strategy

(I) Military tactical planning and orientation

The PLA’s military modernization plans originally called for “greater developments before and after 2020” and being able to “win information warfare by mid-21st century”, which had since been amended as “fundamentally achieve mechanization and enable greater developments for information infrastructure before 2020, and fundamentally realize the objective of defense and force modernization by mid-21st century”. Evidently, the PLA’s development schedule had become more confident and accelerated. Also, in order to catch up with militarily advanced states, the PRC has invested asymmetrical warfare, and incorporated the non-military “three warfares” into its military concepts, which is indicative of its modernized military ideology.

The core concept of the PRC’s current military strategy had been modified to that of the dual application and fusion of offensive and defensive capabilities, with priority on preventing risks and war, handling diverse security threats, and performing multifaceted military missions. In recent years, emphasis has evolved into “quick victories at standoff range, and victory on first engagement” as its modernization indicator. PRC military expansion and warfighting capability developments have been threatening stability and peace in the Asia Pacific region and the world. The PRC’s central strategy has evolved, putting “preventing crises” before “stopping wars”, revealing a forward movement in its central strategic

Table 2-1 The PRC's Defense Budget Statistics in recent 10 Years (2000 to 2009)

Year	Total Defense Budget	Defense Budget Growth %	Overall Expenditure	% of Overall Expenditure
2000	1207.54	12.15%	15879	7.60%
2001	1442.04	19.42%	18844	7.65%
2002	1707.78	18.43%	21113	8.03%
2003	1907.87	11.70%	24649	7.74%
2004	2172.79	13.89%	29362	7.72%
2005	2474.28	13.88%	33709	7.34%
2006	2979.31	20.40%	40213	7.40%
2007	3509.21	17.80%	46789	7.50%
2008	4182.04	17.60%	62427.03	6.07%
2009	4806.86	14.90%	Undisclosed	6.03%

Unit: 100 millions of RMB

guidance, which applies to Taiwan as well.

(II) Military strategic transformation and intention

In terms of the transformation of the PRC's military and strategic philosophy, its tactical philosophy can be separated into "defensive" operations and "expanded" operations that are both offensive and defensive. "Defensive" operations were dominant during the Mao Ze-dong and Deng Xiao-ping eras, due to a weak national economy. Therefore, priorities at that time were focused on territorial defense, with little focus on regional influence. "Expanded" offensive and defensive operations emerged during the later years of the Jiang Ze-min era. Because of improving national conditions, the PRC began harboring intentions for competing for regional and global interests. The PRC is also enhancing out-of-theater warfighting capabilities and improving overall national influence. As a result, not only does it intensify security threats against Taiwan, it also limits Taiwan's international living space.

The PRC proclaims that its passive defense policies founded on the military strategy of "active defense", and that it will not engage in an arms race with any nation, seek absolute power, or impose any military threats against any nation. However, its real intention is to establish military capabilities that enable complete dominance along the First and Second Island Chains, force projection into the Indian Ocean, and rapid conquer of Taiwan, so as to become a military superpower in the Asia Pacific region.

GDP	% of GDP	100 millions of US Currency Equivalence	Different between Nominal and Real Budget
89404	1.35%	145.84	2.54
95933	1.5%	176.34	32.0
102398	1.67%	206.25	47.8
116694	1.63 %	230.70	54.9
159878	1.36%	262.41	98.0
182321	1.36%	302.00	28.5
210871	1.41%	381.50	141.0
226160	1.55%	449.40	——
300670	1.39%	572.89	4.35
Undisclosed	1.40%	702.76	Undisclosed

II. PRC Defense Budget

For twenty-one years(1989-2009), PRC defense budgets have grown at two-digit percentage points, securing major funding for military modernization. Its military reforms and weaponry upgrades are tremendous in scale. Although the long term objective of military modernization is focused on military capabilities of a regional and global scale, and not entirely targeted at Taiwan, the PRC has funneled massive hidden funding for non-military departments, which has attracted international attention (see Table 2-1 for the PRC's defense budget statistics in recent 10 years).

(I) Overall budgetary allocations

In 2009, the PRC promulgated a defense budget of 480,686 million RMB, which represents a 14.9% growth from 2008. The PRC claims that the additional funding is primarily intended for increasing the salaries and benefits of military personnel, expanding information infrastructures, and expanding non-war military capabilities such as disaster rescue and counter-terrorism.

(II) Analysis of overall budgetary structure

The overall structure of the PRC defense budget is divided into personnel expenses, training maintenance costs, and equipment costs. Personnel expenses include salaries, insurance, and benefits for cadres, servicemen and contracted personnel. Training maintenance costs contain cadre training, academic education, and various infrastructure developments. Equipment

costs include research, development, testing, procurement, and maintenance of weaponry and equipment. The aforementioned budget is also organized specifically for currently serving army, navy, air force, second artillery, reserve, and militia units.

(III) Insufficient military transparency

In terms of the aforementioned 400 billion RMB defense budget, the entire budget invested to maintain the normal operation of over 2.3 million troops is considered insufficient. If other initiatives such as funding for equipment and infrastructure expansions and enhancements to defensive operation capabilities are incorporated, larger budgets will be required. Furthermore, there are other military applications, major projects, or military-industrial corporate expenses, which are all recorded separately. Assessing the value of classified items and technology transfers, which have not been accounted for at all, is even more difficult. Summarily, PRC defense budgets lack transparency. In the US. DoD report titled “Chinese Military Power Report 2009”, considerable emphasis was devoted to pointing out these discrepancies.

(IV) Continuous military budget growth for military expansions

The PRC has designated the period prior to 2020 as the “strategic opportunity period” as it faces factors such as “winning limited wars under conditions of informatization”, “military strategic reorientation”, and “expansions of defense infrastructure demands”. Future military expenditures cannot be lowered. Currently, the PRC military budget represents approximately 1.5% of its GDP, and the PLA intends to increase the proportion to 3%, which will be more in line with western states, as well as open up defense contractors for the capitals market (military-industrial stocks), so that the military can acquire capital more readily from the market. Furthermore, in order for the PLA to augment the development of the PRC’s national interests and achieve its military objective of force modernization, the future scope of military expenditures may continue to expand and undergo appropriate relaxations. This may gradually increase military intimidations and possibly result in a new round of arms race in the region.

III. Current Arms Buildup against Taiwan

In recent years, the PRC has affirmed its military objectives against Taiwan regarding political changes over the Taiwan Strait, and is continuously enhancing its armament capabilities and focusing on military deployments against Taiwan. In terms of the warfighting capabilities that the PRC has accumulated over the years, the cross-strait military balance is gradually shifting to the favor of the PRC. Developments can be analyzed as follows:

(I) Aerospace

Currently, the PRC has approximately 40 operational satellites in orbit, providing it with basic operational capacities for the six primary functions of military reconnaissance, information probing, communications, navigation, meteorological monitoring, and technological experiments. However, most satellites are capable of military applications with high resolution and all-weather reconnaissance and surveillance capabilities. Therefore, these satellites have greatly enhanced the PLA's early warning, command and control, battlefield intelligence, aircraft and ship navigation, information confidentiality, and precision strike capabilities. The successful test of anti-satellite weapons and the launch of moon probes and the "Shenzhou 7" manned spacecraft has demonstrated the PRC's offensive and defensive capabilities in outer space.

(II) Second Artillery

The PLA's Second Artillery contains approximately 140,000 troops. Currently, various types of short, medium, long range, and intercontinental ballistic missiles and cruise missiles, totaling at approximately 1,500 missiles, have been deployed. An estimated 1,300 short range ballistic missiles and cruise missiles are deployed against Taiwan. These missiles are deployed in military bases in Nanjing and Guangzhou. Upgrades and mass productions are continuing. The missiles enable rapid missile strikes and multi-wave firepower assaults, and their precision has greatly improved. Furthermore, some of the missiles have contingency functions that enable midflight reprogramming. When combined with cruise missiles, the PRC can execute precision strikes against Taiwan.

(III) PLAAF

The PLAAF contains approximately 390,000 personnel, with 3,400 fighters. Approximately 500 third-generation fighters with long range precision air-to-ground strike capabilities have been deployed. Usually, there are approximately 700 fighters of various models deployed within a 600 nautical mile radius of Taiwan. Some of these fighters are capable of aerial refueling, and they can be rapidly mobilized against Taiwan and support combat missions in the South China Sea. Also, close to 300 transport aircraft deployed can support air transport operations. Additionally, early warning aircraft have been deployed to enhance aerial warnings and command and control capacities. Also, S-300PMU2 missiles and the indigenous Hongqi 9 anti-air missiles have been deployed in Fujian area to enhance overall air defense capabilities.

(IV) PLAN

The PLAN contains approximately 260,000 personnel. Currently, there are approximately

960 warships. There are approximately 70 large warships that can be used against Taiwan, and approximately 60 conventional and nuclear powered submarines. Also, the PLAN has acquired Sovremenny class guided missile destroyer, Kilo class conventional submarine, and large indigenous warships, large multipurpose landing ships, new missile boats. The PLAN is also accelerating operational deployments for new nuclear powered attack submarines. The PLAN not only possesses modern air defense capabilities, sea surface strikes, and anti-submarine capabilities, it is also able to partially blockade Taiwan's sea lines of communication and retard Taiwan's sea interdiction forces. To realize strategic objectives across "distant seas" and engage in military operations other than war (MOOTW), the PLAN had been deploying special patrols to the Gulf of Aden for anti-pirate escort mission since January 6, 2009. From April 19 to April 24, 2009, the PLAN initiated exhibitions and demonstrations of its military buildups on the theme of "peaceful seas" to celebrate its 60th anniversary. The PLAN also held "ship observation ceremonies", which will help increase its international visibility, create an image of the PRC as a militarily powerful state, and accentuate its national pride.

(V) PLA

The PLA contains approximately 1.25 million personnel. 18 army groups have been deployed in seven major military regions according to tactical missions and emphasis of threats. In particular, there are approximately 400,000 troops for ground operations against Taiwan deployed across Nanjing, Guangzhou, and Jinan. Major equipment has been gradually upgraded, including new tanks, long range multiple rocket launchers, new amphibious assault vehicles, and active research and development of new attack and transport helicopters. The PLA continues to accelerate its mechanization and informatization, and its overall warfighting capabilities have improved greatly.

(VI) Cyber and electronic warfare

In terms of cyber and electronic warfare, the PLA has established a "cyber force" and several information operations centers to study computer viruses, devise tactics and techniques, and establish the ability to attack enemy computer systems and networks. The PLA also combines military and civilian resources to incorporate network resources and information personnel from the private sector to form a large network attack capacity. In terms of electronic warfare, the PLA is characterized by instantaneousness, sabotage, uniformity, continuous upgrading and renewal, total coverage, and versatility. The PLA's electronic warfare troops have been equipped with new communication disruption equipment to form various disruption bases. Due to battlefield environment and equipment constraints, the electronic warfare forces of the PLAN are mostly limited to defensive electronic warfare. The PLAN has deployed long range disruption aircraft, and various anti-radiation unmanned platforms and missiles, with

emphasis on operation training under complex electromagnetic environments. The PLA now possesses electronic soft kill disruption and destructive hard kill capabilities.

(VII) Intelligence, surveillance, and reconnaissance

Currently, the PRC has deployed various types of satellites, and is applying beyond-visual-range radars, in combination with aerial warning aircrafts and unmanned reconnaissance aircrafts. It now possesses reconnaissance and surveillance capabilities over the western Pacific, eastern Taiwan, and the seas around the Okinawa Islands in Japan, which can also provide covert military command and control, intelligence delivery, and intelligence gathering at any time to fulfill intelligence required for specific battlefield environments.

IV. Military Strike Capabilities

To account for international and regional political changes, the PRC's military strategy is focused on the "Taiwan Strait" and the "South China Sea". Although the PRC asserts that it will not initiate wars or invasive operations, it will employ offensive action as an intimidation effect upon observation of infringement against its national sovereignty or territorial integrity. In recent years, as the PRC accelerated its military modernization, it has gradually assembled joint strike capabilities, and is actively engaging in various military preparations against Taiwan and the development of deterrence-capable warfighting capabilities, making its command and armament planning more refined. They can be summarized as follows:

(I) Precision strike capabilities

In recent years, new missile brigades have been formed in Guangdong, Fujian, and Jiangxi. Short and medium range ballistic missile deployments are still continuing, with ranges covering the entirety of Taiwan. Currently, new missiles in the Second Artillery have become more solid, smaller, and more mobile, with its short range tactical ballistic missiles incorporating advanced integrated satellite guidance systems, which have greatly increased its precision strike accuracy. In the future, land-based land attack cruise missiles and new generations of aircraft and ships will be incorporated and equipped with various precision munitions and land attack cruise missiles, which will enable long range precision strikes against important political and military targets in Taiwan, as well as increase deterrence effects against foreign militaries.

(II) Counter air strike capabilities

The new generation PLAAF fighters can work with aerial warning aircraft, electronic warfare

aircraft, unmanned attack platforms, air-launched cruise missiles, and precision air-to-ground missiles to perform intelligence gathering, command, electronic warfare missions, and long range air-to-air and air-to-ground precision attacks. Also, the PRC is adding deployments of medium and long range anti-air missiles to form multilayer air defense firepower, with ranges covering western Taiwan, which can directly threaten the ROC Air Force's patrols over the Taiwan Strait and severely limit the space for the ROC Air Force's fighters. Also, the PRC now possesses initial anti-ballistic terminal strike capabilities, which can effectively support operations west of the First Island Chain.

(III) Sea control strike capabilities

The numbers of various new generations of large warships, conventional and nuclear powered submarines, and new missile boats have increased over the years, which can enable tight surveillance of marine regions west of the First Island Chain. Working in conjunction with new missile boats, coastal anti-ship missile deployments, air-to-sea anti-ship missiles, and submarine-launched anti-ship missiles, effective short, medium, and long range sea control strike capabilities can be formed. The PLAN has organized intercontinental navigation training, extending beyond the First Island Chain and gradually increasing the tactical depth of littoral defense. The PLAN also continues to develop submarine warfare capabilities, with range extending to eastern Taiwan and close to the middle of the Pacific Ocean. The overall sea control and strike capabilities of the PLAN have visibly improved.

(IV) Landing operations capabilities

Currently, the PRC's regular amphibious transport capabilities cannot transport sufficient numbers of heavy ground troops. Therefore, the PRC employs large numbers of commercial and tanker ships for unconventional amphibious operations as part of its options against Taiwan. In recent years, in order to improve the efficiency of joint operation command and landing operations, the PRC is enhancing exercises of "blockading and seizing coastal islands" and refining joint landing tactics. In recent years, it has completed amphibious landing training for approximately 400,000 troops in bases in Nanjing and Guangzhou, which serves to exhibit the results of its joint landing operations, and also accentuates its capabilities for joint operations training. Subsequently, the PRC is upgrading to new tanks (including amphibious assault vehicles), long range artillery / rocket launchers, and transport helicopters. The PRC is also domestically manufacturing or acquiring large composite landing ships, large inflatable boats, and medium and large transport aircraft, which have enabled the capability to seize littoral islands and various islands in the South China Sea. Simultaneously, the PRC is enhancing amphibious landing and parachute (insertion) capabilities to enhance triphibian assault capabilities. In recent years, the overall landing capabilities of the PRC have improved significantly.

(V) Cyber and electronic warfare capabilities

Currently, the PLAAF has constructed dedicated electronic warfare aircraft models and anti-radiation unmanned vehicles which can perform electromagnetic parameter search and soft and hard kill missions against radars and communications equipment. The PRC has established network operations centers and network assault groups, as well as incorporating large volumes of private sector information resources to form interconnected cyber and electronic warfare capabilities. This enables the PRC to employ hackers to infiltrate political, military, and research infrastructure of other states. To date, there had been incidents of hacker attacks that have been uncovered internationally. Since 2005, computer network warfare had been incorporated into PLA training, with enemy networks designated as strike targets.

Section 2 PRC Military Developments

The PRC is focused on military reforms with Chinese characteristics based on its strategic objectives pertaining to overall national security, defense, and military modernization. The emphasis is building a “technologically powerful and technologically trained force”. Military developments have gradually shifted towards forward objectives, with the hope of “winning local wars under conditions”, establishing contingency warfighting preparations against Taiwan, enhancing overall joint operations capabilities, and accelerating military modernization. Overall developments can be summarized as follows:

I. Military Development Trends

In recent years, the PLA had heavily invested in developing high technologies. The PLA is researching and acquiring various weapon platforms and precision weapons with the hope of achieving total coverage, long range, multi-dimensional, quick victories, and multi-faceted objectives, so that during emergencies or crises over the Taiwan Strait, the PRC can deter or delay intervention from foreign militaries. Simultaneously, the PLA continues to invest in deterrence, nuclear, aerospace, and information operations capabilities, which further expand the PLA’s military influence.

(I) Aerospace developments

Having observed that the future battle space will extend into space, the PRC is focused on accelerating aerospace technology developments to achieve its “space conquest” strategic objective. The PRC plans to complete satellite positioning systems across the Asia Pacific region and autonomous global navigation and positioning systems, which will effectively increase its aerospace autonomy, accuracy of long range precision weapon strikes, and information operations capabilities in its quest to secure “aerospace control” and fulfill the aerospace advantages required for joint operations. If accomplished, the PRC will emerge as an advanced space-faring state.

(II) Second artillery developments

The PLA continues to accumulate tactical ballistic missiles and cruise missiles, as well as researching and deploying intercontinental and medium range nuclear ballistic missiles and ballistic missiles with high precision and penetration capabilities. The PRC had also deployed supersonic cruise missiles and invested heavily in missile defense systems capable of paralyzing major political, economic, and military infrastructures in Taiwan. The PRC has improved nuclear counterstrikes and conventional strike capabilities and enhanced strike

functions against Taiwan and foreign militaries that may intervene in the Taiwan Strait, thus intensifying its intimidation.

(III) PLAAF developments

The PRC is focused on strike, air defense, reconnaissance, missile defense, early warning, and strategic mobility. To address future operational requirements, the PRC continues to mass produce new bomber aircraft and improve aerial warning aircraft and command and communications aircraft to control early warning and increase aerial command and target acquisition capabilities. External purchases and domestic developments of medium and heavy lift transport aircraft, and aerial refueling aircraft can extend strike range and strategic mobility capacities. The PRC is also engaging in research and manufacture of unmanned (anti-radiation) attack vehicles, and consolidating intelligence gathering and aerial assault capabilities. To strengthen overall joint air defense capabilities, the PRC has deployed S-300 missiles and the indigenous Hongqi air defense missiles to form interconnected and multilayer air defense firepower at short, medium, and long ranges.

(IV) PLAN developments

The PRC continues to enhance mobile maritime force infrastructures required to adapt to operations under conditions of informatization, with emphasis on regional air defense capabilities at the fleet level and developments of new multipurpose amphibious transport forces to increase littoral and open water capabilities and general maritime protection, and, in turn, attain operational capabilities in blue waters. The PRC places priority on new nuclear powered attack submarines to increase nuclear deterrence and long range precision strike capabilities for offensive and defensive operations. The PRC has also heavily invested in medium aircraft carriers, which, if deployed, will expose Taiwan to threats from all directions, and also enable the PRC to prevent foreign militaries from venturing west of the First Island Chain.

(V) PLA developments

The PLA is prioritized on expanding army aviation outfits, armored outfits, and electronic countermeasure outfits to enable composite warfighting capabilities. Enhancements of army aviation units are focused on improving rapid projection, precision strikes, and standoff assault. Developments for armored troops are focused on increasing their ratio in composite combat troops. Artillery and air defense outfits have introduced new long range artilleries, field anti-air missiles, reconnaissance and early warning radars, and intelligence command systems to gradually strengthen integrated air-and-ground operations, standoff mobility, rapid assault operations, and special operations capabilities.

(VI) Cyber and electronic warfare developments

Although the PLA currently possesses equipment and professional personnel for network warfare, it continues to cultivate professional network warfare forces to enhance all aspects of its operational capabilities, so that it can eventually attain “information control” over the Asia Pacific region. The PLA is also researching low frequency electromagnetic pulse and new weapon concepts with emphasis on offensive applications during wartime. This will aid the PRC’s efforts to seize “electromagnetic control” over the battlefield at the first available opportunity. In terms of cyber and electronic warfare methods and techniques, the PLA now possesses an operational system that combines land, sea, air, outer space, and cyberspace. The PRC is gradually building capabilities for sabotage or control of Taiwan’s command and control organs and civilian infrastructure systems to facilitate its efforts to seize strategic initiative.

II. Research and Development of Military Technologies

The PRC’s military technology developments are currently focused on strengthening the overall future warfighting capabilities across its tri-services. The PRC is also accelerating research and production of modern equipment systems with Chinese characteristics to intensify deterrent and warfighting capabilities. The PRC is developing composite mechanized and informatized characteristics. The overall military technology development trends in the PRC can be summarized as follows:

- (I) Aerospace: The PRC will engage in research, production, and deployment of anti-low orbit satellite weapons and new anti-satellite weapons in its quest for aerospace supremacy.
- (II) Second Artillery force: The PRC will modify the Dongfeng series of medium range ballistic missiles and cruise missiles to raise battlefield survivability and establish “nuclear and conventional” strategic capabilities.
- (III) PLAAF: The PRC will develop fourth generation fighters and new air superiority and air defense weapon to establish “offensive and defensive” aerial military power.
- (IV) PLAN: The PRC will develop information systems and new ship-based weapon and equipment to build composite maritime military powers formed by multiple military branches and possess nuclear and conventional warfighting options, in order to ensure the PRC’s maritime lifeline.
- (V) PLA: The PLA is focused on developing army aviation outfits, armored outfits, and information warfare outfits to increase the ratio of mechanized and informatized outfits.

(VI) Cyber and electronic: the PRC is developing new command and control, early warning, navigation, and information delivery and warfare systems to strengthen primary combat units.

III. Enhancement of Joint Operations Capabilities

The PRC continues to strengthen its joint operations capabilities under the strategic guidance of “quick victories at standoff range, and victory on first engagement”, with the hope of extending conventional ground operations into underwater, maritime, aerial, aerospace, electromagnetic, and networked environments to secure combat advantages in the six dimensions. Currently, the PRC is still focusing on live combat exercises targeted against Taiwan, and has greatly increased its “joint operations” capabilities. The PRC is devising and incorporating new techniques and promulgating updated versions of the “Troop Training and Examination Guidelines” to improve troop training and enhance joint operations capabilities. Also, the PRC is expanding training curriculums for MOOTW, increasing the proportion of simulated training for new high-tech weapon and equipment, regulating training and engagement methods, and focusing on training under nighttime, complex weather, and complex electromagnetic environments, all of which reveal the obvious intent on the PRC’s part to strengthen its joint operations capabilities.

IV. Consolidation of Military Readiness

In terms of its military modernization, the PRC’s techniques have become more multifaceted and versatile over time, with contingency combat command and military preparation planning becoming more refined as well. Through strategies and techniques such as uniform peacetime and wartime force deployments and exceeding traditional activity spaces, the PRC intends to “turn exceptions into normality” to desensitize the alertness of the ROC Armed Forces, mitigate against the existing model of interaction between the PLA and the ROC Armed Forces, and coerce the international community to tolerate and accept such changes in cross-strait relations, which will significantly suppress Taiwan’s strategic and tactical warning and response time. The PRC’s techniques include accelerating research, production, and tests of new missiles, resuming combat patrols over the Taiwan Strait, continuous efforts to assemble carrier battle groups, intensifying exercises to seize outer islands, and blocking out foreign militaries. Furthermore, the PRC is aggressive in defense modernization as part of the foundation on which the PRC hopes to become a major state in the world.

V. Strategic Personnel Training

In order to realize its military policy and established informatized forces, the PLA has promulgated the “Strategic Engineering Plan for Military Personnel”, which outlined the requirements for the PLA’s personnel training and military knowledge in the next 20 years. The PLA plans to achieve the objective of “accelerated overall developments, and realize great progress in personnel development” before 2020, and promulgate a new NCO system by December 2009 to expand the organization of high tech NCOs and strengthen overall combat capabilities. These measures are intended to meet the requirements to win informatized wars and raise the overall competence of PLA personnel. In terms of the PRC’s personnel training and duty assignment measures, the “Troop Training and Examination Guidelines” was promulgated in 2008. The focus of cadre training has now shifted away from traditional “military service” training and towards “joint operations, joint education, and joint training”. All of these developments accentuate the PRC’s intentions to address future joint operations a requirements and the competence of commanders and its efforts to actively foster military cadres for new environments.

Section 3 PRC Military Threats

Currently, the PRC had agreed to resume cross-strait negotiations. However, high level PLA officers indicated that, “As long as hostilities remain unresolved, force deployments against Taiwan will not be scaled down.” At the same time, the PLA’s internal psychological education still involves active indoctrination of the notion that “there will be a war over the Taiwan Strait”. Therefore, cross-strait military hostilities are not expected to be resolved in the short term despite relaxations in cross-strait tension. Also, the PLA still refuses to abandon military options against Taiwan, and demands sequential completion of its military preparation tasks. The PLA still adopts the “pursuing talks, preparing for combat and ready for a long haul” approach towards Taiwan, with the hope of “exceeding Taiwan in quality and quantity by 2010”, which highlights the PRC’s determination to employ military force against Taiwan.

I. Military Readiness against Taiwan

In order to intensify military pressure against Taiwan, the PLA has greatly intensified joint operations and targeted field combat training exercises. Not only is the PRC enhancing military preparations for subsequent invasions against Taiwan, its military policies and intimidation tactics against Taiwan have also exceeded military aspects. PRC strategies against Taiwan have become multifaceted and flexible over time, including interchangeable applications of political pressure, economic incentives, military intimidation, diplomatic suppression, and social propaganda. The PRC also relies on military power as the foundation for conquering Taiwan. Relevant measures employed by the PRC can be summarized as follows:

(I) Consolidation of preparations for military conflict

Not only are there historical factors, Taiwan is also geographically positioned such that it slows the PRC’s eastward expansion. Therefore, control over Taiwan is the PRC’s first mission in its quest to militarily extend beyond the Pacific Ocean. Cross-Strait defense resources are highly disproportionate, and military imbalances are becoming more acute over time. Furthermore, the PRC is assembling standoff air defense and coastal anti-ship missile positions to enhance its training in firepower strike efficiency, blockades, and landing tactics. The PRC continues to consolidate various preparations for military conflicts according to its military modernization and defense policy guidance, which accentuates the PLA’s intention for military unification and armament expansion.

(II) Gradually intensified military pressure

After the U.S. government announced military sales to Taiwan in October 2008, the PRC's Second Artillery, PLAAF, PLAN, and Ground Force initiated continuous inland missile tests, increased maritime fighter patrols and joint air defense exercises, and adjusted its current air defense force deployments and the frequency of naval fleet activities in Taiwan's surrounding waters. Alternatively, the PRC holds large firepower demonstrations and joint exercises to intensify military activities targeted at Taiwan, and gradually increase military pressures against Taiwan. In terms of scope and capabilities, it is estimated that the PRC is now capable of joint firepower strikes against sea and ground targets within the First Island Chain.

(III) Preventing foreign militaries from intervening in the Taiwan Strait

To address possible military changes over the Taiwan Strait, the PLA has been actively enhancing joint exercises to enhance overall warfighting capabilities. The PRC is also reorganizing the Second Artillery and new-generation aircraft and ships to engage in exercises to repel foreign militaries. By applying aerospace and networked forces, and incorporating beyond-visual-range radars, aerial early warning aircraft, unmanned reconnaissance aircraft, intelligence boats, and radar stations, the PRC is able to execute early warning and monitor the activities of foreign militaries. Also, new nuclear powered attack submarines and medium range ballistic missiles capable of hitting moving maritime targets are used to intimidate or delay foreign carrier strike groups from intervening in military conflicts over the Taiwan Strait. As well, fleets of large warships have been assigned to the First Island Chain. The PRC is capable of blocking foreign militaries and attacking certain U.S. military bases in Northeast Asia and Southeast Asia for purposes of strategic intimidation, greatly amplifying security concerns for foreign militaries intervening in the Taiwan Strait.

(IV) Enhancing soft military power

The PRC has invested heavily in the development of soft military power. Primary measures include: enhancing political activities, core values of military servicepersons, personnel training (adjustments to recruitment sources of officers, enhancements to technical officer education, improvements to the scientific aptitude of commanding officers, cultivation of joint operations commanding officers, enhancements to international military education exchanges, and absorption of recruitment sources of competent soldiers), all-out defense, foreign military sales, increases in defense budgets, military publicity for personnel training, and consolidation of military laws pertaining to foreign parties. All of these measures are intended to yield placating effects to observers who highlight the threats posed by the PLA's soft powers, which have far exceeded "hard powers" and "hard kills". The "three warfares",

meanwhile, have become the basic manifestation of the PRC's soft military power.

(V) Continuation of the three warfares

In recent years, the PRC has incorporated the “three warfares” (public opinion warfare, psychological warfare, and legal warfare) into its military ideology, which incorporates modern warfare concepts of the fusion of politics, economics, diplomacy, military, and psychology. The PRC is also developing towards the fusion of military and non-military missions. “Public opinion warfare” is applied to incite ethnic nationalism, lower international intervention, and intimidate the enemy. “Psychological warfare” executes simultaneously “peaceful” and “hostile” tactics to intimidate and destroy enemy morale. “Legal warfare” is intended to legitimize and justify its attempts to provoke wars. Overall, the PRC intends to “wage small wars and win big victories” or “win without fighting”.

(VI) Complete weakening of military morale

The PRC employs various methods to weaken the risk awareness and confidence of the ROC Armed Forces. The PRC's top priorities, which it is always looking for opportunities to accomplish, is to terminate sales of U.S military hardware to Taiwan and Taiwan-US military relation, thus weaken the capabilities of the ROC Armed Forces. At the same time, the PRC's political objectives are incorporated into peace agreement negotiations. If these objectives are accomplished, Taiwan will be left with little capability to resist, and the PRC can thus cripple the ROC Armed Forces without resorting to war.

II. Military Emphasis on Taiwan

Currently, the PLA is focused on contingency operations capabilities against Taiwan. The PRC's courses of actions includes “intimidation before war, gradual escalation, combination of blockades and strikes, and equal application of soft and hard power”. The PRC intends to increase joint firepower for large scale operations, establish deterrence-capable air superiority and sea control over the Taiwan Strait, attain rapid projection capabilities, and accelerate research and production of joint command and control systems to enhance defense penetration and destruction efficiency. The PRC also continues to accumulate offensive capacities for strikes against political, economic, and military targets in Taiwan. The aforementioned initiatives can be summarized as follows:

(I) Increase joint firepower for large scale operations

The PLA's inventory of tactical missiles and cruise missiles in its Second Artillery continues to grow, including air launched and submarine launched cruise missiles, coastal anti-ship missiles, and long range air defense missiles. All of which expanded the PLA's joint

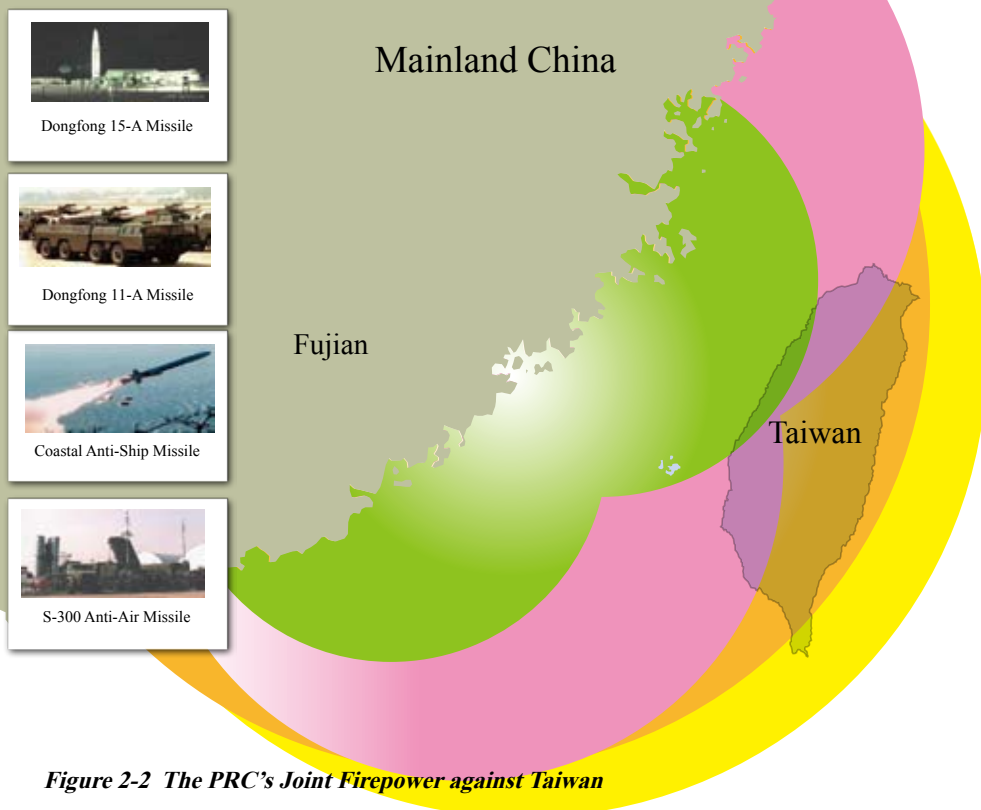


Figure 2-2 The PRC's Joint Firepower against Taiwan

firepower strike capabilities. Also, the PRC has deployed air-to-ground and surface-to-air anti-radiation missiles (see Figure 2-2), which will strengthen its large scale paralysis strike against political, economic, and military targets in Taiwan.

(II) Establish reliable counter air and sea control capabilities over the Taiwan Strait

The PLA is not only acquiring new long range anti-ship missiles, it is also enhancing deployments of long range anti-air missiles and coastal missiles. At the same time, the PRC is accelerating refitting of new generations of fighters with the hope of building deterrence-capable air superiority and sea control functions over the Taiwan Strait, which will effectively increase overall blockade capabilities and the efforts for blocking and intimidating foreign militaries.

(III) Acquiring platforms to establish rapid projection capabilities

The PLAAF continues to procure IL-76 transport aircraft. Meanwhile, the PLAN is building large landing ships and acquiring large inflatable boats to satisfy the need for large scale maritime force transportation. The PLA continues to research and mass produce transport helicopters with the intent of establishing rapid projection capabilities for army aviation applications to enable triphibian landing operations capabilities.

(IV) Accelerated research and production of joint command systems

Currently, the PLA has completed tests for joint operations command platforms, and is actively enhancing joint, standoff, and mobile command and communications capabilities against Taiwan. Also, the PRC has successfully developed communications systems for field and joint tri-service applications, and has simultaneously initiated mobile military communications system developments to accelerate command tempo for joint operations.

III. Characteristics of Offensive Operations against Taiwan

In terms of the PRC's military capabilities, its current primary threats against Taiwan are still focused on military intimidation and partial blockades. However, in terms of strategic ideology, military modernization, force structure and deployment, and weapons research and developments, the PRC now possesses "diverse reconnaissance and surveillance techniques, versatile firepower, and multiple intimidation options", which can be summarized as follows:

(I) Diverse reconnaissance and surveillance techniques

The PLA is currently incorporating military, civilian, and international cooperation to gradually establish aerospace control and sensors, surveillance satellites, beyond-visual-range radars, and intelligence interception systems, as well as acquiring reconnaissance and surveillance platforms for early warning, surveillance and intelligence, research, and maritime surveillance. In terms of the PRC's overall reconnaissance and surveillance force buildup and deployments, the techniques allow the range to cover the entire eastern Asia. It is sufficient for using military means to resolve issues arising from the "political status of Taiwan" and "territories in the South China Sea", thus poses threats against regional security and stability.

(II) Versatile firepower

The PLA's existing land attack weapons include various models of tactical ballistic missiles, cruise missiles, air-to-ground precision missiles, and guided bombs. In particular, PRC tactical ballistic missiles can now carry warheads that can attack multiple targets. There are also air launched anti-radiation missiles and unmanned attack vehicles capable of attacking command, control, and radar systems on the ground within the PRC's arsenal of air-launched precision missiles. The PRC possesses firepower variety, large area coverage, and tactical versatility, all of which adds difficulty to Taiwan's defensive operations.

(III) Multiple intimidation options

To account for expanded scopes of security operation, the PRC's Armed Police will not

only assume counter-terrorism and law enforcement responsibilities, it will also assign parts of its force to operations against Taiwan. In terms of training conditions and military actions against Taiwan, it is estimated that the PRC now possesses diverse intimidation capabilities against Taiwan, with continuously growing combat capabilities, which will aid in maintaining the diversity of options with which the PRC can pursue subsequent efforts to intensify military activities or make mobile adjustments to force deployments.

IV. Possible Options in Offensive Operations against Taiwan

In analyzing the PRC's current military standoff against Taiwan, it can be observed that the PRC is focused on "stopping crises and controlling the battlefield" and at the same time making preparations for invasions against Taiwan. The PRC also intends on "winning wars". In terms of the PLA's military capabilities and future developments, possible military actions against Taiwan can be separated into five categories, which may be executed within or outside of predetermined sequences or models. These actions may be executed singularly, simultaneously, or interchangeably to achieve certain political objectives.

(I) Military intimidation

The PRC may employ psychological warfare, which may involve intensifying military activities and adjusting force deployments, including forward deployments, field training, signal disruption, and firepower demonstrations. Also, the PRC may use the media to publicize military risks over the Taiwan Strait to cause panic within Taiwan. Summarily, the PRC may employ soft and hard power to weaken Taiwan's morale.

(II) Partial blockade

The PLAAF and PLAN may target important ports in Taiwan, outer islands, and external transportation routes with partial or complete blockades. Alternatively, the PRC may seize Taiwan's outer islands to weaken Taiwan's morale, sever Taiwan's vital economic organs, compress Taiwan's living environment, and ultimately force Taiwan to seek peace agreements.

(III) Critical strikes

The PRC may apply its Second Artillery, cruise missiles, and air launched land attack missiles to attack Taiwan's command systems, political strongholds, critical infrastructures, and symbolic targets. The PRC may also gradually shift to more high profile targets or intensify the strikes to cripple Taiwan's morale, force Taiwan to surrender, and thereby support subsequent military offensives.

(IV) Asymmetrical warfare

By incorporating military tactics aimed at low damage, high efficiency, rapid strike, and rapid victory, the PRC may employ special operations forces and previously inserted covert operatives to engage in decapitation operations. The PRC may use network warfare and information operations to sabotage critical political, economic, and military infrastructures in Taiwan and other information systems, paralyze Taiwan's C4ISR systems, thus prevent the ROC Armed Forces from responding with effective countermeasures.

(V) Rapid landing

The PLA may initiate large scale triphibian invasions against Taiwan with the sequence of electronic control, air superiority, sea control, landing, and ground operations on Taiwan proper. The PRC will aim for short battles and quick victories before foreign militaries can intervene, thus cement the political reality and eliminate subsequent international intervention.

In terms of the aforementioned military options, the PLA currently does not possess sufficient amphibious landing capacities for large scale invasions. In the short term, if the PRC intends to employ military actions against Taiwan to achieve political objectives, the more likely options are military intimidation, partial blockades (including seizure of outer islands), or critical strikes. In the future, when the PLA attains the capability to conquer Taiwan, and when circumstances arise that necessitate such operations, the PRC may directly launch large scale invasions against Taiwan.



Part 2.

Prospective Reforms



In the face of the global wave of reforms in military affairs, the defense transformation comprehensively pushed by the ROC Armed Forces is essential in responding to new military technology and changes in patterns of operation. Furthermore, it is also a test for national defense in its pursuit of maximized economic benefits. Since the ROC Armed Forces is interconnected and interactive with societal changes, the utility of defense resource allocations should account for the nation's overall economic development, so that the defense establishment can boost the realization of domestic economic benefits. It is therefore necessary to build an elite Armed Forces through a series of transformation plans and reform measures. Additionally, for the buildup of a “Hard ROC” defense force and the attainment of the defense strategic objective of “war prevention”, the Armed Forces is to apply “resolute defense” and “credible deterrence” techniques.

Chapter 3 National Defense Policy



National defense is the most important aspect of national security and the Armed Forces is the steadfast guardian of national security. The ROC has been able to sustain and continue its stable economic growth in the midst of difficult circumstances not only because of the diligence and sincerity of our people, but also that the Armed Forces is able to stand fast at their posts and effectively play the role of guardianship and defender. Therefore, national security is a prerequisite for boosting economic prosperity, promoting social progress, stability, and economic prosperity. The MND abides by the national security objectives to safeguard national interests, observe the government's defense policy and undertake defense affairs so as to ensure national security and the people's well-being.

Section 1 Axes of National Defense Policy

As the scope of national security expands, the concept of “national defense” must also be adjusted accordingly. Defense affairs are no longer limited by merely military factors; the ROC Armed Forces should be close to and ready to serve the general public. They should actively participate in social and community services to sufficiently display the close relationship between defense affairs and the general public. Given the limited national resources, defense policies should be implemented pragmatically by integration with economic development and societal changes.

In order to ensure national security, the MND has developed defense strategies and military strategies as the basis for planning defense transformation and the future direction of warfighting capability development. The strategies are formulated according to the guidance of establishing a “Hard ROC” national defense and building comprehensive defense capabilities that “cannot be intimidated, seized, devoured, or crushed”. The actual implementation, is carried out under the seven policy axes of “building an elite Armed Forces”, “promoting voluntaryism”, “reshaping intangible combat capability”, “refining the armaments mechanism”, “reinforcing cooperation with friendly countries and allies”, “strengthening disaster prevention and relief” and “improving care for the servicemen”.

I. Building an Elite Armed Forces

An Armed Forces with solid warfighting capabilities is a strong buttress for maintaining peace across the Taiwan Strait and national security. However, ensuring the modernization of our forces warfighting capabilities is dependent on the continuation of defense transformation. Defense transformation has been consistently emphasized by the Armed Forces as a policy directive, which was also explained in MND’s Quadrennial Defense Review. The continuous push for defense transformation enables the Armed Forces to actively and instantaneously upgrade its capabilities according to changes in the security environments and development in high and new technologies rather than passively responding to contingencies.

(I) Establish a defense periodic review mechanism to direct defense transformation

The Legislative Yuan passed the amendment to “Article 31 of the National Defense Act”

in July 2008 and added paragraph 4: “The Ministry of National Defense shall, within ten months after each presidential inauguration, publicly submit the Quadrennial Defense Review to the Legislative Yuan.” In order to meet public expectation, the MND has, for the first time, published the Quadrennial Defense Review on March 16, 2009, explaining the President’s defense ideology and articulating defense strategies, military strategies and force development directions. This signifies that the major defense policies will be regularly and thoroughly reviewed in the future to ensure the direction of defense transformation and facilitate reforms in military affairs.

(II) Improve the efficiency of defense organization and regularly review force structure

In order to add flexibility, operational efficiency, and operational functionality to the Armed Forces’ command system, the MND has conducted comprehensive general reviews since July 2008 on aspects such as the international security situation, possible threats, patterns of war, possible forms of future conflict, and defense technological development trends. After the “Jinshi Program” and “Jingjin Program” (Armed Forces Streamlining Program), the MND has planned the “Jingsui Program” for defense organization re-structuring to establish a force structure that meets operational requirements and delivers optimal operational effectiveness.

II. Promoting Voluntarism

In order to address needs for competent manpower in high-tech warfare and economic and social changes, warfighting capabilities at the troop level can no longer be defined by numerical quantities, but rather, have to be grounded on considerations over “winning” future wars. The Armed Forces’ will enhance its overall warfighting capabilities through its advantage in “quality”. Therefore, the ROC’s military service system has gradually been converted from “conscription and voluntarism” to “voluntarism”.

(I) Obtain long-term manpower to maximize the effectiveness of modern technological weaponry

As weaponry and equipment becomes more sophisticated with time and as the population structure changes, recruiting competent and long-term personnel is necessary to fully utilize the effectiveness of high-tech weaponry. Therefore, the MND, having observed countries that enforce voluntarism, their recruitment methods and experience of changing from “conscription” to “voluntarism”, has actively planned and pushed to transform the service system from the “conscription and voluntarism” to “voluntarism”, and replaced conscripts who only have a 1-year service period with long-term personnel. The plan is to reach the goal of all volunteer force by 2014.

(II) Devise complementary measures to ensure the warfighting capability of the Armed Forces

During transformation of “voluntaryism”, the compulsory service period will remain as 1 year. As the recruitment objective is met, all active forces will consist of volunteers. After the enforcement of “voluntaryism”, military manpower will be derived from “voluntaryism in peacetime and conscription in wartime” method. Draft-eligible men still need to undergo four months of military training. Then, they would be designated as reserves and receive muster training to effectively accumulate the warfighting capabilities of reserve forces and force mobilization. The reservists will engage in mobilization as prescribed by law, and undergo augmentation and replenishment during wartime to facilitate the active volunteer force. They will serve in homeland defense operations and enhance overall defense capabilities.

III. Reshaping intangible warfighting capabilities

In the process of the Armed Forces’ active pursuit for organizational re-structuring, the Armed Forces will not only retain its proud legacy of “Nation, Duty and Honor” as part of the values espoused by the Armed Forces, it will also take this opportunity to reestablish a culture of accountability for the force, so that the central constitutional value of “swear allegiance to the nation and protect the people” can be fully comprehended and appreciated by the Armed Forces to consolidate unity.

(I) Implement core values and enforce morale education

Since 2000, the ROC has gone through two changes of governing political parties. The Armed Forces, however, have consistently stood fast at their posts to safeguard national security. This means that the diversity of society resulting from Taiwan’s democratization does not impact the forces’ identification with the country. Despite the fact that members of the forces come from all parts of the society, they are consolidated under the framework of the Armed Forces’ core values when entering the military system. For a democratic country ruled by law, this is invaluable. In the future, the Armed Forces will continue to enforce patriotism education, so that the servicemen can reach consensus through a variety of educational courses and publicity channels, which will further strengthen their willpower to fight against the enemy and determination for self-defense. Hence, the Armed Forces will become the most reliable and stable force for the country’s sustainable development.

(II) Establish proper military discipline and implement administration by law

“Discipline” is an aspect much emphasized by the MND. For corruption, legal violations, and relevant security crises, the MND has been capable of addressing the problems, identifying key difficulties, and formulating concrete measures for improvement, which are

deeply rooted in work and life, so that the Armed Forces may be ashamed of greed and proud of incorruptibility, further promoting the dignity of the servicemen and establishing strong discipline. In the future, besides the continuation of legal education and implementation of anti-corruption mechanisms, servicemen's morality will also be nurtured on a psychological level and the basic value that "honor is as important as a serviceman's life" will be emphasized. Combined with an institutional system that will implement administration by law, corruption and illegal conduct will be eliminated altogether.

IV. Refining the Armaments Acquisition Mechanism

The Armed Forces' armaments are acquired according to defense strategic guidance. Possible methods of weapon and equipment acquisition methods, schedules, and sources are reviewed according to military strategic frameworks and future operational requirements. This is to flexibly utilize military and commercial sale channels and integrate domestic military and private sector technology exchanges with international armaments cooperation to acquire weapons and equipment. Simultaneously, effective application of technology transfer and industrial cooperation will increase defense technologies and construct a self-reliant national defense.

(I) Formulate optimal strategy and perfect planning

In order to meet warfighting capability objectives defined by the Armed Forces' force planning concepts and, force buildup program, as well as maintain and build on the operations of existing weapon systems, the Armed Forces have devised three armament planning strategies, namely, "acquisition", "technology" and "logistics". At the same time, through implementing the "Armaments strategy planning guidelines" and "Enforcement rules for military investment plans", supplemented by the active management in "industrial operation and production", "human resources", and "finances", in order to integrate the nation's overall armaments resources, and gradually achieve the ultimate goal of a self-reliant defense.

(II) Appropriate resource outsourcing to integrate national defense and people's livelihood

In the spirit of Article 22 of the National Defense Act, whose legislative spirit is to consolidate efforts of the private sector to develop defense technology industries and establish an independent and self-reliant national defense infrastructure, and in accordance to the principle that the "Armed Forces will not build capacities or make foreign purchases of goods that can be supplied by domestic vendors", the Armed Forces' capacities that are "non-sensitive, ineffective for combat preparations, and non-essential" are to be outsourced to the

private sector to promote its involvement in military supplies, so as to achieve the goal of integrating national defense and the people's livelihood.

V. Strengthen Cooperation with Allied Nations

In collaboration with the government's overall diplomatic undertakings, military exchange is to be actively pushed to expand regional military security cooperation, so that other nations will see that the ROC is the facilitator and protector of stability over the Taiwan Strait and is willing to fulfill its responsibility towards regional peace and stability as a global citizen.

(I) Expand military exchange and promote regional cooperation

The MND will continue to seek military exchanges and partnerships with various nations. Through visits by senior officials, think tank cooperation, military procurement, education and training, military assistance and humanitarian relief, it will maintain a good relation with various nations and seek opportunities for bilateral or multi-lateral military cooperation and exchange. It is hoped that with the joint efforts from countries in the region, channels of early warning military intelligence will be integrated to prevent regional conflicts and reduce the incidence of war. Additionally, through the opportunities of observing each other's military exercises and training, the objective of military exchange will be attained.

(II) Open up multiple channels for dialogue to gain support from the international community

Besides official exchanges, the MND has expanded exchanges with overseas academia, militaries and political parties through participating in international security symposiums organized by overseas think tanks and academia. This establishes channels for international exchange and dialogue and sets forth the importance of Taiwan and the country's defense policies in regional security, with the hope of gaining recognition and support from international allies.

VI. Enhance Disaster Prevention and Relief

Out of its responsibility to defend territorial security and the people's well-being, the Armed Forces not only needs to confront foreign military threats, it must also undertake prevention and relief of major natural disasters. Typhoon Morakot of August 8, 2009, has inflicted extreme amounts of precipitation on Taiwan, resulting in massive human, property, and asset losses suffered by the people of Taiwan. In order to effectively account for the threat of subsequent natural disasters, the President has publicly announced that disaster prevention and relief will be incorporated as one of the ROC Armed Forces' main missions, so that the

Armed Forces can handle “conventional and unconventional security threats” as well as the need for territorial defense and disaster prevention and relief during “natural or man-made composite disasters in peacetime”.

(I) Consolidate the Armed Forces’ disaster prevention and relief system

The Armed Forces are an integral element of the nation’s overall emergency response mechanism. When the nation’s survival is under threat, the central and local command mechanisms will operate to mobilize the entire nation’s capabilities, assemble all human and material resource functions to effectively support disaster prevention and relief and military operations. The battlefield intelligence system within the “ROC Armed Forces joint operation command mechanism” can operate to coordinate with the disaster response centers of local governments and tightly monitor active and passive security threat factors. This is to achieve the requirements of “crisis prevention, situational control, emergency response, rapid intervention, and escalation avoidance”. Thus, the Armed Forces can effectively command military operations during wartime, and in peacetime, it can be combined with the disaster prevention and relief system to undertake emergency response functions.

(II) Integrate Interdepartmental Operation Mechanisms

In order to adequately integrate human manpower, materials, and other resources to support military operations or disaster prevention and relief, and harness the coordination capabilities of “mechanism integration”, “fusion of military and civilian establishments”, and “political and military coexistence”, the MND will continue to enhance the operation of the all-out defense mobilization mechanism. Completion of mobilization and preparation plans of manpower and material resources specific to administrative zones will be prioritized according to requirements in order to integrate warfighting and disaster (emergency) relief resources and support disaster prevention and rescue and military operation in a timely manner. Also, the Armed Forces will observe the guidance of the “central disaster response center” of the government and coordinate with the operation of certain disaster response mechanisms, simultaneously establish disaster relief command centers at all levels, create two-way communication channels, and proactively support disaster (emergency) relief for all county governments, in the hope of investing major military force under the unified command of the government. Thus, when major natural disasters occur in the future, the Armed Forces can capitalize on the first available opportunity, rapidly engage in rescue operations, reduce the people’s disaster-related losses, maximize the pace of restoration of disaster areas, and thus ensure the safety of the people’s lives and assets.

VII. Improving care for the servicemen

In order to build a well-trained elite force and enable the servicemen to concentrate on their operational training duties rather than having to worry about other matters besides their military profession, the MND has carried out many relevant measures. In the future, the benefits and welfare of military personnel will continue to be improved to consolidate the cohesion of their spirits and morale.

(I) Improve welfare for the servicemen and promote legal their rights

Servicemen are often dispatched or transferred to different stations as required by the nature of their duty or posts. Therefore, the MND has well thought over to assist the servicemen in sharing their responsibilities of looking after their family and dependents. This is so that the servicemen can be attentive in matters of the force. Deliberation of the draft of “Military Personnel’s Welfare Act” is to follow. It is hoped that, through comprehensive legislative stipulations, the welfare of servicemen and their dependents will be protected by law.

(II) Encourage life-long learning and assist in career planning

The concept of a “learning organization” is to be introduced so that the servicemen can receive new knowledge and techniques anytime, strengthen their independent leaning skills and foster the Armed Forces’ innovation abilities. They are also encouraged to harness an attitude of “life-long learning”. In addition, due to the difference in skills required between the military profession and civilian workplaces, the MND has initiated assistance for servicemen in their career planning, so that they are capable of career changes through “job training before discharge”. This will eliminate scenarios where servicemen who are retired and discharged at a young age but cannot find employment, resulting in waste in the nation’s human resources.

Section 2 Defense Strategy Objectives

The ROC's defense strategy is to safeguard national security, maintain and realize national security interests, which directs the formulation and implementation of military strategies. Under guidance from the President's vision of "Hard ROC" national security, the current "defense strategy" objectives are "war prevention", "homeland defense", "contingency response", "conflict avoidance" and "regional stability". Actions to achieve the objectives are expounded below:

I. War Prevention

(I) Build "Hard ROC" defense force

Warfighting capability preservation and infrastructure protection will be enhanced to strengthen sustainment after the enemy's first strike. Joint operations capabilities will be fully exploited and force, space, and time will be totally controlled in order to annihilate enemies in sea areas and airspace. In addition, reserve mobilization capabilities will be developed actively and all-out defense enforced to effectively defend the homeland.

(II) Establish "credible deterrence" capabilities

Defensive countermeasures capabilities will continue to be enhanced, asymmetrical warfare capabilities researched and developed, technological superiorities integrated, self-reliant defense realized, and IT-driven suppression capabilities established. In this way, means of "credible deterrence" will work to achieve the objective of "resolute defense".

(III) Establish cross-strait military CBMs

In the current stage, the MND is undertaking relevant planning in accordance with the government's overall policy guidance, and issues and agendas of cross-strait negotiations. Thereafter, as conditions mature in domestic and overseas environments, and in cross-strait situations, the MND will adopt "steady, pragmatic, and incremental" approaches in the short, mid- and long-term to gradually establish cross-strait military CBMs for preventing conflicts in the Taiwan Strait and lowering the probability of accidental provocation of war.

(IV) Promote regional security exchange and cooperation

Reciprocal exchanges with countries in the Asia-Pacific and other friendly nations will be enhanced, regional security cooperation proactively supported, and bilateral or multilateral cooperative relationships developed, so that Taiwan can play a more active role in the Asian-

Pacific security order and contribute to maintaining regional security.

II. Homeland Defense

(I) Produce an elite Armed Forces

Given the demand for competent manpower and changes in economic and social conditions, needs for conscripts will be reduced gradually by the year while the number of volunteer recruits will be increased to promote a “volunteer force”. At the same time, various complementary measures such as statutes amendments, manning, equipping and organization adjustments will be more comprehensive to effectively improve the caliber of manpower and build an elite Armed Forces.

(II) Enhance early warning capabilities

Integration of existing intelligence, surveillance, and reconnaissance (ISR) capacity will be accelerated to enhance early warning systems. Simultaneously, intelligence exchange with neighboring and friendly nations will be strengthened, and international military situation, possible threats and high-tech weapon and equipment developments will be closely monitored to increase strategic and tactical early warning capabilities, so as to cope with rapid changes in international relations and the PRC’s escalating military expansions.

(III) Strengthen warfighting capability preservation

In order to deal with threats from enemies’ sudden and high-intensity assaults, warfighting capability preservation will be strengthened. Operational functions of all major systems will be backed up to avoid paralysis as a result of battle damage during the early stages of operations, so as to prevent compromising of the forces’ subsequent operational capabilities. In addition, necessary support will be provided to ensure continued operation of critical infrastructures, such as telecommunication, transportation, energy, water supply and nuclear plants. Protection of critical military infrastructures will be enhanced in order to maintain sustained operational capabilities.

(IV) Establish efficient joint operations capabilities

Given the objective of elevating the efficiency of joint operations, various operations capabilities will be developed, and the joint operations command mechanism will be refined. These will create relative advantages in warfighting capabilities and enable the effective seize on operational opportunities to realize joint defense operations and deter enemy incursions.

(V) Consolidate all-out defense capabilities

The all-out defense education will continue to be promoted, the people's defense consensus consolidated, inter-ministerial cooperation mechanisms enhanced, and defense mobilization realized to establish a comprehensive all-out defense system and obtain more all-out participation and support.

III. Contingency Response

(I) Enhance surveillance, awareness and monitoring capabilities

In order to deal with diverse security threats, intelligence from various ministries and agencies will be effectively combined, a comprehensive systematic monitoring framework established, and intelligence, timely warning, and early response measures integrated so as to defuse a crisis with effective prevention, management and contingency response.

(II) Refine the contingency response mechanism

When the nation faces threats of terrorist activities or sudden attacks from hidden enemies, the joint operations command mechanism will immediately deploy rapid response units to support competent authorities and local governments in quickly quelling crises to accomplish the objectives of “preventing internal jolts and external assaults”.

(III) Build effective disaster relief and response troops

Under the existing organization and force structure, response units capable of immediate response and disaster relief capabilities will be formed. The Armed Forces will observe the guidance of “advanced deployment, not waiting for orders, and full engagement”, and apply the principle of “safety, directness, and efficiency”, so that, immediately after a major disaster takes place, the Armed Forces will proactively perform rescue work and protect the people's lives and assets.

IV. Conflict Prevention

(I) Establish the military conflict prevention mechanism

The joint operations command mechanism shall serve as the center of monitoring in strictly dealing with activities in Taiwan's surrounding sea areas and airspace, and factors of dynamic and static security threats so as to attain the goal of “crisis prevention, situational control, emergency response, rapid intervention, and escalation avoidance”.

(II) Abide by regulations on conflict avoidance

Through methods such as education, training, and live operation simulations, it will ensure that, during execution of missions, forces at all levels will abide by the principle and war readiness regulations of “not provoking incidents, not escalating conflicts, and reducing hostile actions” to avoid unnecessary military conflicts caused by miscalculation or accidents.

(III) Enhance capabilities of contingency response and management

Rapid response simulations and exercises will be enhanced so that forces can be familiar with procedures of handling various contingencies. Should contingencies actually take place, they can be appropriately dealt with. Crises may thus be rapidly contained or defused to reduce damage.

V. Regional Stability

(I) Participate in regional defense and security dialogues

Participation in regional affairs will be active and security dialogues and exchange will be increased. More responsibilities in global security issues such as upgrading defense and security cooperation, preventing weapon proliferation, deterring terrorist activities, and enhancing humanitarian assistance will also be assumed to make positive contributions to the peace and stability of the Asia-Pacific region.

(II) Contribute to securing regional sea and aerial lines of communication

Systematic channels for strategic communication and security cooperation with regional countries over security maintenance issues of sea and aerial lines of communication will be established in order to ensure freedom of movement of major communication lines in the Asia Pacific region and play a key role in facilitating regional stability.

(III) Participate in regional anti-terrorism and humanitarian relief efforts

Unconventional security issues such as terrorism, piracy, natural disasters and pandemic diseases have become severe threats to international security and stability in recent years. Upholding the belief of peacekeeping, the ROC will fully support counter-terrorism activities and assist with regional humanitarian relief efforts to fulfill its responsibilities as a global citizen.

Section 3 Military Strategic Concepts

Military strategy is one aspect of national (political, economic, psychological, military, and technological) strategy. Its purpose is to win wars so as to reinforce national strategy in realizing national objectives. The ROC's military strategy abides by the basic tenets of the Constitution, which is to "ensure the nation's livelihood and development, safeguard the people's security and welfare, and protect freedom and democracy and the people's rights", in order to establish military power. Moreover, it aims to build up the independent and self-reliant force, put the emphasis on the nurture of intangible warfighting capabilities, and harness the strength of all-out defense so as to achieve the objective of annihilating the enemies and winning wars.

I. Military Strategic Concepts and Objectives

In view of factors such as the security environment in the surrounding regions, strategic postures of Taiwan and potential enemies and future force developments, based on the defense strategy, the ROC Armed Forces has adopted "resolute defense and credible deterrence" as its military strategic concept. At the same time, the Armed Forces upholds the principle of "preventing war but not fearing war, and preparing for war but not provoking war" when dealing with the enemy's provocative actions. Nonetheless, when war is inevitable, the joint Armed Forces will be integrated and overall all-out defense capabilities will be combined in dealing with the homeland defense so as to disrupt, repel, and destroy the enemy and ensure national security.

In order to implement the military strategic concept of "resolute defense and credible deterrence", the ROC Armed Forces needs to effectively carry out the following missions:

(I) Resolute defense to ensure the security of national territories

When conducting defensive operations, Taiwan needs to be able to survive the enemy's first strike, averting decapitation, maneuvering forces to counter strikes, and sustaining combat power so as to achieve the objectives of "strategic sustainment and tactical decisiveness". Strategically, the Armed Forces will assume a defensive posture, strive to gain time-critical defense in depth and create favorable situations. Tactically, the Armed Forces needs to fully exploit favorable conditions on "force, space, and timing" and to utilize the overall capabilities of all-out defense so as to disable the enemy invasion and ensure homeland security.



Joint operation capabilities across the tri-service will be integrated according to the strategic framework of “Hard ROC and credible deterrence” to carry out territorial defense and ensure national security.

(II) Credible deterrence to maintain strong and reliable warfighting capabilities

The Armed Forces will effectively integrate the interoperability of weapon systems, upgrade performance of joint operations, enhance defensive countermeasure capabilities, and faithfully execute combat training and readiness operations. These efforts will force the enemy to rationally calculate the costs and risks of invasion, thereby deterring any hostile intention of launching an attack.

(III) Counter blockade to maintain sea and aerial lines of communication

Most of the ROC’s major livelihood and strategic supplies and materials are imported. Thus, sea and aerial lines of communication are critical to our national survival. In peacetime, security in the surrounding airspace and sea areas will be maintained. In wartime, it will integrate joint operations capabilities to counter the enemy’s blockading forces, open safe aerial and sea transportation routes and maintain communications to the outside world, thereby ensuring continuous functioning of the country.

(IV) Joint interdiction to retard enemies from approaching our territory

When an enemy initiates an offensive attack, according to the guidelines of defense operations, the Armed Forces shall seize favorable conditions, concentrate firepower, and precisely strike at the enemy's strategic centers. Subsequently, by reference to battle conditions, the Armed Forces should focus on two key stages, namely, "joint interdiction operations" and "joint anchorage area attack", the objective of which is to stop and destroy the enemy when its warfighting capabilities are relatively weak when enemy forces are in the process of being transported by sea.

(V) Ground defense to prevent the enemies from landing establishing lodgment

If the enemy attempts an amphibious landing with its superior naval forces and air support, the ROC Armed Forces will apply the overall capabilities of all-out defense so as to construct the entire defense-in-depth defensive system. Furthermore, the Armed Forces will execute multilayered interdictions to destroy the enemy's landed and airborne troops before the invasion troops are secured so as to achieve the objective of effective homeland defense.

II. Future Requirements for Defense Operations

In order to fulfill various missions defined in the military strategy and accommodate the conditions of battlefields in the Taiwan Strait, characteristics of modern warfare, and developments in military technologies and weapon systems, the Armed Forces' readiness for future defense operations needs to base on the following principles:

- (I) Force planning, building and deployment must focus on the prevention of the enemy's surprise attack, decapitation, paralysis, or other asymmetrical operations.
- (II) Warfighting capabilities for various battle dimensions, force structure, command mechanisms, military doctrinal concepts, and campaign tactics and techniques should continue to be integrated toward a joint operations pattern, so as to multiply warfighting capabilities and create local battlefield superiority.
- (III) All major weapon systems and platforms should acquire a higher level of systematic links to reduce the time required for the cycle of "detection – processing – decision – action". This is so that the overall warfighting capabilities can meet the objectives of effective and rapid command and control, real-time and uninterrupted communication, and highly effective precision strike firepower.
- (IV) Capabilities that can retard the enemy offense and compromise enemy attempts to

achieve quick victory should be planned and developed in order to force the enemy to practically assess the costs it will have to pay if it launches an invasion, thereby reducing the possibility of resorting to military means.

- (V) Facing threats from the enemy's sudden and high-intensity assaults, the Armed Forces, in terms of defensive operations, should emphasize redundant capacity and sustainability of operational functions, and enhance critical infrastructure protection to prevent main fighting force from being paralyzed in the initial stage of military operations, and thereafter failing to achieve strategic sustainment.
- (VI) Considering the reality of quantitative inferiority in defense operations, the ROC Armed Forces, when developing various capabilities, should focus on the effectiveness of contingency operations and force mobility for swifter response and smarter maneuver in order to seize the initiative and reverse unfavorable situations.
- (VII) "Asymmetrical warfighting capabilities" tailored against the enemy's operational center of gravity (COG) and critical vulnerabilities should be developed. This is so that when conducting defense operations, advantages in time and space to paralyze or retard enemy offensives and rout invading forces will be utilized.

Section 4 Direction for Force Planning Development

Under direction by the national defense strategy and military strategies promulgated in the Quadrennial Defense Review, the ROC Armed Forces' force planning development involves design, planning and investment, which are carried out for aspects such as force scale, force structure, weaponry and equipment, and critical infrastructures. The Armed Forces' Planning Concept clearly states the objectives and plans. And in consideration of available national defense resources and conditions, establishment plan will be realized by the Five-year Force Buildup Program, which defines concrete restructuring items and priorities. Gradually, this will build a modern defense power that fulfills Taiwan's defense requirements. In the future, major weaponry and equipment to be acquired are summarized as follows:

I. Information and Electronic Warfare

Upgrade the performance of airborne early warning (AEW) aircrafts, replace various models of radio, and procure information and electronic warfare equipment. Furthermore, electronic protection capacities for critical C2 (command and control) positions will continue to be strengthened. These measures in question will enhance the effectiveness of early warning, surveillance and jam resistance.

II. Missile Defense

Procurement of the Patriot III missile system will be arranged. Performance of the Patriot II missile system will be upgraded. Integrate these with the establishment of the long-range early warning radars and missile early warning center to complete a comprehensive missile defense system. Additionally, functions of the 35-mm air defense gun system will be upgraded and new short-range air defense system will be developed to strengthen low-altitude air defense capabilities.

III. Joint Counter Air

Procurement of F-16C/D fighters will be arranged, capabilities of Chingkuo fighter (Indigenous Defensive Fighter, IDF) upgraded to ensure air superiority over the Taiwan Strait. Moreover, advanced digital datalink systems will be built and digital C2 capabilities of main fighters will be enhanced to improve overall air superiority.

IV. Joint Sea Control

Procurement of diesel-electric submarines, P-3C long-range fixed-wing anti-submarines and new-generation missile motorboats and minehunters will be arranged. This will promote joint sea control capabilities on the sea, under the sea and in the air, and enhance counter blockade and joint interdictions capabilities. In addition, arrangement is to be made to construct fuel and ammunitions supply ships in order to maintain the sustained capabilities of surface operation groups.

V. Homeland Defense

Research and production of new multiple-launch rocket systems (MLRS), tactical wheeled vehicles, armored infantry combat vehicles and unmanned aerial vehicles (UAV) will continue to improve surveillance and mobile strike capabilities of ground forces. In addition, new attack and utility helicopters will be procured to reinforce all-dimension warfighting capabilities. Also, in consideration over the direct threat of natural disasters against Taiwan, equipment procurement initiatives related to disaster prevention and relief will be comprehensively reviewed and incorporated in advance for acquisition in 2010, in order to accelerate improvements to the nation's disaster prevention and relief capabilities.

Chapter 4 Defense Organization



Having undergone sensible adjustments as prescribed by the Two Defense Acts since March 1, 2002, the defense organization has now the characteristic of “civilian control over the military”. This feature regulates the defense organization by subjecting it to the supervision of the public and ensures nationalization of the military. Additionally, under the direction of a centralized defense force of policy, command and armaments (centralized national defense), the implementation and work of defense affairs will be smoother and more efficient.

As from 2011, based on the ideal of a continuously improved defense organization and in coordination with the implementation of voluntarism, the Armed Forces will carry out force structure adjustments in the hope of building a new and elite Armed Forces that will cope with future patterns of war and fulfill the operation requirements of the nation.

Section 1 System and Responsibility of National Defense

I. National Defense System

Pursuant to Article 7 of the National Defense Act, the defense system of the Republic of China is structured as follows (see Figure 4-1 for the system and responsibility of national defense):

- (I) President
- (II) National Security Council
- (III) Executive Yuan
- (IV) MND

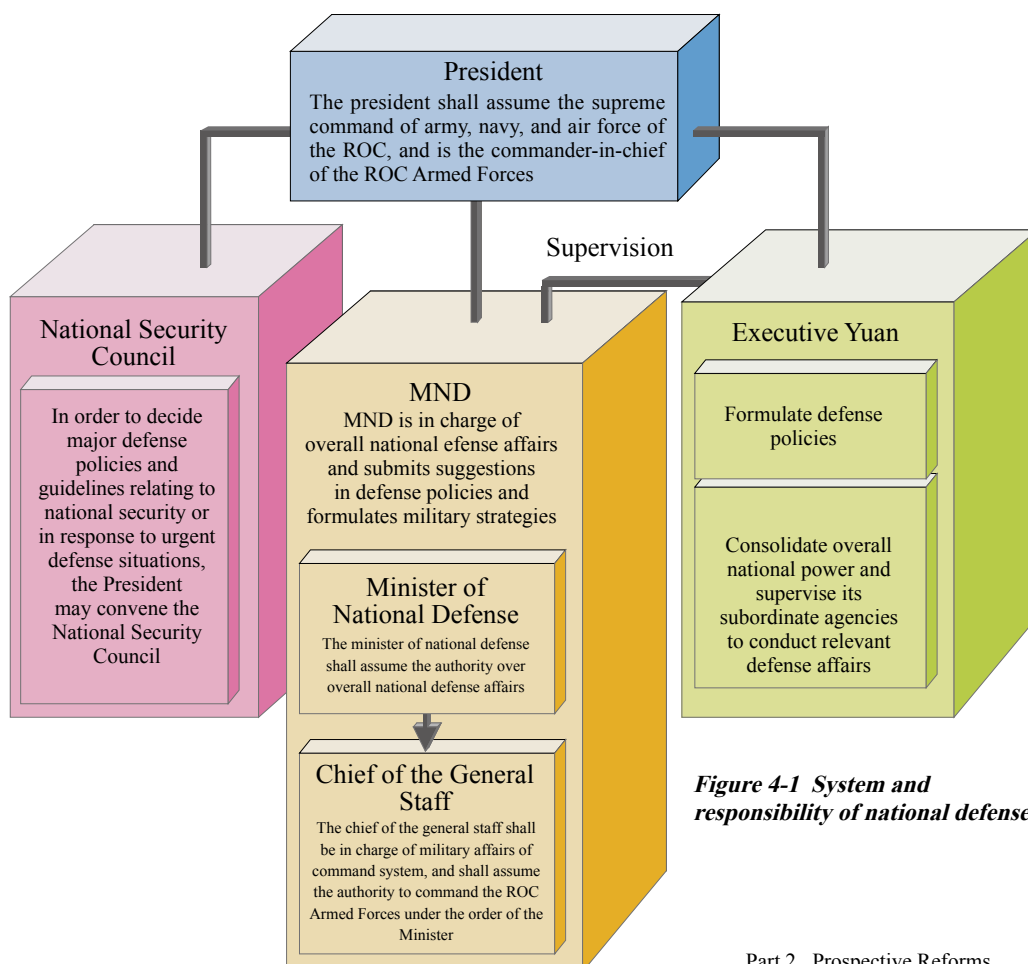


Figure 4-1 System and responsibility of national defense

II. Responsibility

(I) President

The President assumes the supreme command of army, navy, and air force of the ROC, and is the commander-in-chief of the ROC Armed Forces. He exerts executive authority over the Minister of National Defense, and the Chief of the General Staff (CGS) follows the command of the Minister to lead the ROC Armed Forces (Article 8 of the National Defense Act).

(II) National Security Council

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

(III) Executive Yuan

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

(IV) MND

1. The MND is in charge of overall national defense affairs, shall well perform its policy, command, and armament functions. Besides, it shall submit suggestions in defense policies and formulate military strategies accordingly (Article 11 of the National Defense Act).
2. The position of the Minister of National Defense is of civilian official nature, and he or she shall assume the authority over the overall national defense affairs (Article 12 of the National Defense Act).
3. The MND has under it the General Staff Headquarters (GSH), serving as the staff organization of command system, and command mechanism of joint operations to the Minister. The GSH is headed by the CGS, who is in charge of military affairs of command system, and assumes the authority to command the ROC Armed Forces under the order of the Minister (Article 13 of the National Defense Act).

Section 2 Framework of the National Defense Organization

I. Organization (see Figure 4-2)

As stipulated in the “National Defense Act” and “Organization Act of the Ministry of National Defense”, the Minister of National Defense is one of civilian official nature and is

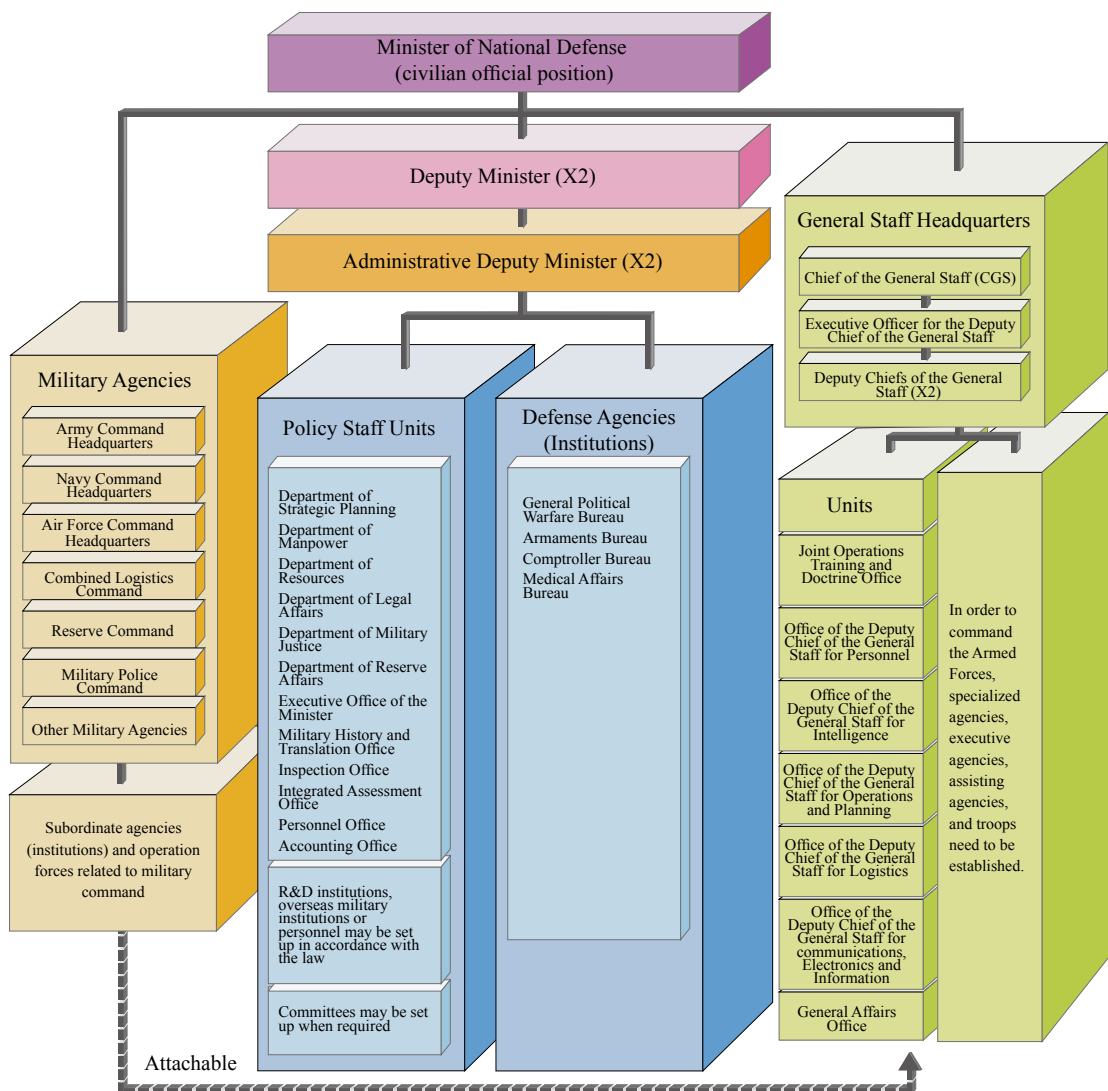


Figure 4-2 Ministry of National Defense Organization Structure

in charge of overall national defense affairs. There are two deputy ministers, whose position shall be Special Appointment Rank, or general; and two administrative deputy ministers, whose position is 14th grade of Selected Appointment Rank, or lieutenant general. They assist the Minister to direct MND Policy Staff and its subordinate agencies (institutions). The MND has also under it the General Staff Headquarters and its subordinate military agencies. The system is organized as follows:

II. MND Policy Staff Units and Subordinate Agencies (Institutions)

The Policy Staff is made up of departments and offices. Its subordinate agencies are made up of bureaus, which are subordinate to deputy ministers and administrative deputy ministers. The organization system is as follows:

(I) MND Policy Staff member units (Articles 5, 12, 16 and 17 of the Organization Act of the Ministry of National Defense)

Department of Strategic Planning, Department of Manpower, Department of Resources, Department of Legal Affairs, Department of Military Justice, Department of Reserve Affairs, Executive Office of the Minister, Military History and Translation Office, Inspection Office and Integrated Assessment Office, Personnel Office, Accounting Office and overseas military institutions or personnel.

(II) Subordinate agencies (institutions) (Articles 7, 8, 9, and 9-1 of the Organization Act of the Ministry of Defense)

General Political Warfare Bureau, Armaments Bureau, Comptroller Bureau, and Medical Affairs Bureau.

III. MND Joint Staff (see Figure 4-3)

The MND General Staff Headquarters has a Chief of the General Staff, who is a four-star general, and an executive officer for the Deputy Chief of the General Staff and two Deputy Chiefs of the General Staff, all of whom are three-star generals. This organization consists of offices, which set up specialized agencies, executive agencies, assisting agencies, and troops. Its components also involve agencies and combat troops, which are based on the directives. The detailed organization structure is as follows:

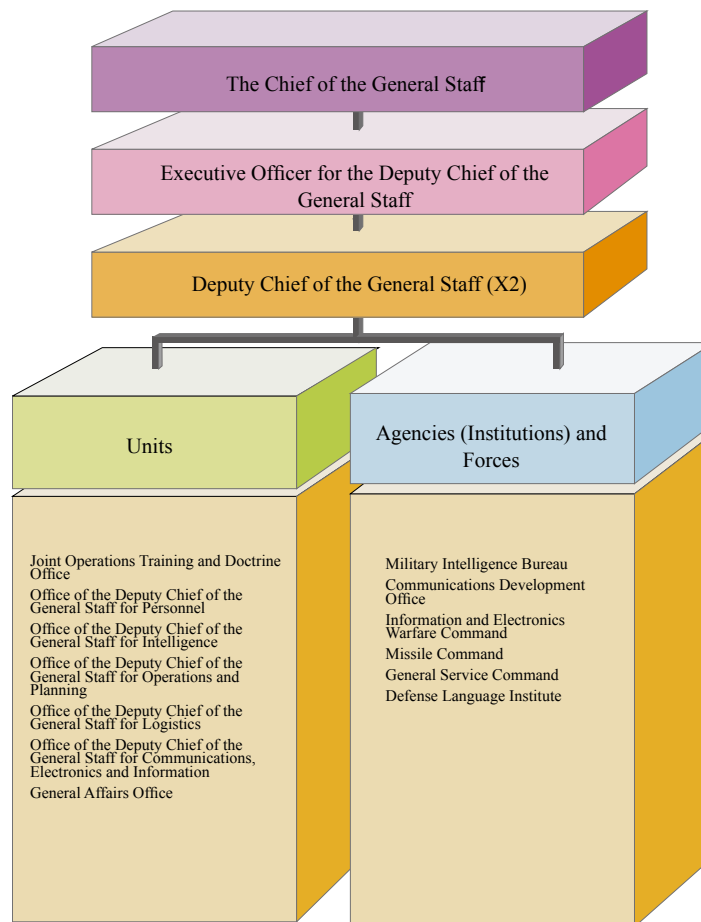


Figure 4-3 Organizational Structure of the MND General Staff Headquarters

(I) Staff units (Article 3 of the Organization Act of MND General Staff Headquarters)

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

(II) Agencies (institutes) and troops

Military Intelligence Bureau, Communications Development Office, Information and Electronic Warfare Command, Missile Command, General Service Command, and Defense Language Institute.

IV. Military Agencies

The MND has under it military agencies such as Army Command Headquarters, Navy Command Headquarters, Air Force Command Headquarters, Combined Logistics Command, Reserve Command, and Military Police Command. In accordance with the Paragraph 2 of Article 10 of the Organization Act of the Ministry of National Defense, the MND may designate the General Staff Headquarters for the command of agencies and combat units, which are originally subordinate to above military agencies.

Section 3 Force Structure of the ROC Armed Forces

The current force structures of the army, navy, air force, combined logistics, reserve and military police are detailed as follows:

I. Army

(I) Mission

During peacetime, the Army safeguards the main island as well as outer islets, puts building basic capabilities of warfighting and readiness for contingency operations as the first priority, implements war readiness for emergency missions, helps ensure the safety of critical targets, reinforces anti-terrorist operations, and pertinently supports major disaster relief efforts as per order. In wartime, the Army Command Headquarters will form a decision-making advisory group to serve in the Joint Operations Command Center, providing recommendations on operations. Additionally, the “integrated coordination center” will also be set up to integrate the warfighting capabilities of operations to support various theaters of operation.

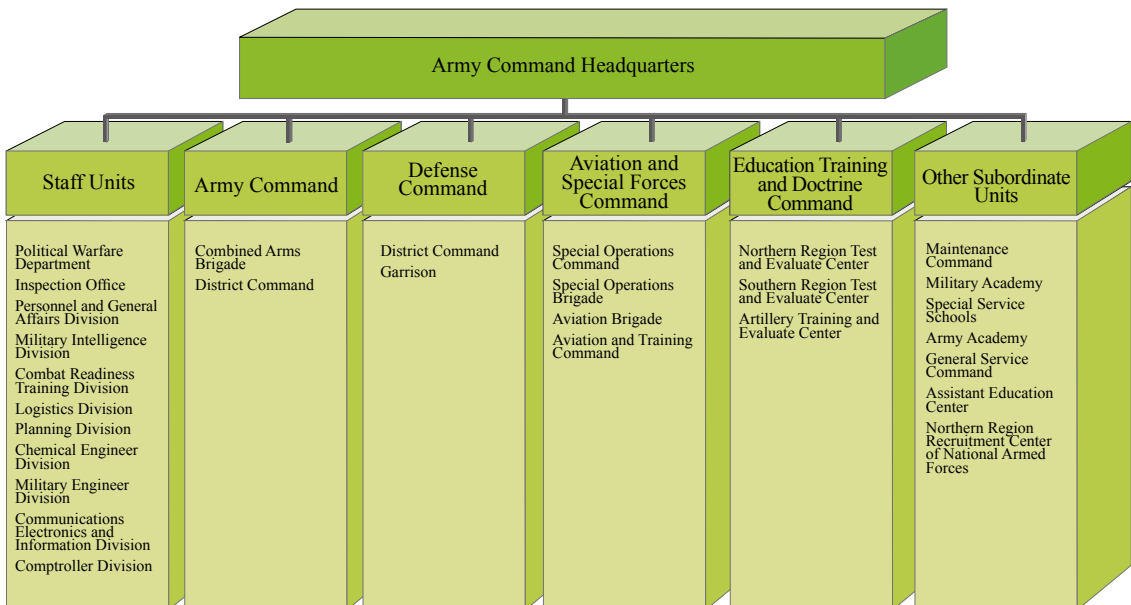


Figure 4-4 Organization of the Army Command Headquarters

The various theaters of operation (department of defense) and their subordinate forces are subject to the command of the “Armed Forces Joint Operation Center”, which will combine the ground forces of the Navy and Air Force to engage in joint operations, destroy invading enemy forces and safeguard homeland security.

(II) Organization (See Figure 4-4)

The Army Command Headquarters consists of various departments, offices, and divisions and its subordinate units include the Army Command, Defense Command, Aviation and Special Forces Command, Education, Training and Doctrine Command, and other subordinate units.

II. Navy

(I) Mission

In peacetime, the Navy strengthens warfighting preparation, refines readiness training, reinforces maritime patrols and capabilities of handling emergencies, and pertinently supports major disaster relief efforts in all theaters. In wartime, it will conduct sea operations with allied forces to counter the enemy’s maritime blockade or military invasion, thereby securing the sea lines of communication (SLOCs) and ensuring national security.

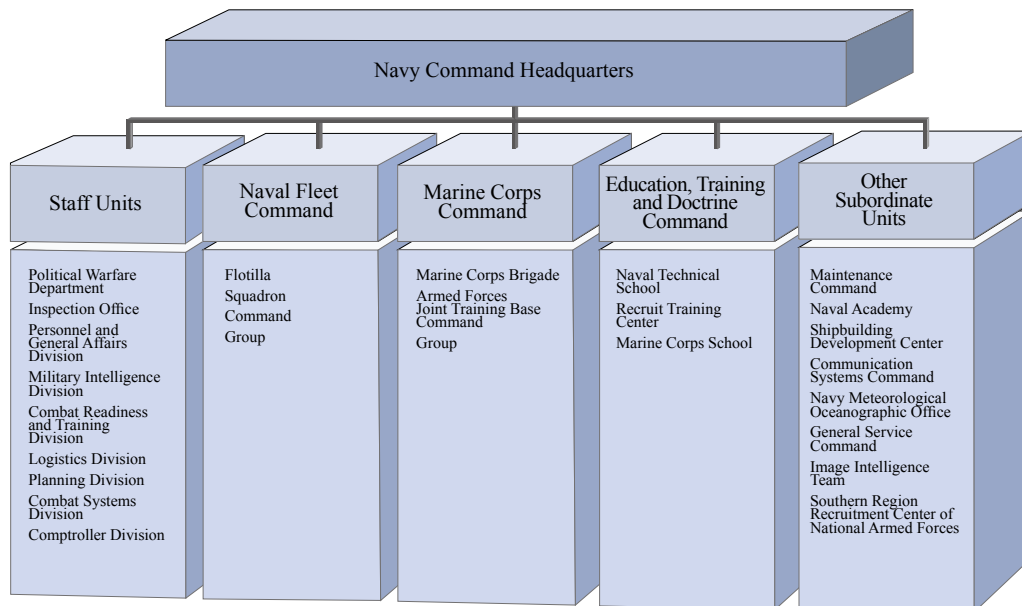


Figure 4-5 Organization of the Navy Command Headquarters

(II) Organization (see Figure 4-5)

The Navy Command Headquarters consists of various departments, offices, and divisions and its subordinate units include the Fleet Command, Marine Corps Command, Education, Training and Doctrine Command, and other subordinate units.

III. Air Force

(I) Mission

In peacetime, the Air Force undertakes the responsibility for aerial reconnaissance and patrol over the Taiwan Strait, secures national airspace, strengthens readiness preparations, fulfils the forces' training missions, and pertinently supports various major disaster relief efforts. In wartime, the Air Force will endeavor to gain air dominance and coordinate with the Army and Navy to execute various forms of joint operations. This will effectively exploit the Air Force's operational performance, defeat invading enemies, and ensure homeland security.

(II) Organization (see Figure 4-6)

The Air Force Command Headquarters consists of various departments, offices, and divisions

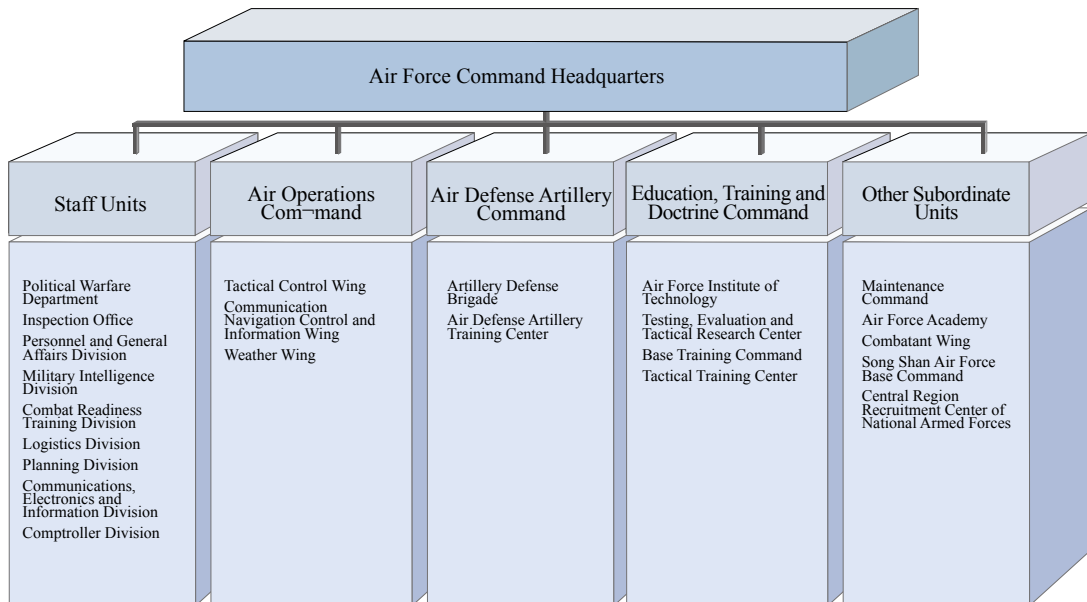


Figure 4-6 Organization of the Air force Command Headquarters

and its subordinate units include Air Operations Command, Air Defense Artillery Command, Education, Training and Doctrine Command, and other subordinate units.

IV. Combined Logistics

(I) Mission

In peacetime, Combined Logistics is responsible for providing logistics support in supplies, fuel, munitions, transportation, medical supplies, and ground equipment maintenance. It integrates the logistics system of the Armed Forces and consolidates the logistics command and control of joint operations. In wartime, it tracks the damage and attrition of all operating forces and stocks of subordinate ground support units to effectively support war readiness missions.

(II) Organization (see Figure 4-7)

The Combined Logistics Command consists of various departments, offices, and divisions and its subordinate units include 7 District Support Commands and other subordinate units.

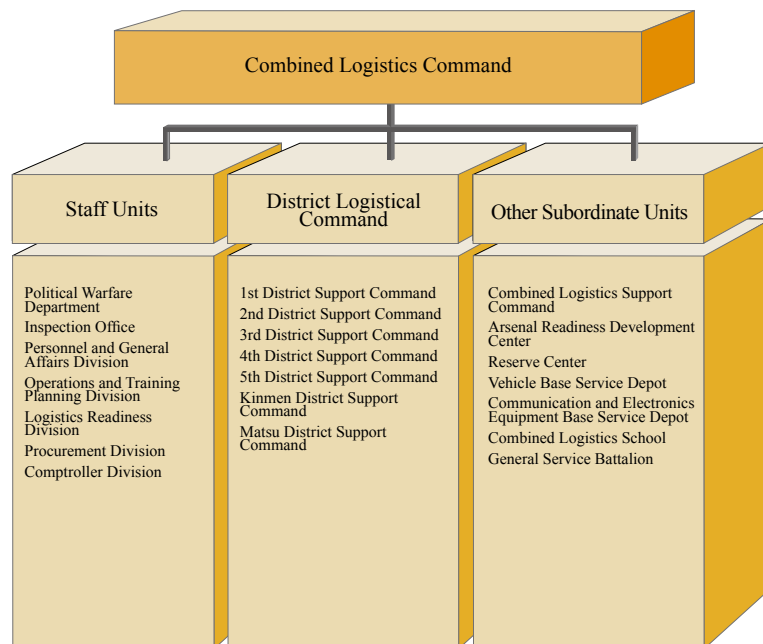


Figure 4-7 Organization of the Combined Logistics Force Command

V. Reserve

(I) Mission

In peacetime, Reserve is responsible for the “managing, organizing, equipping, enlisting and training” tasks of the reserve forces. It executes mobilization, management, service, and new-recruit training of reserve servicemen. It also conducts insurance, compensation, and care matters for the active and retired and discharged military personnel. It supports emergency disaster relief as deemed appropriate, develops reserve potential, and completes the mobilization preparation of reserve forces to reinforce operations of the Armed Forces. In wartime, using existing manpower, materials, and the all-out defense mechanism, the Reserve Command will provide various theaters of operation with reserve forces needed, which are responsible for safeguarding the coast, safeguarding defense-in-depth areas, protecting critical targets, and securing critical lines of communication and anti-airborne force (aircraft) prepositioning so as to support defensive operations and ensure homeland security.

(II) Organization (see Figure 4-8)

The Reserve Command consists of various departments, offices, and divisions and its subordinate units include District Reserve Commands (County/City Reserve Commands,

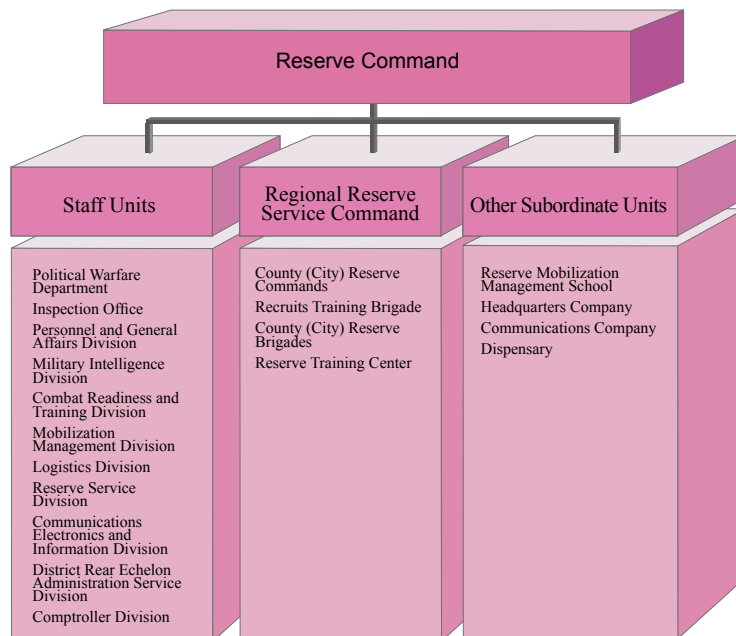


Figure 4-8 Organization of the Reserve Force Command

New Recruits Training Brigade, County/City Reserve Brigades, and Reserve Training Center), and other subordinate units.

VI. Military Police

(I) Mission

In both peacetime and wartime, Military Police is responsible for various military missions such as garrison security, contingency response and control, special security activity, airport defense, military police, counter terrorism, and support of joint operations. It is also responsible for enforcing military law and judicial law, assisting in maintaining social order, and providing pertinent support during various major disaster prevention and relief operations.

(II) Organization (see Figure 4-9)

The Military Police Command consists of departments, offices, and divisions and its subordinate units include District Command, and other subordinate units.

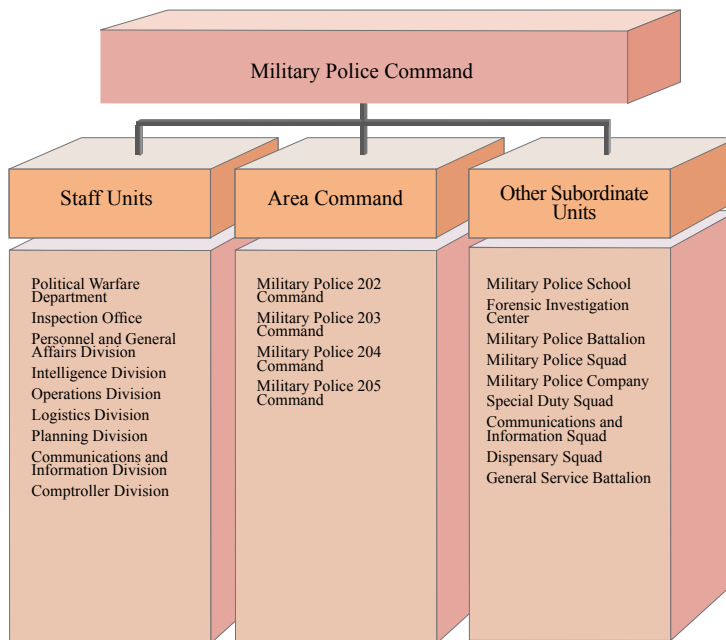


Figure 4-9 Organization of the Military Police Force Command

Section 4 Force Structure Adjustments

Under the prospective, moderate and pragmatic strategic management of the government, cross-strait relations have been easing and developing in a positive manner. However, continuous growth of the PRC's military power means that potential threats to the nation's defense security have not waned. In order to build an elite Armed Forces that is well-prepared for the new era, the MND is promoting "voluntaryism" to obtain long-service and quality manpower. At the same time, it is also planning to adjust the force structure, so that every unit and every personnel may be utilized to the full during an operation.

I. Current Situation with the Implementation of the Jingjin Program

In coordination with the promulgation of the Two Defense Acts, the MND began promoting the Jingjin Program on January 1, 2004, and is planning to complete it on November 1, 2010. The organization and strength are to be merged and streamlined according to plans described below:

- (I) The military policy, command and armaments systems are being consolidated. The military policy system is to be organized to achieve force development tasks. The military command system focuses on operation readiness to maintain and strengthen intelligence, operation, communication, information and electronics functions, and assemblies. The military armaments system is responsible for armaments preparedness matters.
- (II) Top command organization adjustments will observe the legislative intent of "centralized defense", "civilian control of the military" and "all-out defense". Through the reengineering of information technology procedures, the organization will be adjusted by means of "merging horizontally and integrating vertically".
- (III) Top command staff organization is integrated to focus on strengthening the effectiveness of joint Armed Forces operations and reducing the number of command levels. At the same time, the number of personnel has gradually been cut down to 390 from 2004 to 2009.
- (IV) The total number of personnel has been streamlined from some 385,000 personnel since 2004 to 275,000, greatly reducing manpower costs.



The Army conducts joint operations in wartime to eliminate invading enemies and ensure homeland security.

(V) “Separation of roles and missions between active and reserve forces” is being established. The active forces focus on strike missions and the reserve are responsible for homeland defense missions.

(VI) In coordination with the results of weapon and equipment upgrade and integration of joint operation hardware and software, the reduction of total military personnel has actually increased the warfighting capabilities of the Armed Forces.

II. Force Structure Adjustment Concept

After the force structure adjustments by the “Jingshi Program” and “Jingjin Program”, the ROC Armed Forces has in its initial stage produced a new generation of forces. However, the defense transformation must continue. The MND has therefore planned to conduct force structure adjustments of the “Jingsui Program” beginning from 2011 to 2014 in the hope of building a force structure that optimizes operation effectiveness. The adjustments will take into consideration aspects including possible threats, future modes of operation, the Armed Forces’ military strategy and operational requirements, overall national resource allocation and promotion of “voluntaryism”.



The Navy mainly counters blockade and military invasion at sea from the enemy to maintain smooth communication routes and ensure security of the Taiwan Strait.

(I) Adjust operational concept

According to the operational characteristic of cross-strait defense, the Armed Forces have clearly decreed “preventing the enemy from landing and establishing lodgment” as the strategic guiding principle. In the face of the PRC’s increasing military power, the PRC has gained the upper hand in warfighting capabilities. In order to achieve the objective of “resolute defense”, the ROC Armed Forces’ defense operations must focus on seizing relative capability advantage in critical time and space.

(II) Centralize defense resources

In order to seize relative capability advantage in key time and space, the ROC Armed Forces must provide the major operating forces with limited defense resources as the first priority so as to “prevent the enemy from landing and establishing lodgment”. Therefore, the Armed Forces have to give up the “balanced force development” thinking of scattered resources and further adopt the “focused force development” thinking of mission-orientation, so that it will achieve maximum cost effectiveness.

(III) Build a modern force

After the implementation of “voluntaryism”, the quality of manpower in the Armed Forces



The Air Force seizes air superiority in wartime to eliminate invading enemies and ensure security in air space.

will be effectively raised. However, in order to translate such success into substantial warfighting capabilities, the ROC Armed Forces must be backed with forward-looking and broad-minded thinking, must formulate a long-term transformation blueprint for the “modernization of the Armed Forces”, and must realize it incrementally. This will then build a defense power that is able to cope with future patterns of warfare.

III. Summary of the Adjustments

In consideration of three factors, namely, “requirements for defense operations”, “financial affordability of the government”, and “anticipated recruitment”, and focusing on the strategic guidance of “preventing the enemy from landing and establishing lodgment”, future force scale is targeted at a total strength of 215,000 personnel. It is also planned that the ROC Armed Forces will make up of four major parts, namely, policy staff and subordinate agencies (forces), army, navy, and air force. The framework plan is outlined as follows:

- (I) Based on the principle of accountability and being able to provide effective support to the operating forces, top command organization will be merged. Missions (activities) unrelated to operation and training are to be merged or transferred.

- (II) Merge the existing six commands, namely, the army, navy, air force, combined logistics, reserve and military police commands, into three command headquarters: the army, navy and air force command headquarters.
- (III) Maintain the Armed Forces' major force scale and structure and concentrate the defense resources on major operating forces.
- (IV) Review and retire outdated, ineffective and impertinent forces not related to major combat missions.
- (V) "Disaster prevention and relief" is to be incorporated as one of the Armed Forces' main missions. The force structure of various services will be coordinated and adjusted according to strategy, tactics, equipment and tool acquisition.
- (VI) Combine administration and logistics with private sector resources by increasing contracting, outsourcing of general services, government-owned and civilian-operated enterprises and hiring evaluation and other means to release strength and enhance warfighting manpower.

IV. Complementary Measures

In order to push for force structure adjustments in the ROC Armed Forces, the MND has devised five concrete complementary measures, namely, amendments to organizational laws and regulations, personnel redundancy settlement, contracting general service support, simplifying activity procedures and implementation through ministerial collaboration. It is expected that a plan will be formulated before the end of 2009. And it is hoped that organizational adjustments will be carried out smoothly with the least hindrance.

(I) Amendments to organizational laws and regulations

In order that implementation may comply with laws and regulations, the MND plans to complete the draft of amendments to laws such as the Organizational Act of the Ministry of National Defense by the end of 2009 and submit it to the Executive Yuan for review. The MND expects to complete the amendment works before 2011 then perform successive organizational adjustments again.

(II) Personnel redundancy settlement

The MND will adhere to the principles of protecting personal esteem, ensuring individual rights and allocation and talents suitability and devise comprehensive redundancy settlement measures. It will look after the discharged or retired through a variety of assistance, such

as placing them in suitable posts, recommending them for the posts of relevant agencies of the Veterans Affairs Commission (VAC), the National Security Bureau, and the Coast Guard Administration, transferring them to serve as civilian officers and military education instructors in the MND and VAC, proffering them with vocational training courses, and providing those who retire earlier with redundancy pension.

(III) Contracting general service support

Pursuant to the policies of increased contracting and manpower outsourcing for administration and logistics, general service support items that could be contracted and provided by the private sector will be evaluated discreetly. This is so that it will achieve the objective of reducing the Armed Forces logistics personnel and integration of defense and the people's livelihood.

(IV) Simplifying activity procedures

In coordination with adjustments in organizational structure, an existing business and job description handbook will be comprehensively reviewed. Through delegating responsibilities, simplifying procedures and merging or deleting nonessential activities and other means, this will soften the impact on mission development as a result of reduced manpower. Additionally, through improving the functionality of various operating systems, it will increase operational efficiency.

(V) Implementation through ministerial collaboration

Force structure is adjusted to "voluntaryism" to implement core items. Complementary measures such as amendments to relevant organizational laws and regulations, personnel redundancy and contracting general service support must be incorporated into the inter-ministerial task force of voluntaryism. It is hoped that force transformation will be completed successfully.

V. Anticipated Benefits

(I) Simplify command hierarchy and strengthen operational effectiveness

After the streamlining of top command organization, flattening of the ground defense operation command hierarchy will accelerate command speed and improve operational performance. In addition, the return of dedicated logistics to the military service will reduce horizontal coordination and requisition and issue procedures and achieve rapid and effective operational support.

(II) Reduce ineffective waste and increase resource effectiveness

Retiring ineffective and outdated equipment can effectively reduce operational maintenance costs and translate them into military investment to accelerate the buildup of new weaponry and equipment, thereby achieving the objective of transforming the Armed Forces into a modernized one sooner.

(III) Build a professional system and streamline operating procedures

In coordination with the adjustments and merger of top command organization afterwards, a consistent professional staff system will be planned and operating procedures will be reviewed for coherence. This is so that all levels of staff units will have the same level of activities with coherent operating systems, thereby effectively increasing the operational efficiency of various subordinate units in the MND.

(IV) Integrate defense with the people's livelihood to facilitate logistics support

The Armed Forces' affairs such as administration and logistics will be coordinated along with organizational adjustments, simplified operating procedures, devise of various regulations, and integration of private sector resources to increase contracting and outsourcing. This will effectively streamline logistics support manpower, reduce maintenance costs and increase support efficiency. It will also be able to expand domestic market needs and integrate defense affairs with society livelihood to promote domestic economic growth, thereby utilizing the defense resources to its maximum effectiveness.

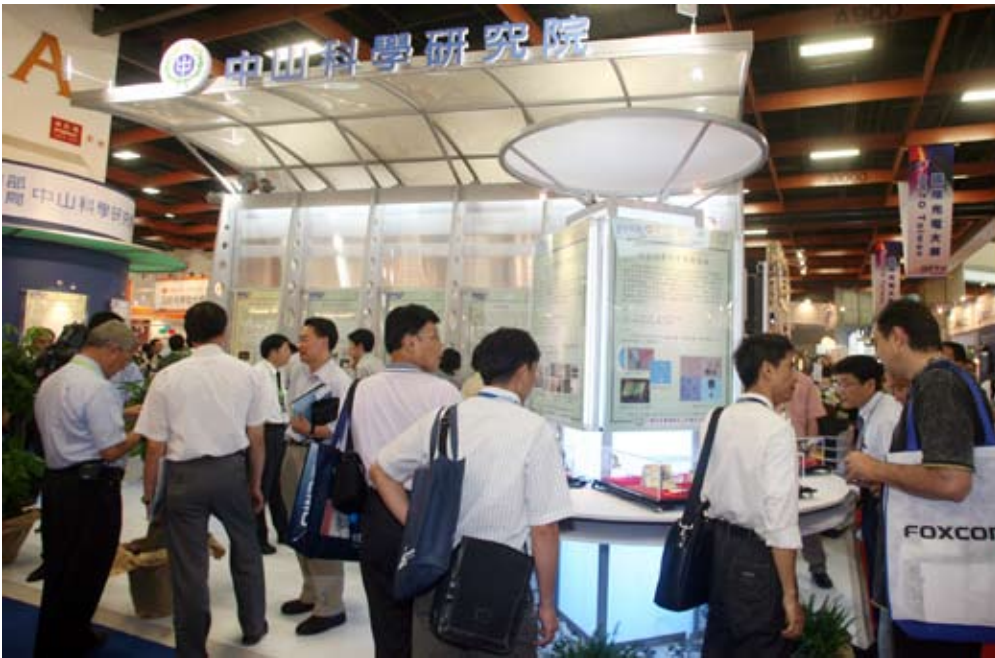
Section 5 Amendments to the Defense Law System

In order to enforce the government's policy directives, the MND has looked into future defense development. It reviews national power and available resources as the premise for implementing and promoting voluntarism and establishing a modernized professional defense organization. This is so as to achieve the objective of building an elite Armed Forces. A democratic country governed by the rule of law underscores administration according to the law. Whether it is adjustments in defense organization or promotion of voluntarism, formulation (amendment) of relevant laws (regulations) should be completed first to serve as the basis for implementation. Therefore, the "defense organization statutes compilation project" has been devised to undertake comprehensive amendment works of the law system. The major items are summarized below:

I. Purpose of Amending the Law System

In order to build a modernized and professional organization that is in line with the spirit of the "Two Defense Acts" and increase the Armed Forces' overall effectiveness, the MND has reviewed and adjusted the defense organization system and force structure. However, in order to comply with the principle of "administration according to the law", such adjustments will most definitely affect the organizational statutes of various levels of agencies (institutions), troops, and schools within the Armed Forces. A comprehensive review should therefore be conducted. 33 types of laws and regulations on defense organizations and 12 types of laws and regulations on department affairs will be reviewed in full scale in coordination with the Executive Yuan organization restructuring project currently pushed by the government and the amendment intent of making flexible the "Basic Code Governing Central Administrative Agencies Organizations". In the future when amendment of the "Basic Code Governing Central Administrative Agencies Organizations" is promulgated, the organization act of central agencies of the second level will be stipulated by law while agencies of the third level and below will be set up as per decree of the Executive Yuan. Amendment and promulgation will be completed in accordance with the organizational statutes and system in the hope of enforcing defense organization adjustments by law and building an elite Armed Forces.

In order to be in line with global trends, fully exploit organizational effectiveness, increase technological capabilities and expand technical transfer and private sector economies so that more contributions could be made to the development of domestic technology and economy, the Chung-Shan Institute of Science and Technology (hereinafter referred to as the CSIST) of the Armaments Bureau will be converted into an "administrative institution". Enterprise management model will be instilled to invigorate technology and R&D organizations with



After converting to an “administrative institution”, the Chung-Shan Institute of Science and Technology is able to offer services to more people and support economic infrastructures and enhance national competitiveness.

more professionalism, more flexibility and more efficiency. This in turn will raise operational performance, increase the number of service recipients, thereby supporting economic infrastructure and strengthening national competitiveness.

II. Direction of Amendment to the law System

(I) Defense organization laws (Six types)

1. Amendment to the Organization Act of the Ministry of National Defense

In order to collaborate with the government in raising national competitiveness, promoting restructuring of administrative agencies, and adjusting the Armed Forces' force structure into the top command organizational structure, the "Organization Act of the Ministry of National Defense" is to be comprehensively reviewed.

2. Amendment to the Organization Regulations of the General Political Warfare Bureau of the Ministry of National Defense

Paragraph 2 of Article 8 of the Organization Act of the Ministry of National Defense states, “The General Political Warfare Bureau shall be restructured as the Political Warfare Bureau within three years.” Such restructuring process is allowed to have one-year extension if necessary.” And according to the provisions in Article 7 of the



The Armed Forces force structure adjustments have introduced high-quality manpower and exploited new weaponry to its optimum effectiveness.

Basic Act Governing Central Administrative Agencies Organizations, this amendment draft is thus formulated and renamed as the “Organization Act of the Political Warfare Bureau of the Ministry of National Defense”. This amendment has been reviewed and passed by the ministries of the Executive Yuan and submitted to the Legislative Yuan for deliberation on April 6, 2009.

3. Amendment to the Organization Regulations of General Staff Headquarters of the Ministry of National Defense

The “Organization Regulations of General Staff Headquarters of the Ministry of National Defense” is to be reviewed and amended in coordination with force structure adjustments.

4. Amendment to the MND Armaments, Dispensary and Comptroller Organization Regulations

This has been combined with the amendment to “Organization Act of the MND Political Warfare Bureau” and submitted to the Executive Yuan for review. However, the Research, Development and Evaluation Committee of the Executive Yuan indicated that this is best carried out in coordination with the implementation schedule of “voluntaryism” to conduct a comprehensive review and modification. Consequently,

there will be coordination with adjustments of the top command organizational structure for completion of the above mentioned amendment to the organization regulations of the 3 bureaus.

(II) Laws and regulations on defense organizations (26 types)

With regard to force structure adjustments, the MND will comprehensively evaluate 26 amendments or annulments to organizational regulations or prescriptions including “Organization Regulations of the Army Command of the Ministry of National Defense”, “Organization Regulations of the Navy Command of the Ministry of National Defense”, and “Organization Regulations of the Air Force Command of the Ministry of National Defense”. This is so as to establish a defense organization that complies with the spirit of the “Two Defense Acts” and achieve the objective of building an elite Armed Forces.

(III) Laws and regulations on defense departmental affairs (12 types)

The ROC Armed Forces currently have 12 types of laws and regulations on departmental affairs including “Operational Regulations of the Ministry of National Defense” and “Operational Regulations of General Staff Headquarters of the Ministry of National Defense”. This is so as to comply with Article 8 of the “Basic Code Governing Central Administrative Agencies Organizations” which states: For agencies whose organization is governed by laws, the division of duties within internal units shall be stipulated by regulations governing departmental affairs. For agencies whose organization is governed by decrees, the division of duties within internal units shall be stipulated by operational regulations. Existing regulations on departmental affairs are currently being reviewed and modified in order to comply with intent of administration by law.

(IV) Converting CSIST into an “administrative institution”

In order to fully exploit organizational effectiveness, the Legislative Yuan, Executive Yuan and academic groups have proposed relevant research and strategic directions and recommendations for the operating efficiency of CSIST. In the 7th National Science and Technology Symposium in 2005, one of the motioned agenda was “to accelerate the institutionalization process of CSIST and attract outstanding defense technology and R&D talents”. In view of recommendations by all walks of the society to convert CSIST and in order to contribute more to domestic technological and economic development, the MND has drawn up the draft of the “Establishment Act of the National Chung-Shan Institute of Science” and submitted to the Executive Yuan for deliberation on February 27th, 2009.

Chapter 5 Military Service System



Nations around the world have chosen to adopt a particular means of force recruitment mainly by examining the overall security situation, enemy threat and taking into consideration a combination of factors such as population, financial and administrative abilities, so as to come up with a military service system that best suits their respective national conditions. Implementing “voluntaryism” is the most essential and complicated military reform for the ROC at present; it is also one of the keys to determining personnel quality and strength of warfighting capabilities. As the nation faces this critical juncture of transformation, we should learn from overseas experience and promote “voluntaryism” in a pragmatic manner to perfect force organization and improve the Armed Forces’ overall warfighting capabilities, thereby fulfilling the actual requirements for the nation’s force development and combat readiness.

Section 1 Keeping the Military Service System Unchanged

Having foreseen future digitized battlefields and the buildup and deployment of high-tech weaponry and equipment, the Armed Forces need professional and qualified long-service manpower. Under the premise of effective assurance of defense security, RMA is to be integrated for transforming the military service system from the “conscription and voluntarism” to “voluntarism” so as to conform to social and the people’s expectations. In the future, the MND will combine government and private sector resources to recruit personnel that are of high-quality and strong motivation, establishing a new professional and high-quality Armed Forces.

I. Background of Voluntarism

The ROC government moved to Taiwan in 1949. In order to safeguard security in Taiwan, Penghu, Kinmen and Matsu areas, it revised the “Act of Military Service System” and “Enforcement Rules of Military Service System” in 1954 to ensure a military service system that has “conscripts as the mainstay and volunteer enlistees and national militia as the supplement”. Having implemented conscription for more than 50 years, the laws and regulations are now perfected and nation-wide reserve mobilization system has also been fully established.

The ROC has implemented conscription for a long time. The system has fulfilled its functions in ensuring national security and maintaining peace across the Taiwan Strait. However, in recent years, due to factors such as social and demographic structural changes, rapid economic and trade development, shortened period of military service and updates in patterns of warfare, the system is limited in allocating societal manpower resources, enhancing the nation’s long-term economic growth and improving overall defense capabilities. Therefore, implementing “voluntarism” is indeed indispensable, driven by contemporary trends.

(I) Update of precision equipment

As high-tech weaponry and equipment become increasingly sophisticated each passing day, only high-quality personnel are able to leverage the maximum effectiveness of weaponry and equipment. Professional servicemen operating sonar, radar, meteorology, electronics, information, electronic warfare, electronic machinery, armor, fire control, missile systems and others often require training and operation for a long period of time. Moreover, complete integration of man and equipment training must go through specialized training in stations and bases for a cycle of 18 months in order that their combat performance may be effectively

maintained and utilized. In conscription where the current compulsory service period is 1 year, the military personnel would be discharged just when their skills are about to mature, making it difficult to maintain a specialized, professional, and highly combatant defense force.

(II) Demographic structure changes

According to the forecast estimate of the Ministry of the Interior on birth statistics, the annual average number of draft-eligible males before 2016 is some 110,000 persons. Due to the impact of low birth rate, the number of draft-eligible men will start to decrease from 2018 and only some 80,000 men will remain by 2024. If it were to maintain the force structure of 275,000 as the total number of personnel, a shortage of force will definitely occur in the future. Therefore, the MND has planned “voluntaryism” and simultaneously undertaken force structure adjustments to modify the total number of personnel to 215,000, so that the challenge of insufficient young and strong men could be addressed in the future. Meanwhile, implementing “voluntaryism” can widen sources of recruitment. Besides males of appropriate age, females could also be included. Therefore, only by implementing “voluntaryism” could demographic structure be conformed and manpower demand and supply of the Armed Forces balanced.

(III) Trends in international society

In order to meet the demand for high-quality personnel as required by modern defense technology and having considered national security, social structure development and human resource utilization, “voluntaryism” has now become the trend for advanced democratic countries. Therefore, in terms of future force buildup, the Armed Forces should establish an active force with warfighting capability and agility to cope with the outbreak of war with no advance warning, paramilitary actions, MOOTW and disaster relief and disease prevention requirements. It should also maintain a reserve force that can be instantaneously mobilized to undertake the territorial defense missions of protecting homes and defending the country. While promoting voluntaryism and given the premise of keeping up warfighting capability and morale, a “task force” has already been set up to proactively devise various concrete complementary measures. An incremental approach will be adopted to reduce the strength for conscripts and increase the strength of volunteers annually, so as to achieve the “voluntaryism” policy objective.

II. Features of Voluntaryism

“voluntaryism” is the nation’s major military system; it is of great significance when it comes to the replacement of active soldiers and preservation of reserve soldiers. Generally

speaking, since officers and non-commissioned officers (NCOs) are mostly recruited, whether or not a country's military system is "conscription" or "voluntaryism" can only be distinguished by how its current soldiers on active duty come from. The main difference between "conscription" and "voluntaryism" lies in that the former is "conscripted by obligation" whilst the later is "enlisted by volunteering". Undoubtedly, the level of obedience and enthusiasm from both would be different and, consequently, the attitude with which missions are carried out would also be different. The troops formed by volunteer soldiers could maintain a relatively higher morale and strong tenacity, which is helpful to the force's readiness training. In addition, contemporary weaponry and equipment have a more complicated composition and operating techniques; personnel must go through lengthy periods of training and accumulate enough experience in order to take on the tasks with competence.

At present, due to shortening of compulsory military service to one year, the existing "conscription" has a large personnel turnover, making it difficult to accumulate training results and, thus, it is hard for the Armed Forces to maintain immediate and accessible warfighting capabilities for a long period of time. Therefore, in future force buildup, as force structure will be developed along "voluntaryism", this will build an active force that could immediately engage in combat missions and ensure adequate time for reserve forces to complete mobilization and pre-combat training, thereby accomplishing the objective of homeland defense. "voluntaryism" has the following characteristics:

(I) Construct a modern organization for national defense

Through reduction of the Armed Forces' force level and appropriately restructuring the top command organization, existing MND command structures and logistics system are also merged to fulfill the requirement of a "restructured top command and reinforced subordinate units". This also builds a centralized functional organization, strengthens operational effectiveness and implements operational training duties, so as to fulfill the intent of organizational restructure and the people's expectations.

(II) Increase national competitive advantage

The nurturing of talents for the state needs to combine with national development. Especially in an era of rapid technological advances, the longer the draft-eligible men are separated from the society, the more behind they would be in keeping up with the times. Implementing "voluntaryism" could fulfill most of the youths' career planning by not interrupting their jobs and studies as a result of military service; they could enter the work place or go on to further studies straight away. For youths who are interested in a military career, they could also serve in the Armed Forces and contribute their skills. In terms of utilizing the human resources to the full, this could maximize the greatest benefits and raise the state's overall



Implementing “voluntaryism” enables the results of force training to be maintained and warfighting capabilities of the forces to be raised.

competitiveness.

(III) Enhance the Armed Forces’ professional competence

Patterns of warfare in the 21st century are digitized and technological wars. Without employment by high-quality personnel, high-tech weapon systems cannot be fully exploited for effectiveness. Moreover, our compulsory military service is too short to train on more sophisticated weapon systems, or for the servicemen to have more training before discharge. Therefore, implementing “voluntaryism” to extend the service period and raise military personnel quality has a positive impact on military modernization. This is so as to construct a modern force that is equipped with advanced knowledge and learning abilities and developing towards professionalism, laying a long-lasting and solid foundation for national defense capabilities.

(IV) Establish elite active warfighting capabilities

Through implementing “voluntaryism”, adjusting the force structure and improving the training system and other measures, the results of training the active forces are to be maintained. The warfighting capabilities of the forces will also be enhanced gradually to achieve the objective of “training for combat and combat capabilities after training” to ensure national security.

In all, provided that the nation’s overall development is not affected, development of the “elite soldier policy” is necessary. The elite soldier policy is not merely the restructure of personnel

or upgrade of weapon systems but the enhancement of the overall quality of the soldiers. However, as defense budget and the general public's attitude toward military service is not predictable, its biggest risk would be the uncertainty in recruitment. It is difficult to ascertain whether enough active soldiers could be obtained. In view of this, the MND has completed complementary measures such as keeping the conscription mechanism and subjecting draft-eligible men to four-month military training period to offset the risks of implementing "voluntaryism", thereby ensuring the Armed Forces' warfighting capabilities.

III. Opportunities in transforming from conscription to voluntaryism

The pattern of modern warfare is rapid, mechanized, technological, and information-based with winning and losing determined in a very short period of time and victory decided thousands of miles away. Such is the change brought about by the technological age and environmental development. There have been rapid changes both in the domestic and overseas environment in recent years. In order to address changes in the nation's overall political and economic situations, implementing "voluntaryism" shall effectively utilize national human resources. The long-service servicemen with strong professional competencies will undertake force development and readiness tasks to effectively increase overall warfighting capabilities, thereby transforming the Armed Forces into a professional troop that is small but smart and strong. After implementing "voluntaryism", the following benefits may be anticipated:

- (I) Establishment of a modern organization that fulfills defense requirements.
- (II) A recruitment system that has "volunteers in peacetime and conscripts in wartime".
- (III) Personnel supply requirements of various forces will be met.
- (IV) Molding of the active forces' warfighting capabilities into an elite and tenacious one.
- (V) Laying a reliable foundation in the warfighting capabilities of reserve mobilization.
- (VI) A logistics mechanism that strengthens force development and readiness missions.
- (VII) Upgrade in the quality of manpower as a professional force.
- (VIII) Protection of rights and interests of servicemen by legalizing their benefits.

The MND has listed the recruitment of volunteer enlists as the major policy implementation for the year. Besides comprehensive deliberation within the ministry, recruitment works have also been actively carried out. The MND has continued to conduct seminars, talks, exchange of ideas and proposal reviews with relevant ministries, private agencies, and all walks of the society, hoping that by means of deliberation and discussion, publicity and coming to a consensus may facilitate implementation of the policy.

Section 2 Volunteer Force Buildup Plan

Implementing “voluntaryism” will affect organizational structure adjustments, legislative amendments and budget allocation. Moreover, volatile supply factors such as recruitment and budget acquirement will make implementing “voluntaryism” a more complicated and difficult challenge. In view of this, in order to achieve the objective of an elite Armed Forces, the planning task would need to be more stringent. Voluntaryism not only has far-reaching significance in that it is in line with contemporary trends and public expectation, it is also one of the best means to raise the overall quality of the Armed Forces. With the collaboration of various subjective and objective factors and reasonable support from the defense budget, the system will be smoothly implemented and a new source of energy injected into the modernization of the Armed Forces.

I. Maintain Constitutional Obligation

Article 20 of the ROC Constitution stipulates, “The people have the obligation to undergo military service as prescribed by law.” In order to accommodate the requirements for defense military security and capability sustainment, there is still a need for conscripting military personnel serving compulsory service with a service period kept at one year. Draft-eligible men must be subject to the complete recruit, specialty, station, proficiency, base, and joint exercises training to ensure that the active forces’ warfighting capabilities remain intact. At the same time, after implementing “voluntaryism”, the ROC will refer to the UK and US system and keep the “restoration of conscription mechanism”. In the event of a war or emergency, conscripts can be restored to reinforce the active forces and increase the operating forces.

II. Schedule Planning for the Volunteer Force

In order to plan for “voluntaryism”, the MND has devised three stages for implementation from May 20th, 2008 to December 31st, 2014, namely, “planning preparation”, “project formulation”, and “implementation and validation”. Plans such as organizational structure and force structure adjustments, legislative amendments (enactments) and welfare measures will be completed before 2010. Validation will begin on January 1st, 2011 and the recruitment target shall be reached in four to six years with collaboration of the military service system. Relevant buildup planning is briefed below:

(I) Planning preparation stage: (from May 20, 2008 to June 30, 2009)

1. Overall planning

Complete defense organizational adjustments (organization and equipment, force structure, and strength ratios), military service transformation, personnel recruitment, troop training, mobilization mechanisms, logistics preparation, benefits and rights, retirement, and complementary plans.

2. Legislative amendments

Once amendment of major military service system related laws have been completed and regulations and core implementation action items have been thoroughly planned, complementary legislation will then be amended. Afterwards, as the project progresses, more legislative amendments may be incorporated to control the schedule of legislative amendments.

3. Project initiation

Complete the formulation of 12 implementation plans, namely, organization, manning and equipping; military service remuneration; reserve mobilization; human resource system; operational training and preparation; legislative amendments; logistics preparation; military armaments production; defense financial resources; dispensary; dependents' benefits and integrated assessment. They will be incorporated as major implementation items in the enforcement plan of "voluntaryism".

(II) Project formulation stage: (from July 1, 2009 to December 31, 2010)

Based on the results of implemented planning tasks from the first stage, complementary legislative amendments or additional legislations are then to be completed. After evaluating current defense financial conditions, wages, benefits, living quarters construction, and facility improvements on a timely and sequential basis should be implemented ahead of schedule, so as to increase recruitment incentives to help achieve recruitment targets in the "implementation and validation" stage with desired effects.

(III) Implementation and validation stage: (from January 1, 2011 to December 31, 2014)

Set out annual targets for implementation, and review and plan according to actual situations. Relevant complementary plans should also be amended accordingly in the hope of effectively utilizing limited human resources and accommodating validation and evaluation, modify accordingly in order to reach the target of 100% volunteer recruits.

III. Utilization of Manpower from Military Service

During the military service transformation period, the "conscription and voluntaryism" will be kept to maintain the forces' warfighting capabilities. As the manpower from volunteer enlistees increases with the implementation of "voluntaryism", demand for mandatory

drafttees will decrease accordingly. In order to maintain fairness in military service, complementary measures such as replacement service, and expansion of the scope of replacement soldiers will be adopted to avoid draft-eligible men from complaining against stagnant conscription. After achieving the objective of “voluntaryism”, manpower from military service will come by means of “volunteers in peacetime and conscripts in wartime”. The entire active force will be replaced by volunteers to form a professional military that is of high warfighting capabilities and high quality. After accepting military training, draft-eligible men qualified for active duty will be incorporated into the reserve mobilization system for control. In peacetime, they will be subject to mobilization call-up training to maintain adequate reserve mobilization strength. In wartime, men will be conscripted in accordance with the law to reinforce the reserve forces and assist the active force in joint homeland defense missions. However, when manpower from the military service cannot fulfill our national defense needs and undermines the capability buildup of the active forces, or when the degree of the PRC’s military threats increases, the Executive Yuan shall be timely informed to restore conscription of active soldiers.

IV. Financial Requirements for the Volunteer Force

As “voluntaryism” is implemented, it is urgent and necessary to have financial requirements for complementary measures such as salary and remuneration, benefits and welfare, dormitory improvement, dispensary care, personnel training, reserve mobilization and troop training. However, in consideration of the government’s financial burden, and given limited provision of attainable defense financial supply, it is inevitable that implementing “voluntaryism” will increase personnel maintenance costs in the future. The MND will continue to review organizational restructure and laws and other relevant complementary measures. It will strictly adhere to the principle of lowest costs and optimal effectiveness to effectively utilize defense resources and establish reliable warfighting capabilities.

At present, the MND is already constructing medium and long-term financial supply forecast models to estimate the size of attainable supply in the future. It is also adhering to the guidance of pragmatic force development plans to formulate comprehensive and continuous force buildup plans. In addition, by appropriately utilizing the financial planning mechanism, the MND has taken into consideration a combination of factors such as cost-effectiveness, risk management, alternative proposals and priorities to allocate the resources appropriately as well as implement annual work plan and budgeting, so as to facilitate the accomplishment of the “voluntaryism” policy. Current budgetary requirement plans for the volunteer force are explained as follows:

- (I) Budget should be carefully deliberated and allocated annually according to the “Armed Forces’ five-year financial guidance” and in association with the implementation schedule of “voluntaryism”, future operational requirements, organizational adjustments, officer-to-enlistee ratios and benefit adjustments and other plans.
- (II) Additional funds required to improve servicemen’s living facilities should be planned in association with the implementation schedule of “voluntaryism”.
- (III) Annual budgetary requirements should be carefully calculated based on the principle of fulfilling the allocated quota of annual defense budget.

V. Military Service Laws and Regulations Amendments

Review of amendments to the Act of Military Service System will be conducted in two stages according to the actual requirements for implementing “voluntaryism” and under the premise of keeping constitutional governance over military service obligation. At the present stage, the MND has completed draft amendments to certain provisions of the Act of Military Service System and submitted to the Executive Yuan for review by the Legislative Yuan. The main contents amended are as follows:

- (I) During the transition period of the transformation, the volunteer force will increase annually. Before reaching the target of 100% volunteer force for the active force, conscription will still remain. After the target is reached, the conscription mechanism will be retained in order to address future population changes and maintain defense and military contingency requirements.
- (II) The military service system will work towards “voluntaryism” with the number of volunteers on an annual increase. During the transformation period, readiness tasks will still be served by draft-eligible men who have completed training at the bases to maintain warfighting capabilities. To fulfill defense and military security and requirements for maintaining warfighting capabilities, compulsory military service for servicemen on active duty will remain at one year. As the number of volunteers increase, conscription of active servicemen could be ceased whenever suitable.
- (III) In order to maintain reserve military mobilization capacity, the active force is met by volunteer manpower. And based on the concept of “nurturing a few servicemen in peacetime and expending many servicemen in wartime”, the reserve force should stock reserve soldiers in order to be appointed in wartime for defense operations and missions. Therefore, men should still receive four months of military training in order to be

managed and utilized as reserve soldiers.

- (IV) Military training for draft-eligible men will be by means of conscription at the bases to effectively utilize current military service system, reduce military service administration changes and lower administrative costs.
- (V) In order for the draft-eligible men to strictly adhere to relevant military (legal) disciplines and enjoy relevant rights and benefits during their reserve serve military training, it is decreed that soldiers on active duty should reveal their identity during the military training period so as to comply with management, teaching and training needs.
- (VI) In order to encourage the citizens to actively understand and participate in national defense during the school years, it is decreed that the military training subjects taken up in the military training curriculum at school could be used to make up for the hours in military training as draft-eligible men, not exceeding 30 days.

VI. Conscription Training Plan

In order to maintain military mobilization capacity, besides filling the active forces with volunteers, the force development policy of “restructuring the active force and accumulating the reserve force” is focused on the reserve forces defending the homeland and deterring the enemies while the active forces conduct mobile strikes to destroy the enemy. Based on this, after implementing “voluntaryism”, reserve soldiers will undergo required training and rehearse military skills through training musters to effectively strengthen the warfighting capabilities of the reserve forces. During wartime, they will be conscripted to reinforce the reserve forces for rapid proliferation of warfighting capabilities and assist the active forces in joint homeland defense missions.

After implementing “voluntaryism”, draft-eligible men will only be subject to four-month military training period so that they could continue with their career planning for further studies, employment or studies abroad. As stipulated in the current Act of Military Service System, this could make up for military training of a maximum of 30 days. However, in consideration that future military training period is only four months, in order to maximize the limited training period, the subjects that could make up for the hours must all be directly related to military training. They must also be assessed as eligible for redemption in order to accomplish the training purpose.

In order to achieve the objective of “combat capability after training”, it is hoped that trained personnel could all possess basic expertise in warfighting capability after receiving the complete cycle of military training duty. Through follow-up education training, they

will continue to operate and maintain proficiency in the hope of effectively facilitating accomplishment of defense operating missions in wartime. The military training program plans six-week patriotic education, physical tactics, combat training and firing exercises in the first stage and ten-week expertise training in the second stage. After training, they would be incorporated into the reserve duty for management and mobilized according to operation requirements in wartime. (See Figure 5-1)

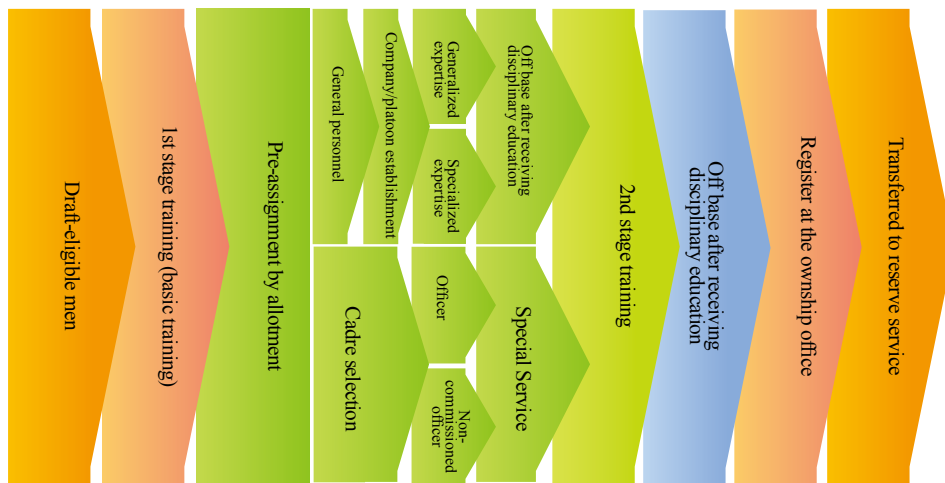


Figure 5-1 Procedure of Men Subject to Military Training Duty and Transferred to Reserve Duty

(I) Implementation method

The implementation method for the four-month military training is divided into that for general servicemen and for tertiary servicemen as described below:

1. General servicemen

Draft-eligible men who have studied at senior high school or vocational school and have not gone on for further studies are subject to continuous training once as arranged by the annual echelon training schedule at times outside the summer vacation.

2. Tertiary servicemen

They could choose when to enter the bases for training:

- (1) After senior high school graduation and “before orientation” at tertiary institutions:

A. Senior high school graduates who have been offered a place in the

universities.

B. Consecutive training once.

(2) During university (college) summer vacation:

A. Students studying at tertiary institutions.

B. Two-stage training during 1st and 2nd year summer vacation.

(3) “After graduation” from universities (colleges):

A. Graduates who have not chosen the previous 2 methods.

B. Same as the general servicemen to receive continuous training once.

(II) Complementary measures

The Armed Forces will require less of officers and servicemen on compulsory service after the implementation of “voluntaryism” In order to effectively relieve the problem of excess draft-eligible men, those in excess of that required by the active force during the military service system transformation will participate in the complementary measures jointly devised with the Ministry of the Interior by means of “transferring to replacement service”, “expanding the scope of replacement soldier suitability”, “advance training and replacement”, and “replacement first retirement later”. This is so that the draft-eligible men could enter the bases for service as scheduled and go on with their career planning to follow. At present, the Ministry of the Interior has devised the following plans as explained below:

1. Transformation involving participation in charitable service. Draft-eligible men are subject to short-term volunteer and citizen education training followed by referrals to social welfare groups, non-profitable organizations or government agencies to engage in social services.
2. Integration of resources from private charities and social welfare groups to care for minorities. Draft-eligible men could learn from these services and grow from such learning.

Section 3 Perfecting Career Planning

In order to keep outstanding personnel and leverage their fullest potential in serving the country, sound career planning will attract professional youths to participate in the military. Based on this, balanced development will be sought in aspects such as manpower development, resource utilization, salary structure development, soldier's positions and service and care for dependents. This shall be greatly beneficial to attracting youth to the vision of volunteering for the military and serving in the military as a career, so that their job satisfaction could be increased and they could stay put during the service, thereby enabling the retention of outstanding talents.

I. Enhancing Benefits and Welfare

(I) Focus on remunerating specialized posts

The MND is currently looking into surveys conducted by private institutions in recent years on the salary standards for society freshmen to draw up adjustment proposals. Especially for major operating forces, and for servicemen whose posts are at remote and special areas or with risks and technicalities, there are deliberation and plans to increase bonuses for those staying on base so the servicemen's salary could be directly increased and highly-technical manpower can be asked to stay longer. In the future, this aspect will work in collaboration with the implementation schedule of "voluntaryism" and a timely submit to the Executive Yuan for approval. This is so that the package could begin implementation during the third stage (implementation and validation) of "voluntaryism" so as to facilitate the promotion of "voluntaryism".

(II) Service combined with residence transfer

The system of service at place of residence may enable the volunteer officers and servicemen to concentrate on their operational training and tasks as well as looking after the family so that they could serve in the forces with a peace of mind and go on with further studies outside their work. In particular, if the ground forces are formed by servicemen at their respective residential area, the idea of protecting villages and homeland could be consolidated all the more, facilitating the "homeland defense" mission. The annual increase of volunteer enlistees will become the backbone of NCOs and enlistees of the Armed Forces in the next 10 years. The MND will ask various military commands to conduct early planning of a sound transfer system while accommodating for manpower replacement in the forces so as to build a just, fair and open post transfer assessment system, enabling transfer to units combined with the place of residence for service and optimizing manpower deployment.

(III) Extensive building of military personnel dormitories and quarters

Construction of dormitories and quarters for the Armed Forces' personnel will be increased and 3,300 residences will be newly built before 2014. After that, old dormitories will be renovated annually. There are also plans to allocate extra units of the renovated old quarters to volunteer military personnel at cost so that their work in the forces and family life could be integrated, allowing the servicemen to have a peace of mind when performing their duties in the forces. This will increase working class youths' willingness to serve in the military and the personnel's willingness to remain at base. In addition, investigation will be conducted to distribute housing allowances and subsidies according to service unit areas and whether there are dependents or not to meet the needs of military personnel and their families.

(IV) Strengthen medical and family care

The overall improvement plan for servicemen's medical consultation and dependents' medical care benefits is to be completed to legalize servicemen and their dependents medical benefits. At the same time, in order to enable peace of mind in military personnel when assuming their duties, boost military morale, implement military personnel emergency relief, medical care and poverty consolation and natural disaster relief and other benefits, there are plans to complete the formulation of military personnel and dependents safe homes care policy and regulations for military personnel's benefits (draft). Relevant plans are described below:

1. Raise medical care quality, improve the Armed Forces' medical service system, perfect regulations on medical treatment benefits and exemption for military personnel and their families, and conduct surveys on satisfaction over medical treatment administered to realize quality medical care provided for military personnel and their dependents by the Armed Forces medical institutions.
2. Military personnel injured from public duty and sent to civilian hospitals for emergency treatment could apply for medical cost subsidies accordingly so as to enhance emergency care and alleviate the burden of medical expenses on military personnel.
3. Strengthen physical examination and modify "Regulations on the Armed Forces' Physical Examination". Beginning from January 1st, 2009, military personnel over the age of 30 will have one comprehensive checkup per year and those under 30 will have a key checkup every two years. Those with major hereditary diseases will be listed by the examination unit as an important control target subject to annual physical examination and review examination to ensure the health of military personnel.
4. Care for the lives of military personnel, who have had special encounters, and their dependents. Adhere to the principle of making an initiative to care and assisting in self-reliance, so that the personnel's families are well taken care of and they could enjoy a

peace of mind at the bases.

(V) Increase childcare benefits and institutions

Request to have cultural bureaus from various county and city governments to recommend quality childcare institutions with which strategic alliance could be formed to provide priority entrance, amenities discount and other preferential offers for the children of volunteer military personnel. In the future, childcare (education) facilities are commended to be set up for units over 250 personnel, or commissioned to the private sector so that military personnel could perform tasks with a peace of mind.

II. Creating Quality Environment

To leverage the greatest potential from talented personnel in serving the Armed Forces, a quality environment not only benefits servicemen on active duty, it also has the substantial effectiveness of leading, attracting and obtaining outstanding and professional youths to participate in the military. Therefore, in terms of hardware, bases will be improved in the future with efforts devoted to raise the quality of life given limited resources. References will also be made to advanced countries such as the United States and Japan that practice “voluntaryism” to gradually improve existing dormitories in coordination with the implementation stages of “voluntaryism”, so as to create a spacious and pleasant living space and service environment. So far, more than 200 representatives of various military services have been invited to panel discussions. Through interviews with military personnel, their needs for the residential environment will be understood. Relevant plans in the future are as follows:

- (I) Provided that internal force management is not affected, the lodge will be modified to include bathrooms and personal storage space in the bedroom design, so that the living space will be more comfortable and spacious.
- (II) The new barracks will be designed with modern living space planning. Company common living area will be added with laundry and clothes hanging areas and common rooms with recreational facilities so that the servicemen feel “at home”. After accomplishing their missions, they could be well rested with relaxed body and mind, enabling them to be more efficient when working and training.
- (III) For large bases with more military personnel and wider space, there are plans to setup integrated shopping malls. Various services and measures such as franchise cafes, restaurants, collection points for utility payments and sale points for public transport will be introduced by means of private expertise consultation or contracting out as the management model.



IN coordination with force buildup plans, recruitment channels are developed at the same time to attract motivated youth to join the military.

(IV) In terms of software, welfare measures will be adjusted. The focus will be on building a concept of quality troop management, improving leadership style in the forces, reducing work pressure and promoting the servicemen's social status, so that as they serve at the bases, their job satisfaction in the military career could be improved, gaining peace of mind. This will retain outstanding talents.

III. Planning Career Development

In order to collaborate with the Armed Forces force buildup to fully utilize overall national strength, a comprehensive plan will be conducted in consideration of a combination of relevant aspects including the volunteer soldiers' entrance, training, deployment, exams, retirement (counseling). This will increase the individuals' willingness to participate in the military and satisfy the quality and stability required by "voluntaryism".

(I) Improve recruitment mechanism and solicit diverse talents

Based on the core of expanding recruitment channels, flexible recruitment strategies and enhancing exam control measures, a recruitment organization that is professional, efficient and with unified command will be constructed. Coordinate government and private sector resources, enlarge sources of recruitment and at the same time build a manpower resource information system to increase the efficiency and transparency of personnel selection and provide equal opportunities for competition.

(II) Implement military training and realize coherence in training and deployment

Implement career management and cultivation to invigorate human resource movements. Adopt the education policy of “training for deployment and coherence in training and deployment” for specialization and streams of expertise to establish diverse career management development. Nurture military specialization and technical manpower with three-stage learning from basic, intermediate to advanced education. Expand intermediate education outside public duty and make good use of private schools and vocational training institutions to obtain degrees, skill certificates and 2nd expertise so as to nurture a quality force with military professionalism, physical fitness, technical skills and high morality.

(III) Just, fair and open human resource performance appraisal

Set unified standards of job descriptions for various levels of cadres. Use the annual appraisal as the basis for the “career management”, “assignment”, “promotion” and “extension of service term” of personnel. Enhance relevant regulations for cadre management, studies and performance, and clearly tabulate performance standards for passing and elimination to raise the overall manpower quality of the Armed Forces.

(IV) Improve NCO system to show development vision

In order to strengthen the capacity of NCOs and give them authority, improvement of the NCO system should be established to perfect the planning of NCO system development. Through unified guidance and decentralized means of implementation, and based on the existing system of company/battalion-level Sergeant Major, “top-down guidance by level and bottom-up modification by level” concept will be adopted. Various units will simultaneously set up various levels of NCO Sergeant Major from bottom-up to the rank under the command level in the hope of perfecting the NCO structure, clarifying NCO responsibilities, and leveraging NCO effectiveness so as to promote the status and quality of NCO.

The MND has deeply recognizes that NCOs are the backbones of subordinate units and the guardians of the forces and are the keys to the success of “voluntaryism”. Therefore, in providing the NCO development vision, special focus is placed on the improving the promotion of the NCO system. Starting from April 1, 2009, NCO Sergeant Major and NCO staff have been set up for all military service commands and units whose commanding officers are with ranks of the lieutenant general and major general, so as to perfect the NCO structure, clarify NCO responsibilities, and leverage NCO effectiveness. In addition, relevant plans of “key directives for improving the NCO system”, “guiding principle for NCO authority delegation” and “implementation plan for improving the NCO system” will be formulated. Based on existing foundation, matters including NCO authorization, career

planning, management development and welfare and benefits will be coordinated along with the progress of “voluntaryism” on a continuous basis for incremental implementation as scheduled. In the future, considerations will be made to build good quality and quantity NCO teams with good combat capabilities and execution. For a ratio in line with national conditions, the ratio of NCOs will be gradually increased from the existing 1:1.88:1.95 to 1:2.14:1.75 so as to cater for future demands from high-tech weaponry and equipment.

(V) Measures provided after honorable discharge to utilize resource effectiveness

Measures such as “counseling and referral for veterans”, “veteran employment training”, and “public service exam referral” will be implemented so that manpower from discharged Armed Forces could devote themselves into national infrastructure building smoothly, thereby utilizing the nation’s overall human resources to the maximum effectiveness.

IV. Continue Further Studies Off-Duty

According to government policy administration and the concept of “nurturing talents for the state”, promotion on further studies off-duty will continue to be promoted for the Armed Forces’ servicemen. Through counseling the military personnel to obtain degrees, civilian expertise and certificates, the learnedness, professional skills and innovative ideas will be increased. Implementation and relevant complementary measures are explained as follows:

- (I) Those who are authorized to participate in degree training and qualify for subsidies will be granted a maximum of NT\$20,000 tuitions subsidies per semester.
- (II) Those who are authorized for further studies and have obtained a degree certificate, the achievement shall be registered onto their military record file after review by the human resource unit as a reference for candidacy and job qualifications.
- (III) In coordination with the implementation of “Armed Forces military personnel bases concentration”, readiness forces are counseled to integrate with requirements for further studies by the military personnel in units to set up “teaching points”. Private tertiary institutions near the bases that have a high degree of willingness for corporation will be selected to engage in “teaching at base” in the hope of building a mechanism of learning at base for the military personnel.
- (IV) To address servicemen’s post adjustments or changes in troop stations, strategic alliance between the National Defense University and other military academies and private tertiary institutions will be promoted. Efforts will be made to obtain recognition of credits from both sides so as to build a common teaching mechanism and increase the

willingness of servicemen who move around due to changes in posts and station to participate in further studies off-duty.

- (V) In coordination with the “overall plan of the Armed Forces military education system” and force and organizational structure adjustments, allocation of teachers and resources will be adjusted accordingly. Military academies will be guided to set up the “Armed Forces military academies education promotion center” in the northern, central and southern parts of Taiwan to conduct on-the-job classes for further studies in PhD, masters, two-year technology colleges and two-year vocational schools. This will combine with requirements for military skills further studies to counsel the military personnel to participate in further studies.
- (VI) Due to operational, training and exercise missions, the Armed Forces often could not participate in learning with fixed time and location. In the hope of breaking the limitation on time and space, the military personnel will be counseled to participate in multimedia learning (such as televisions, broadcast radios and the Internet) to engage learning. Additionally, having complied with the principle of the information security policy, learning requirements of the forces will be proactively reviewed to establish “e-learning environments” and set up “e-learning courses” or “special on-the-job e-learning classes” to satisfy the learning requirements of servicemen at base.

V. Initiate Expertise Certificate

- (I) In order to encourage servicemen to participate in certificate training, those who have participated in the training approved by the superior, passed and obtained skills certificate will be subsidized with training costs for a maximum of NT\$ 20,000.
- (II) In collaboration with the training requirements for skills certificates of various units, the annual training venues and training amount of the Armed Forces’ military academies (training centers) will be reviewed and skill certificate training classes such as “off-duty (holidays and at nights)” and “full-time” will be set up. Through “general subjects”, “technical subjects” and “hands-on experience”, the NCOs and soldiers will be counseled to participate in certification exams in the hope of obtaining technical certificates.
- (III) Coordinate with the Council of Labor Affairs to submit class information of various training institutions to various military commands and their subordinate units. The various units are to actively counsel personnel who have not yet possessed any skill certificate. As manpower dispatch permits, there are plans to recommend personnel to participate in certificate training classes. Additionally, in coordination with the actual

demands for recommended training within the Armed Forces, the Council of Labor Affairs will be asked to open more training classes or quota in the hope of satisfying requirements for subsequent training.

- (IV) In order to appropriately satisfy requirements of certificate training, training capacity of the existing “technical training center” will be actively reviewed and open for more classes and students annually. In addition, combining the Armed Forces’ professional requirements and private sector certificate development, there are plans to increase skill certificate counseling and exam categories.
- (V) The Council of Labor Affairs currently agrees that the “military personnel skill assessment” conducted by the MND institutions is only limited to level C. For assessment of the A and B level, it must coordinate with the schedule of “national technician skills assessment” and takes the form of self-registration. In order to leverage the effectiveness of counseling, coordination has been made with the Council of Labor Affairs to authorize the military academies to conduct assessment exams for “level B technicians” to improve the rate of obtaining the certificates.

VI. Comprehensive Career Management Rotation

According to the “enforcement regulations for Armed Forces’ servicemen on further studies off-duty”, officers are mainly to obtain masters and PhD degrees supplemented by certificates while NCOs and soldiers are mainly to obtain skills certificates related to their posts and operations supplemented by degrees. For volunteer officers, NCOs, and soldiers who serve in the islets, offshore islands, mountainous and remote areas and submarines for more than five years could apply for transfer of unit to participate in further studies off-duty in the hope of obtaining relevant degrees and skills certificates.

2009-2010 is the short-term implementation stage during which the MND will summon various subordinate military services and supervision units, using the “enforcement regulations for Armed Forces’ servicemen on further studies off-duty” as the basis, and make plans to formulate reasonable operating standards by means of “division of responsibilities”, “stipulating application criteria”, “setting deadlines for further studies” and “formulating operating procedures”. This not only encourages the Armed Forces servicemen to take up further studies, it also ensures the forces’ warfighting capabilities will remain intact.

VII. Improve the Veterans System

Although the Armed Forces have set up the retirement and discharge system, retired and



In order to assist servicemen in entering the the workplace soon after their honorable discharge,the MND holds career events with participation from various businesses.

discharged military personnel could be paid discharge payment or retirement fund according to the rank at retirement or years of seniority. Only that it is limited to the maximum number of years in service and the personnel will eventually leave the force. As the amount of payment is limited, most of the military personnel will still enter the workplace for employment. Currently, the MND and the Veterans Affairs Commission have provided major measures for military personnel's pre-employment training and employment services as follows:

(I) During the service

In order to increase expertise and academic achievement of the servicemen to promote their work efficiency in units, servicemen could participate in military professional training according to the needs of their military career development after completing military education training and serving as instructors at base. They could also take up further studies fully subsidized or with incentives according to the regulations promulgated by the MDN on servicemen full-time further studies and further studies off-duty to obtain degrees or skill certificates so that they are equipped with the learnedness and skills required by the workplace after discharge.

(II) Prior to honorable discharge

In order to assist the honorable discharge personnel to enter the workplace quickly after leaving base, the MND has contracted private employment service institutions to conduct recruitment activities with businesses. In addition, the Veterans Affairs Commission, Council of Labor Affairs and the National Youth Commission have all assisted the retired military personnel to participate in its job training institutions and hold trainings for various expertise and skills to obtain national certificates and employment expertise. The plans are as follows:

1. Pre-retirement employment training plans for Armed Forces field grade personnel.
2. Employment service plans for Armed Forces retirement personnel.
3. Employment training plans for Armed Forces retirement personnel.

(III) After honorable discharge

Relevant management plans are to be made for the entrance, training, deployment, exam and discharge (counseling) of the volunteer soldiers to fulfill individual expectation and needs so that they could accomplish personal goals during their military service development. Human resources in the units will also be utilized to its optimal effectiveness while employment training and career assistance will be provided when the personnel retire. Plans are as follows:

1. Conduct on a regular basis employment matching activities and invite public and private enterprises to provide job openings suitable for veterans for employment through the 22 Employment Service centers of Veterans Affairs Commission in 22 counties and cities. In addition, the VAC-affiliated training centers are to conduct various employment training to assist the discharged and retired servicemen to obtain employment expertise and hold workshops for career planning. Private enterprises are also invited to conduct on-site recruitment so that they could negotiate with the servicemen directly for employment.
2. The VAC is to commission private employment service institutions to set up strategic alliance and develop job openings suitable for veterans. They are to match the employment details and continue follow-up employment status of the retired and discharged servicemen.



Part 3.

Creating Opportunities



In recent years, the government has markedly improved cross-strait relations, which has greatly reduced probabilities of armed conflict over the Taiwan Strait. In order to achieve “prevention of war” as a strategic objective of national defense, the MND is proactively arranging cross-strait military trust mechanisms in coordination with the government’s cross-strait policies, with the hope of establishing various measures to avoid confrontations due to cross-strait misunderstanding. However, peace needs to be secured on a foundation of tangible force. As cross-strait relations improve, the MND will still utilize applicable resources to continue establishing and maintaining “effective deterrent” capabilities to avoid exacerbations in the differences between cross-strait military capabilities and ensure peace over the Taiwan Strait.

Chapter 6 National Defense Resources



National defense resources are key to the continuation of warfighting efforts. However, due to today's limited resources, scientific management and allocation are required to yield maximum output. The MND has applied various new management methods, with the hope of achieving effective utilization of resources in “human resources”, “finance”, and “materials” as it performs its duties. Therefore, the ROC Armed Forces will actively cultivate qualified manpower, train personnel required for command leadership, defense management, and military preparations, and thus maintain a high standard of competence among all defense personnel. Defense policy objectives will be achieved through allocating appropriate budgets, utilizing financial resources to support planning mechanisms, introducing cost-benefit and risk management functions, and allocating financial resources in a reasonable fashion. Armament management mechanisms will be consolidated to realize the three major axes of “acquisition strategy, technology strategy, and logistics strategy” in order to account for national economic institutions, and thus achieve the objective of “all-out defense”.and fulfill the operation requirements of the nation.

Section 1 Cultivating Competent Manpower

Regardless of how military technologies evolve, personnel competence will remain as a major factor in determining the outcome of war. In order to account for future high tech warfare and challenges emerging from changes to the overall national environment, the policy objectives of defense personnel training are based on defense transformation requirements, improvements to military education systems, and training for professional defense civilian officials. Reforms and adjustments to the contents and objectives of education are proactively pursued with the hope of developing modern cadres with military professionalism, physical fitness, technical skills and high morality, so as to adapt to future warfare requirements.

I. Military Education Policies

(I) Military education system

The current education system in the ROC Armed Forces is separated into officer and NCO education as per the “Act of Military Education”, which is further separated into “basic education”, “intermediate education”, and “advanced education” according to the skill levels specific to each military profession.

1. Officer Education System (Figure 6-1)

“Basic education” includes credited courses that are compatible with the “University Act” and subjects and developmental education required for educating base level officers. “Intermediate education” mainly consists of regular classes in military branch school and professional classes. “Advanced education” mainly consists of strategy, command, and staff education in the National Defense University and master and doctorate programs offered by various institutions, complemented by master and doctorate studies in the private sector.

2. NCO education system (Figure 6-2)

“Basic education” for NCOs mainly consists of completion of majors, electives, and developmental education, complemented by assistance for NCOs to acquire entry level professional technical certification. “Intermediate education” mainly consists of completion of advanced NCO classes in select military branch schools, complemented by completion of specialization classes and attainment of mid level professional technical certification. “Advanced education” mainly consists of completion of first sergeant classes and attainment of high level professional technical certification in the private sector and advanced degree programs.

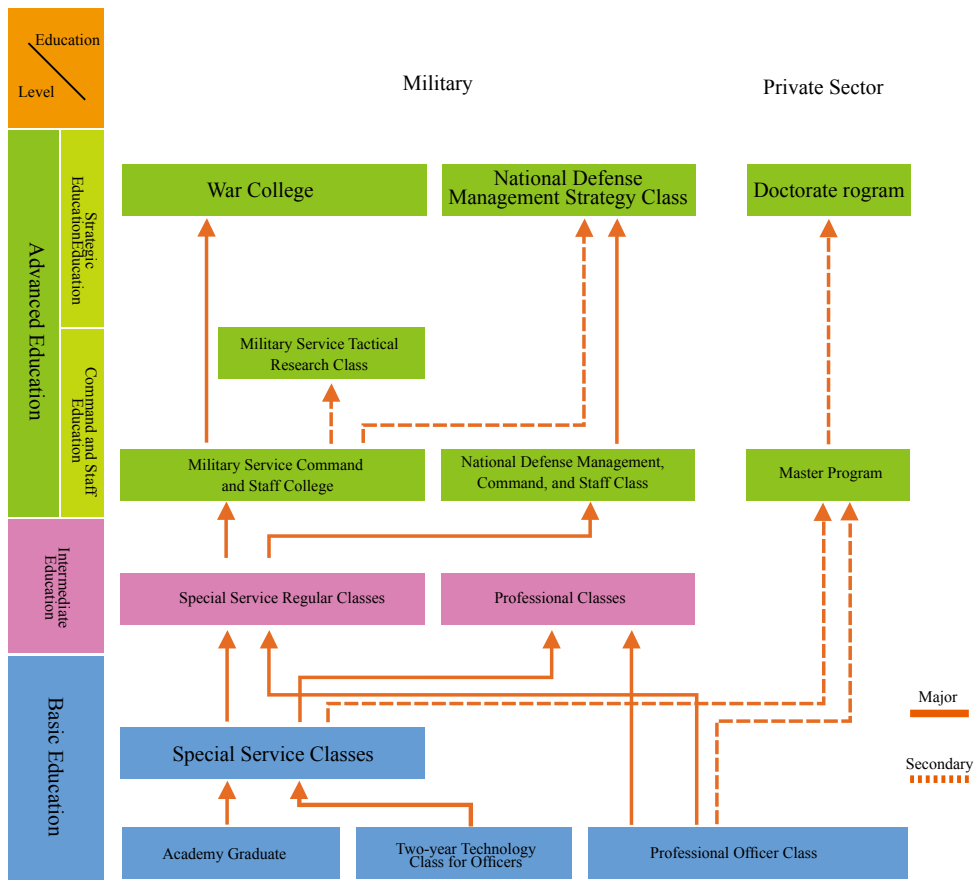


Figure 6-1 Officer Education System in the ROC Armed Forces

(II) Military education objectives

1. Basic education

The objective is to nurture modern cadres with military professionalism, physical fitness, technical skills and high morality. Curriculums will consist of combinations of comprehensive university education and lifelong education to cultivate the job skills required for subordinate cadres in the future as well as professional knowledge required for private sector university programs. The objective for non-commissioned officers is to cultivate a skilled staff with healthy attitudes and professional skills. Curriculums will consist of combinations of comprehensive vocational education and dual-use skills education, complemented by professional certification from the private sector to refine professional and technical capabilities.

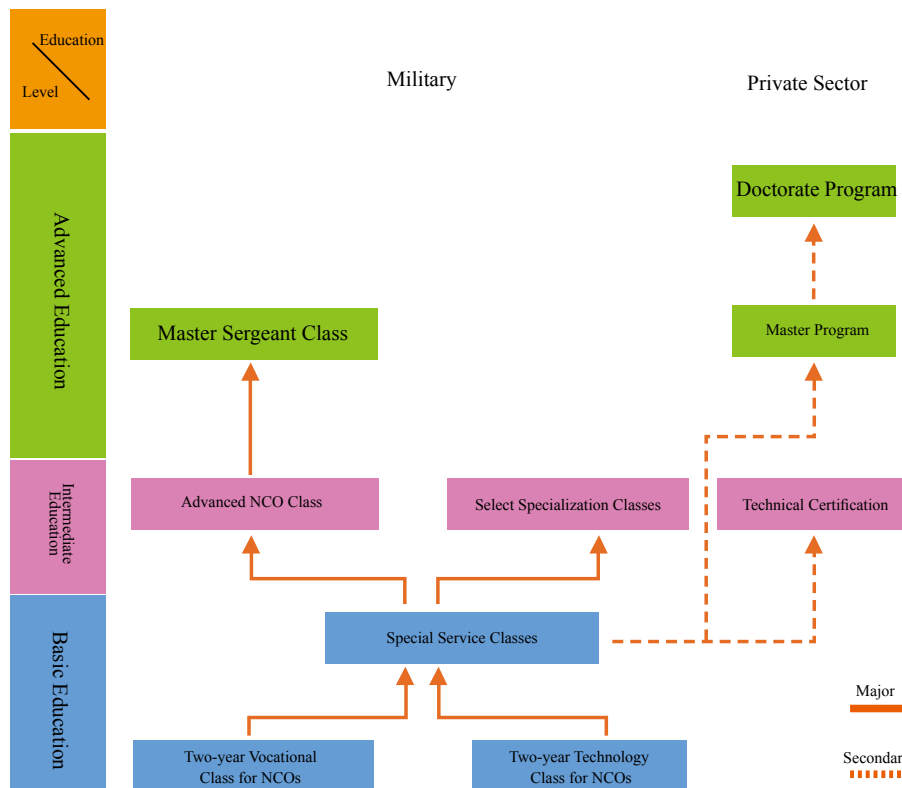


Figure 6-2 NCO Education System in the ROC Armed Forces

2. Intermediate education

Professional and specialized education on combat skills and warfighting will be planned according to the characteristics of each military service and different professional knowledge and skills required by different military services and branches. Training starts from professional training and composite training, and then moves towards combat training. Classes on future modes of warfare, troop level duties will be incorporated, complemented by branch coordination and joint operation classes, to build the special service proficiencies required for cadres in subordinate units when executing missions.

3. Advanced education

Command and staff education consists of command staff duties specific to each military service and troop management functions, intended to cultivate cadres who are capable of independent thinking and exemplary conduct. Strategic education consists of national military strategy, joint operation, and national defense resource management, intended to cultivate ROC Armed Forces staff members with



Education at military academies provides comprehensive university courses which integrate with holistic education courses to nurture the skills and learnedness of cadres in subordinate units.

innovativeness and foresight. Master and doctorate education are intended to foster high level decision makers in military policy and armament institutions, to provide the MND with professional capabilities in defense technology developments, new weapon systems for the ROC Armed Forces, and adapting to modes of future warfare.

(III) Military education emphases

1. Morale education

Morale education initiatives include enhancing patriotic education, incorporating studies of war philosophy, consolidating determination for victory, fostering military ethics, and ultimately cultivating ROC Armed Forces cadres with strong loyalty, capability, and the ability to perform.

2. Life education

Military culture and ethics will be trained for through the “honors

system” and the “cadre internship system”. The obedience, accountability, discipline, and self-learning qualities befitting of a modern soldier will be fostered.

3. Physical training

In order to enhance the overall physical conditions of ROC Armed Forces staff members and enable them to undertake major national defense responsibilities, physical training, swimming, and basic combat skills will be realized in accordance with the MND’s new physical test methods.

4. Academic education

Academic education involves the completion of credit-based courses as approved by the Ministry of Education, complemented by military academic courses. Students will learn command management and staffing operations, develop knowledge on new

technologies and information, and enhance strategic and tactical military proficiency to become a professional soldier.

(IV) Reform and improvement measures

1. Contents of military affairs reform

In terms of enhancing curriculum design, basic education classes will be separated into core courses and specialization courses to account for both general and professional proficiencies. Language, information, and management abilities will continue to be improved. Advanced education will be founded on military professionalization (specialization) training to enable professional skills required for specific missions. Further education will be divided into specialization branches



Military education is humanitarian-based and science-oriented to train Armed Forces cadres with a physical fitness as tough as steel and equipped with international perspective and vision.

according to existing common and specialization classes, with emphasis on developing tactical proficiencies to account for military preparation requirements. Simultaneously, the “Chart of the Standards of Shared General Classes” will be implemented in summer and winter training, branch departments, and intermediate and advanced education in coordination with the military strategic framework of “resolute defense and credible deterrence” and the government’s policy vision. Curriculums will be sequenced to start with simple topics and progressively become more complex, and fulfill “continuity” requirements.

In terms of renewing educational materials, each class’s educational contents will focus on integration of academic theory and practical troop operations, so that graduating personnel can properly utilize their education, and fulfill troop requirements. Educational contents (projects) will be amended or renewed as appropriate to maintain the integrity and relevance of educational materials and fulfill educational requirements.

2. Establishing educational evaluation mechanisms

To enhance the overall competitiveness of foundational schools in the ROC Armed Forces, and raise public trust in the academic programs of military schools, the MND will require all military schools to proactively establish self evaluation mechanisms in the same fashion as university rankings, a central factor to creating evaluation mechanisms. This will allow for self inspection of the quality of education. Each school will also assemble its own “self evaluation committee”, who will plan, coordinate, and undertake relevant work. Self evaluations may be performed regularly or irregularly, covering educational mission, education objectives, instructor competencies, and personal characteristics of officers. Self improvement mechanisms will be established to explore improvement strategies, so that university education in military schools can fulfill university evaluation standards in the Ministry of Education. Developmental education for officers will be made compatible with the requirements of personal characteristics specific to soldiers, basic military knowledge and skills, physical training, and general training.

In October 2008, the MND invited 15 academic authorities and experts in the private sector to form the “Education Evaluation Committee for Military Schools”, which held evaluation tours of “academic activities” and “faculties and departments” in the National Defense University. In 2009, evaluation tours will be held for other foundational schools (the Military Academy, Naval Academy, Air Force Academy, National Defense Medical Center, Army Academy, and Air Force Institute of Technology), for purposes of effectively improving the competence of academic activities in military schools. As well, the ROC Armed Forces will actively participate in the “Military and Police Faculty and Department Evaluations” that will be held by the Ministry of Education in 2010, which will hopefully fulfill the objectives of university education, and increase positive incentives for military school recruitment.

3. Proactively exploring amendments to educational legislations

In consideration of force structural adjustments in the ROC Armed Forces, current progress with implementation of “voluntaryism” in the ROC Armed Forces, and the current state of military education, human resource developments and amendments to military education legislations and regulations will be thoroughly explored, such as the “Act of Military Education”, with the hope of improving the military education system in the ROC Armed Forces and utilizing the results of military manpower development.

4. Expanding personnel recruitment

Since the academic year of 2006, military schools have cancelled departmental exams for regular academic seasons, and adopted a selection-based admission process based on university departmental test results. Of the 1,226 admission vacancies in 2008,

100% have been registered. Most of the freshman students were eligible for national universities, and their addition in the ROC Armed Forces staff is very helpful towards improving the competence of the staff. Since 2009, outstanding volunteer NCOs with university education have been allowed to apply for regular aviation officer classes and specialized reserve officer classes. The Reserve Officer Training Corps (ROTC) has also been restored. There will be an initial allotment of 500 students. Subsequently, recruitment allotments will be determined in coordination with the implementation of “voluntaryism” and medium and long term requirements for officer replenishments, so as to maintain a high number of options for recruiting officers in subordinate units.

5. Improving the NCO system

In order to fully utilize the functions of NCOs so that officers can be sufficiently empowered and focus on planning and leadership while NCOs focus on troop management, education and training will be directed by NCOs. NCOs and soldiers will be managed by NCOs to foster belief in duty and honor. Since 2009, the MND has been focusing on “elevated position”, “empowerment of responsibility”, “confidence building”, “professional development”, and “career management development”. NCO supervisors are placed at the command, corps, brigade, battalion, and company levels through division of labor methods to consolidate the parallel development system of officers and NCOs. Specialized task forces will be assembled at the same time to formulate plans for purposes of establishing comprehensive and reasonable NCO systems to consolidate subordinate units and strengthen warfighting capabilities.

6. Cultivating competent educational staff

Each school will formulate selection, training, and retention plans for education staff according to curriculum needs. Employment of responsible and motivated military staff officers with management experience as military school educators will be a high priority. Also, “Guidelines for Hiring Professional Technical Personnel for Military Schools” specific to military strategy, tactics, and military technical specializations will be promulgated to outline the terms and conditions for the qualifications, length of contract, ratios, and procedures for hiring of personnel. Each school will cooperate with operational regulations to employ competent military technical teaching staff.

7. Enhancing military education exchange

In order to enhance military partnerships with allied nations, outstanding officers and students from allied nations are encouraged to participate in bachelor, master, and doctorate classes in Taiwan’s military schools, as well as command, staffing, and further education in the war college. As well, the Chinese language proficiency of

personnel from allied nations attending military education classes in Taiwan will be enhanced. After receiving approval from the Executive Yuan and other agencies, the MND will be incorporated into the Taiwan Scholarship Plan to provide scholarships to allied officers and military school students who are receiving training in Taiwan's military schools, and promote military education exchange between Taiwan and allied nations.

Also, in order to enhance the operation and maintenance of military equipments and new weapons, annual training procedures will be formulated for foreign military sales. Outstanding officers and NCOs will be dispatched abroad to receive training and acquire the latest foreign military strategy, tactics, logistics, technologies, doctrines, and educational material. Currently, the ROC Armed Forces are focusing on enhancing joint operation training and cultivation of professional C4ISR personnel as part of the overall effort to realize the objective of "training for deployment" and "ready for combat right after training".

II. Human Resource Management Reforms

In order to make human resource activities fairer, more disciplined, more public, and more transparent, the MND has clearly articulated that the human resources operations in the ROC Armed Forces need to return to a standardized system. After years of proactive efforts, the human resource affairs in the ROC Armed Forces have been reshaped to produce positive results.

(I) Establishing human resource evaluation mechanisms

In order to make personnel selection and promotion procedures fairer and more objective, and thus establish accountability for human resource operations, the "Regulations on the Establishment of Human Resources Evaluation Committees for Candidacy and Promotions" will be promulgated, and all units in the ROC Armed Forces will assemble human resources assessment committees in accordance with the regulations to carry out disciplined inspections and negotiations on candidacy and promotion procedures. Assessment procedures include whether or not an applicant was shortlisted, individual candidacy sequence, educational background, experience, test results, etc. In terms of important military positions at the general level, all vacancies of such positions require relevant military service commands and force supervision units to select candidates based on their shortlists and hold initial assessments via their human resource assessment committee. Second stage assessment will then be held by the human resources assessment committee under the MND. The second stage promotion assessment committee for major general positions will be separated into military command, policy, and armament departments, and is to be hosted by the Chief of the General Staff and the Deputy Ministers of Policy and Armament. Promotions of lieutenant

generals and generals will be hosted by the Minister himself to ensure selection of the most outstanding and suitable staff member for the transfer.

(II) Realizing transparency of candidacies and promotions

Operational procedures of the selection and promotions of important military positions in the ROC Armed Forces will be clearly outlined. All officers in the ROC Armed Forces who comply with the “job description and criteria” are eligible to apply for candidacy through the service headquarters according to their preferences. After evaluation from the candidacy evaluation committee, candidates will be listed on their service records, and candidacy shortlists will be created for relevant positions. Job vacancies will be referred to the candidacy shortlists and promotions will be made after evaluation from the candidate evaluation committee.

Also, service records and shortlist sequencing for all commanding officers and supervisors ranked below colonels have been placed on the human resources website of relevant military service commands and force supervision units since June 1, 2009, opening the candidacy process to online inquiry. This innovation has received many positive feedbacks from the public.

(III) Properly enforcing terms of service

Resignations of important military posts prior to completion of a full term not only mitigate a unit's efforts to execute missions, it also results in negative publicity. Terms of service are now fully enforced. Transfers of positions without a full term of service are now avoided unless special situations arise. When necessary, candidacies and transfers of personnel will be strictly examined. On January 1, 2009, 33 generals were promoted (5 lieutenant generals, 28 major generals), and on July 1, 25 generals were promoted (2 lieutenant generals, 23 major generals), for a total of 58 personnel, which is a significant decrease from the average of 87 personnel between 2001 and 2008, reflecting positive results.

(IV) Enforcing administration by law

In order to make current candidacy, transfer, and promotion evaluations fairer, more objective, and more extensive, awards and outer island experiences listed in the “Training and Promotion Ranking Chart for Army, Navy, and Air Force Officers” have been amended in April 2009. Since June, drafting for the amendments to the “Enforcement Rules for Assignment of Army, Navy, and Air Forces Officers and Noncommissioned Officers” have been under way, which is expected to be completed at the end of 2009. When completed, conditions for exam results, educational background, and years of experience will be uniform for vacancies and promotions. All human resources affairs will be strictly required to abide

by relevant legislations, procedures, and systematic methods, to realize administration by law.

(V) Enhancing human resources audits:

In order to foster competence for the country, account for both competence and ethics, but at the same time prioritize ethics before competence, important positions, such as officers at the general level and colonels applying for promotion to generals, will be subject to special examinations to effectively control the ethics and conduct of promoted personnel.

If any ethics violation or misconduct is observed, all transfers and promotions will be withdrawn, and investigations will be launched to examine the causation behind any potentially fraudulent recommendations. Since the regular officer promotion date of January 1, 2009, promotions have been withdrawn for 14 persons who have been found with ethics violations (two colonels, three lieutenant colonels, nine majors), 4 persons how have been deemed ineligible for promotion (one colonel, one lieutenant colonel, two majors), for a total of 18 incidents. Personnel who lost their positions have been properly disciplined. On the regular officer promotion date of July 1, 2009, all promoted personnel were fully qualified. All future procedures will continue to be examined according to regulations.

(VI) Effectively eliminating all lobbying:

In order to prevent inappropriate lobbyist efforts from influencing the operation of the ROC Armed Forces, any attempts to lobby chain of command will result in a one year suspension of promotion and advanced training.

The aforementioned methods and regulations have been widely publicized in various meetings and military publications, with the hope of preventing cadres from securing promotions through illegal methods out of inability from doing so and fear of repercussions. Comprehensive human resources systems have been established so that devoted, diligent, and outstanding staff members can be promoted, and that people who rely on lobbying and social connections are barred from any such opportunities. At the same time, tough examination mechanisms will encourage healthy competition and enable personnel in the ROC Armed Forces to focus on their operational training duties and enhance their job skills.

III. Training Civilian Defense Officials

(I) Defense civilian officials organization

Since the promulgation of the Two Defense Acts on March 1, 2002, one-third of the 611-member staff of the MND, as dictated by the Organization Act of the Ministry of National

Defense, will be civilian official positions, as required by Paragraph 2, Article 15. 204 civilian positions have been established, with one to two specially commissioned officers, 84 regular personnel, 84 recommended personnel, and 34 contractors. Suitable professional civilian officials are employed through “national examinations” and “open selection” methods as required by relevant legislations such as the examination act, employment act, and promotion act for civil servants, and according to the nature and volume of work in various units and personnel quotas. There are currently 172 personnel as of August 1, 2009, which has reached 84.31% of total staff size. Statistics of the ratio of staff quotas and current staff numbers, gender, age, and education are compiled in Tables 6-1 to 6-4.

Table 6-1 Ratio of Quotas and Current Staff Numbers and Gender Statistics for MND Civilian Officials

Category	Specially Commissioned		Regular		Recommended		Contractor		Total	
Stipulated Personnel	2		84		84		34		204	
Current Personnel	2		67		74		29		172	
Ratio	100%		79.76%		88.10%		85.29%		84.31%	
Male	2	1.2%	55	32.0%	37	21.5%	3	1.7%	97	56.4%
Female			12	7.0%	37	21.5%	26	15.1%	75	43.6%

Table 6-2 Types of Terms of Employment for MND Civilian Officials

Type of Employment		Persons	Percentage of Current Personnel	Notes
Existing Personnel		12	6.98%	Personnel employed before the promulgation of the Two Defense Acts
Administrative Personnel		2	1.16%	Minister of National Defense and Deputy Minister of Military Policy
Confidential Personnel		1	0.6%	Employed for confidential work, and serves the same tenure as their supervisors
Type of Examination	Transfer from Colonel or Above	24	13.95%	A total of 73 persons wrote national examinations, accounting for 42.44%
	Civilian Official Examination	29	16.86%	
	Level 2 Examination	1	0.6%	
	Level 3 Examination	1	0.6%	
	Regular Examination	3	1.74%	
	Entry Examination	13	7.56%	
Examination for Handicapped Persons		2	1.16%	
Open Selection		84	48.83%	
Total		172	100%	

Table 6-3 Education Levels of MND Civilian Officials

Ranks \ age	Total	29 or below	30-39	40-49	50-59	60-65	66 or Above	Average Age
Specially Commissioned	2					1	1	64.3
Senior	67		1	23	35	8		51.7
Junior	74	9	32	28	5			38.4
Elementary	29	7	11	7	3	1		37.5
Total	172	16	44	58	43	10	1	43.8

Table 6-4 Education Levels of MND Civilian Officials

Education	Number of Person	Percentage
Doctorate	4	2.4%
Master	98	57.0%
Bachelor	57	33.1%
Vocational School	10	5.8%
High School	3	1.7%
Total	172	100%

(II) Training policy for civilian defense officials

Training for MND civilian officials are meant to fulfill the policy of “training for deployment”. Active planning for relevant civilian official training plans had been under way since 2003. The “Guidelines for the Training, Advanced Education, and Lifelong Learning of Civilian Personnel in the Ministry of National Defense”, “Joint Strategic Studies Implementation Plan for Mid Level Military and Civilian Personnel in the Ministry of National Defense”, and “Joint Strategic Education Plan for High Level Military and Civilian Officials” had been promulgated as well. Training is provided to training classes of civil servants according to their school year, as organized by the Central Personnel Administration in the Executive Yuan. In the future, training will be provided in stages. Classes for “basic training”, “professional training”, and “strategic education for mid and high level military and civilian officials” will be opened, and opening further military education (such as command, staffing, and strategic education) to high level civilian defense official

participation through training recommendations will be considered to enhance the military education and professional defense expertise of civilian officials. Comprehensive training systems for military and civilian official will be established so that all personnel can be properly trained, which will enable improvements to personnel competence and performance.

(III) Reform and improvement methods

All work in the MND is organized with joint military and civilian participation to harness the complementary benefits between military and civilian thinking. Since 2006, emphasis has been placed on “defense strategic planning”, “defense resource planning”, “reserve affairs”, “historical and administrative archives”, and “integrated assessments”, as well as provision of “professional core capabilities” training. 85 persons had been trained in 2006, 97 in 2007, and 95 in 2008. In 2009, defense civilian official training will be oriented on the four core values “anti-corruption, professionalism, performance, and compassion”, as espoused by the Executive Yuan. In educational training and work, various venues will be used to provide information and similar training to military and civilian personnel to increase mutual interaction and establish positive military-civilian relationships. Up to July 2009, an estimated 128,830 persons have participated.

In the future, diverse ideologies will continue to be incorporated to account for developing trends over time and organizational reforms, so that civilian officials are provided with adequate systematic planning in training, education, promotion, examination, awards, disciplinary actions, and benefits. Thus, retention rates and work satisfaction will be increased, as well as contributions and output for defense affairs.

Section 2 Rationalizing Defense Budget

The defense budget is separated into three categories: “personnel maintenance”, “operational maintenance”, and “military investments”. “Personnel maintenance” is required by law, including salary, insurance, staple and non-staple costs, retirement funds, and subsidies for military dependents. “Operational maintenance” includes primary combat equipment maintenance, operational training, logistical preparations and other “warfighting capability sustainment” requirements. “Military investments” is used for procurement, research and development of defensive weapons, and military projects. The MND will continue all of its existing cost saving measures to lower the government’s financial stress. Financial requirement planning mechanisms will also be introduced, along with cost benefit analysis and risk management functions, for purposes of maximizing the utility of defense budgets.

I. Defense Budget Acquisition

In the history of ROC defense budgets between 2000 and 2009, fiscal years prior to 2006 (inclusive) witnessed limitations to the application of overall national resources and financial integrity considerations that kept the scope of the defense budget between \$250 billion and \$285 billion, which constituted 16.06% to 17.41% of the central government’s overall budget. Since 2007, public support and government policy guidance had enabled defense budgets to gradually exceed \$300 billion. In 2009, a combination of governmental financial considerations and governmental policies of economic stimulus and expanding domestic

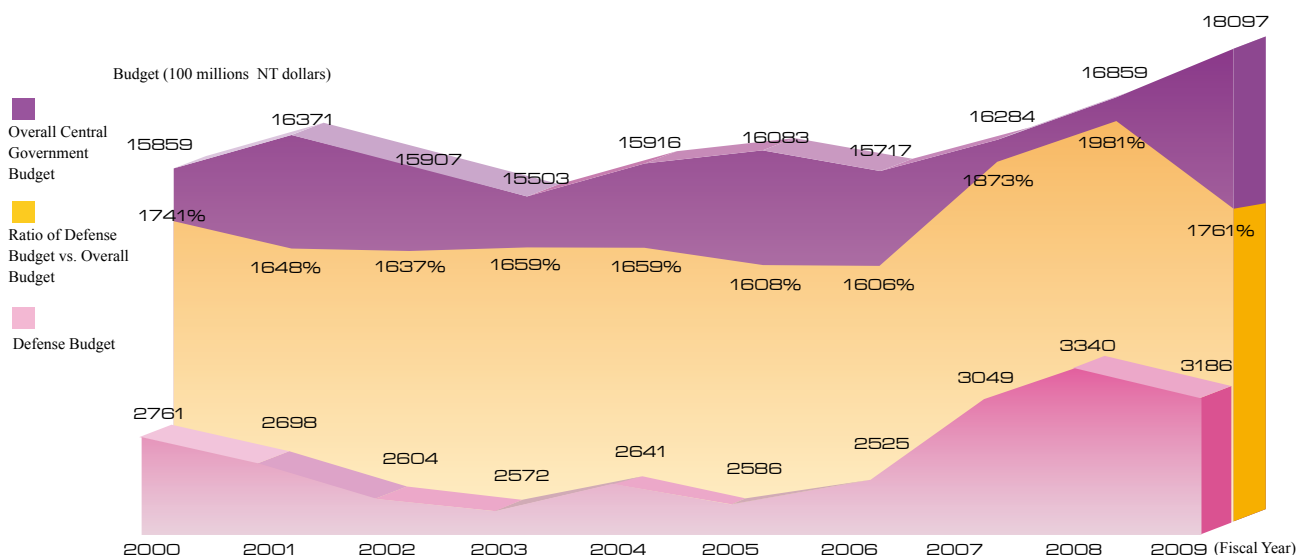


Figure 6-3 Relationship between Defense Budget and Overall Central Government Budget from 2000 to 2009

demand resulted in a defense budget of \$318.6 billion (see Figure 6-3).

For the ROC Armed Forces to account for adjustments arising from the implementation of voluntarism, the financial scope of future defense budgets will not be lower than 3% of GDP (Gross Domestic Product) in principle. However, overall military requirements may call for higher or lower spending due to factors such as possible threats and force development schedules. As a result, budgets need to be drafted reasonably to effectively allocate and utilize defense resources.

II. Management of Defense Budget

(I) Reducing confidential budgets

In order to account for defense security and public accountability obligations, the MND makes clear divisions between “non-confidential” and “confidential” budgets in accordance with the “Budget Act”, “Classified National Security Information Protection Act”, “Enforcement Rules for the Classified National Security Information Protection Act”, “Guidelines for Categorization and Ranking of Military and National Defense Classified Information”, and the “Freedom of Government Information Law”. In 2009, confidential budgets have been reduced to “minimize the scope of confidentiality and maximize information openness”, so that they occupy 18.18% of the overall defense budget, which is a dramatic decrease of 12.43% compared to the 30.61% of 2008. This is indicative of the

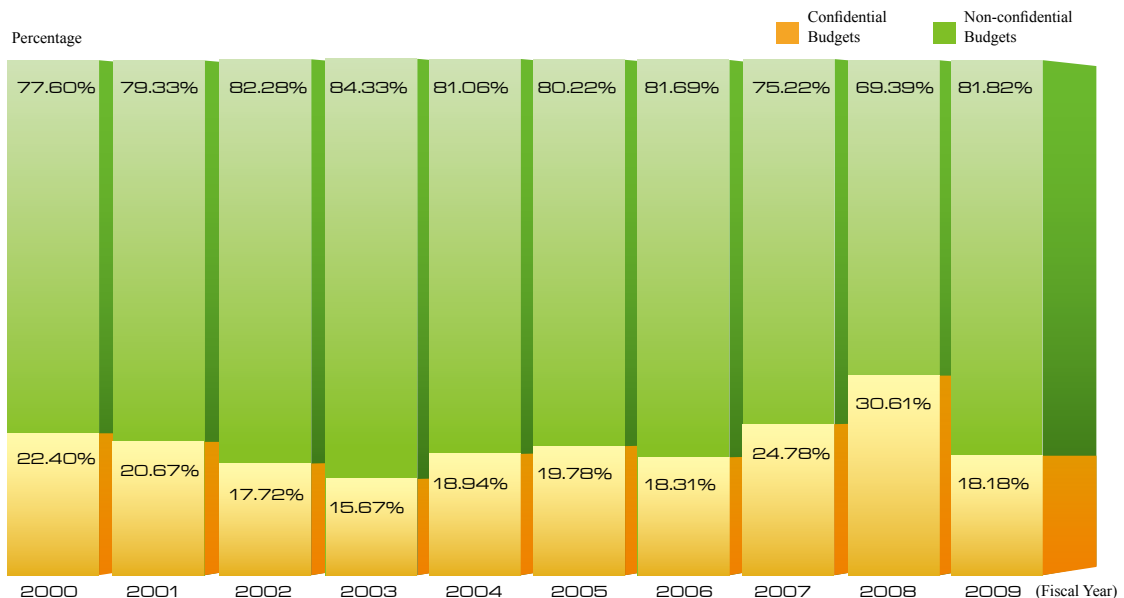


Figure 6-4 Ratio of Non-confidential and Confidential Defense Budgets from 2000 to 2009

results of the ROC Armed Forces' efforts to make defense budgets more transparent. The ratio between non-confidential and confidential defense budgets between 2000 and 2009 are shown in Figure 6-4.

(II) Rationalize budget allocations

1.Utilizing financial management functions to appropriately allocate resources

- (1)The MND has established medium and long term financial projection models to effectively predict financial provision trends, devise comprehensive and extensive force construction plans, and support the stable development of various defense preparation missions. Also, comprehensive budgetary point management will be established according to planned phases. Not only will plan execution control be enhanced, warning functions and risk analyses will also be used to effectively predict budgetary implementation capabilities, provide feedback on bottlenecked projects, and adjust annual budgetary allocations to appropriately devote financial resources to support new projects and improve the rate of equipment readiness.
- (2)Allocation and application of defense financial resources are intended to achieve the force development and readiness tasks of the ROC Armed Forces. Resources allocations will be listed annually based on the “force planning concept” and “force buildup program”, considerations over the scope of defense financial resources, urgency of policy items, and priority plans.
- (3)Force development plans in 2009 have been implemented according to policy directions. Under governmental financial considerations, defense readiness and preparation requirements have been accurately reflected through financial provision and planning mechanisms to increase the efficiency of resource allocation and acquire reasonable defense budgets. Defense budget allocations (divided into personnel maintenance, operational maintenance, military investments, and other) between 2000 and 2009 are shown in Figure 6-5.

2. Defense budget and policy priorities of 2009

- (1)Of the \$318,650,064,000 defense budget in 2009, personnel maintenance accounted for \$127,533,158,000, operational maintenance accounted for \$95,937,334,000, military investments accounted for \$90,549,461,000, and other expenses accounted for \$4,630,111,000. Allocation ratios are shown in Figure 6-6.
- (2)Military service systems and organizational structure will be appropriately

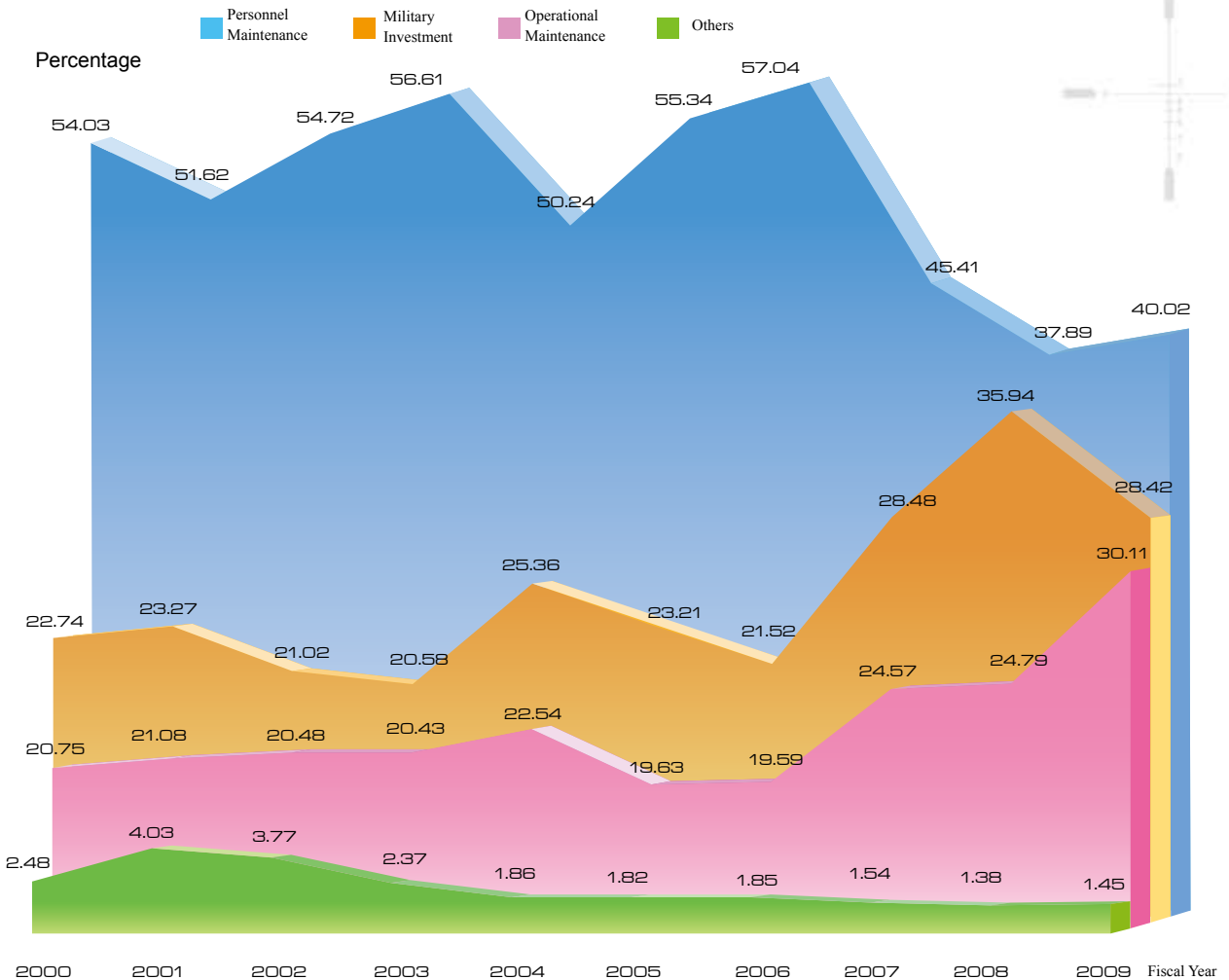


Figure 6-5 Defense Budget Allocations from 2000 to 2009

adjusted according to overall considerations for the military preparation missions of the ROC Armed Forces and force development objectives. Logistical infrastructures will be enhanced to consolidate logistical support capabilities. Simultaneously, new weaponry and equipment will be procured, with emphasis on developing “information and electronic warfare”, “missile defense systems”, “joint air control”, “joint sea control”, and “territorial defense” capabilities. Industrial, academic, and research defense technological capacities will be integrated to attain defense self-reliance. Defense resources will continue to be contracted out, for purposes of incorporating private sector technological capacities, penetrate bottlenecks of key technologies, and effectively enhance overall warfighting capabilities of the Armed Forces.

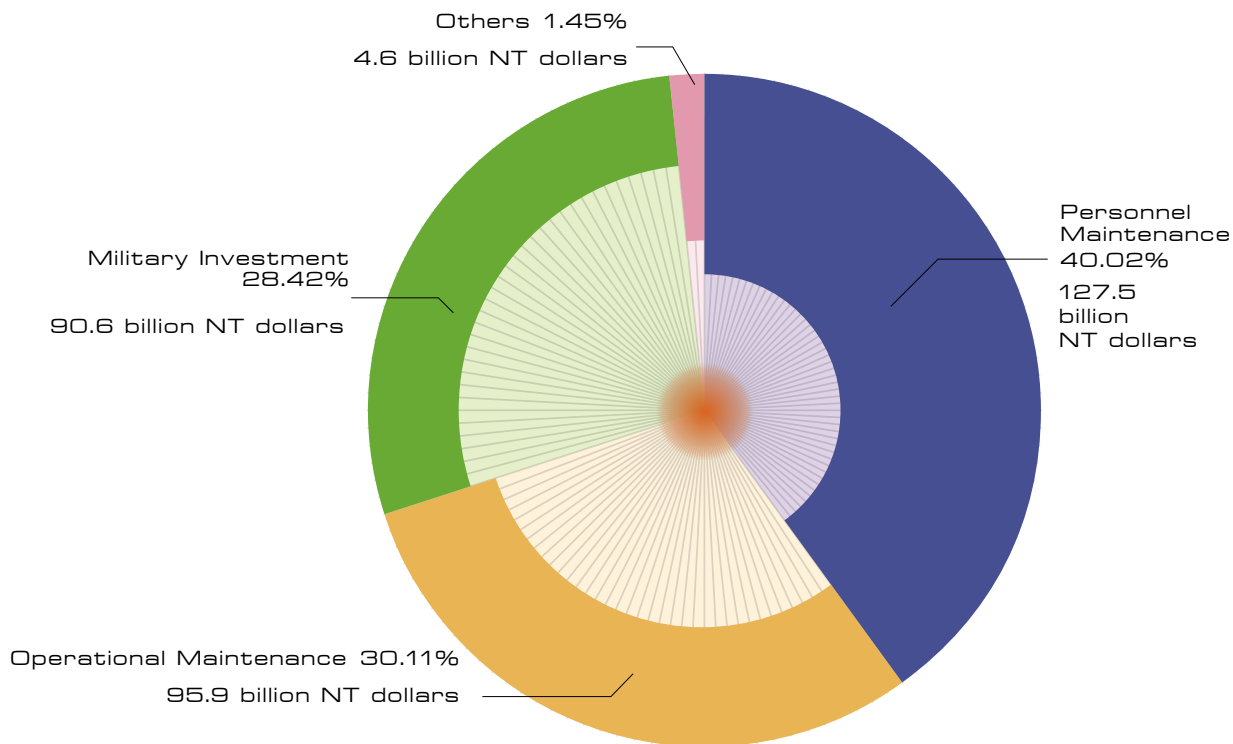


Figure 6-6 Defense Budget Allocation Ratio in 2009

III. Future Defense Financial Allocation and Application

Defense budgets need to account for national policies, organizational adjustments, equipment upgrades, and readiness requirements. Governmental financial conditions and medium and long term resource limitations need to be carefully considered on the foundation of gradual and practical development and reform concepts, in order to allocate reasonable, appropriate, and feasible budgets for practical force development plans.

Future “personnel maintenance” will continue to focus on implementing “voluntaryism”. Fulfillment of legally required expenditures will be prioritized in coordination with adjustments in overall personnel force and considerations over force scope objectives, officer and soldier ratios, and benefit adjustments. “Operational maintenance” will focus on enhancing equipment readiness, maintaining existing warfighting capabilities, and concretely review all required expenditures in coordination with the current state of organizational restructuring, in order to retain the ability to perform normal exercise missions. General expenses will be conserved whenever possible. “Military investments” will be founded on the core objective of “enhancing the overall joint operation capabilities of the tri-service”. Necessary defensive weapons will be acquired based on considerations over military development schedules and the scope of financial acquirement capabilities. Various plan executions and management measures will also be realized to maximize the utility of limited resources.

Section 3 Consolidating Armament Mechanisms

The ROC Armed Forces will apply the armament system's management mechanisms to introduce advanced technologies, account for the force development requirements of the ROC Armed Forces under the policy guidance of policy branch, and fulfill the operational requirements of the command branch in a timely manner. Also, maximum efficiency investment techniques will be formulated with priority on "acquisition strategy, technological strategy, and logistical strategy" to realize the integration of national economic infrastructure and domestic industries, and thus actualize the objective of "all-out defense".

I. Acquisition Strategy Planning

(I) Research and Development

Based on the foundational principle of "adequate, good, and better", core capabilities that can fulfill readiness requirements will be established through the application of technological capacity evaluation and development procedures as relevant to the "ten-year research and development priorities". New innovative technologies will be gradually introduced into newly acquired or current equipment. Also, after system research and development have fulfilled functional requirements for basic operations, deployment will be initiated in small amounts, and then weapon system characteristics will be gradually improved during the mass production stage in spiral development fashion.

(II) Modification, Research, and Production

Key core capacity priorities have been incorporated into the five-year force development plan as per the guiding principles of "core establishment, capacity integration, strategic partnerships, and division of labor". System engineering developments, improvements, and mass production plans will be executed, and domestic industrial capabilities will be incorporated to jointly improve craftsmanship and technology standards. In 2009, 59 projects such as the "Hsiangchan Program" have been completed, which has effectively increased the overall warfighting capabilities of the ROC Armed Forces.

(III) Off-the-shelf procurement

The ROC Armed Forces will formulate its strategic guidance as follows: "domestic procurement first, foreign procurement second", "industrial cooperation and technology transfer plans for foreign procurements", "advanced planning, comprehensive review, and assurance of legality of procedures and feasibility of operation". Weapon system procurement

projects will be comprehensively accounted for, and domestic industrial capacities will be augmented through industrial cooperation and technology transfer initiatives, in order to maximize return on investment.

General military requirements, such as infrastructure engineering, base sanitation, transportation, fuel, staples and non-staples, medical equipments and sanitary materials, and other tasks, will all be fulfilled through domestic procurement, rentals, or management, as per the “Government Procurement Act” and its relevant regulations. Implementation and planning for initiatives such as “maintenance of active weapon and equipment” and “new weapon and equipment procurement” will be actively pursued. Domestic defense industries will be strengthened through contracting out of defense resources to achieve the objective of defense self-reliance.

(IV) Military investment projects

“Requirement reports”, “analysis reports”, and “general working plans” will be completed according to project procedures in line with the framework and plans of the “force planning concept” and “force buildup program”, so as to yield returns on investment from force development and readiness and ensure national security. By the end of 2008, 63 projects, such as the “Demining Project in Kinmen and Matsu”, have been completed.

(V) International armament exchange

1. For advanced weapons that cannot be domestically developed, armament exchange will be enhanced with advanced nations. Weapons research and development capacities for the ROC Armed Forces will be gradually developed through prioritization of technological cooperation and transfers, complemented by off-the-shelf procurement as secondary options.
2. The ROC Armed Forces will foster a wide array of international armament exchange personnel, and continue to consolidate armament exchange mechanisms through the incorporation of force development plans and concurrent operational conditions.
3. The “US-Taiwan Defense Industry Conference 2008”, organized by the US-Taiwan Business Council, was held in Amelia Island, Florida, from September 28 to 30, 2008. Agendas included “Taiwan’s Long-term Plan for Future Military Requirements”, “Military Modernization and Working Towards a Volunteer Force”, and “Self-reliant Defense and Industrial Cooperation”. The conference yielded concrete results for Taiwan’s major procurement proposals, voluntaryism in practice and rebuilding Sino-American CBMs.

(VI) Transformation of the CSIST (Chung Shan Institute of Science Technology)



Domestic military and civilian technological exchanges and international armament cooperation can effectively enhance defense technologies and establish defense self-reliance.

In order to increase technological capabilities and expand the utility of technological transfers into the private sector, and simultaneously make greater contributions to domestic technology and economic development, the CSIST is scheduled to be converted from a public institution into an “administrative institution”, with the MND acting as the supervisory agency. Corporate management will be introduced for purposes to enhancing organizational efficiency and expanding returns on investment in order to raise the nation’s economic and high tech capabilities. Expected benefits are as follows:

1. Enhance the flexibility and efficiency of the research and development of defense technologies, effectively shorten system development schedules, and fulfill the operation requirements of the ROC Armed Forces in a timely fashion.
2. Create benefits to the Armed Forces and invest in forward-looking technological research, and enhance responsive technological research capabilities through systematic relaxations in organizational, human resources, and procurement institutions.

3. Improve core capacities, and introduce transfers of dual-use technologies into the private sector, in order to promote the development of domestic technology industries, which will attract the participation of competent individuals, and thus account for both defense technology and domestic economic developments.

(VII) Convene academic and working conferences

The “2008 Annual Forum of Armament Management and 16th Academic and Working Conference of Defense Management” was held, which focused on the themes of “Integration of Defense Resources and Expanding the Horizons of Armament Affairs”. More than 500 persons were in attendance, and 35 dissertations on armament affairs and defense operations were announced and collected.

II. Technological Strategy Plan

(I) Technological capacity evaluation

In analyzing the operational requirements of future military developments, information and electronic warfare, air control, sea control, and ground defense weapon system research and developments are most likely to be the major priorities. Necessary key technologies will be evaluated for their existing “technological readiness standards” as an indicator of their technological maturation to lower research and development risks. Thus, the feasibility of research and development deployment strategies can be ensured to provide for future references to technological industry policy developments and military development plans.

In terms of the production capacity evaluations of domestic industries, 22 projects, such as the ROC Army’s “multipurpose engineer vehicle” have been completed. Representatives from the Industrial Development Bureau, project units, and relevant academics and experts will visit and evaluate domestic firms with production technologies, and provide systematic analysis to serve as references.

(II) Industrial cooperation

To attain adequate control over foreign procurement policy, all weapon procurement exceeding a value of \$5 million USD will require industrial cooperation (IC) and aggressive negotiation for IC volume. Domestic technology and industry resources will also be integrated according to the operational and maintenance requirements of weapon systems, technical standards of technological research and development, and evaluation results of self production capacities. Comprehensive IC planning and execution will be completed to encourage technological advancement, and thus consolidate the foundation of defense self-reliance.

Since 1993, Taiwan's ICs have amounted to a value of approximately \$8.6 billion USD. Military procurement projects account for 72% of total volume and is utilized by the Ministry of Economic Affairs (MOEA). As categorized by application, technological transfers account for 50.2% of total volume and the remainder is realized as personnel training and domestic procurement. If categorized by industries applied, then aerospace and defense industries account for 85.9%, which is highly beneficial for enhancing the overall capabilities of the military industry.

(III) Development plans for dual use technologies

In accordance with the government's policies of economic stimulus and enhancements to industrial competitiveness, domestic industry demands will be a major policy orientation. Defense technological capacities will be the foundation with which to develop dual use technologies. Two-way compatibility mechanisms (military-to-civilian and civilian-to-military) will be established and applied to convert defense technologies, create industrial value, transform civilian technologies, and support defense industries, in order to yield the dual benefits of economic stimulus and realization of defense self-reliance.

The MND will rely on the Armament Bureau's CSIST as the interface for "transformation of defense technologies and creation of industry value". Through the Cooperation Technology Development Program and Dual Use Technology Development Program as supervised by the MOEA, the ROC Armed Forces will cooperate with industry and academic establishments and play a role in contributing to national economic development. In the last five years, industrial results include 28 items, ranging from automotive safety and electronic sensor systems, nano photocatalyst technology, optical recording media and target practice technology, high resistance ceramic materials, and laser sampling.

In 2008, the MOEA's "Cooperation Technology Development Program" mechanism had been applied to develop dual-use products. Results include 132 investment transfers, \$123,388,000 in technology authorization funds, patent funds, and outsourcing contracts. 115 patent applications have been made, with 56 successful patents and 30 patented applications. Patent authorization funds account for \$11,988,000. In 2008, the Cooperation Technology Development Program accounted for \$1,130,000,000, 101 investments, and \$4,390,000,000 in investment volume. Industrial production is valued at \$37,120,000,000.

III. Logistical Strategy Plans

(I) Full life cycle system management

In the research, development, production, and deployment stages, systematic engineering science will be applied to establish comprehensive and modeled management databases.

Planning, maintenance, and management mechanisms will be developed, and logistical support capacities will be established to enable effective management of full life cycles of certain systems, control costs, and achieve maximum readiness.

Referencing the experience of American military transformations, the planned procurements, future vision of the ROC Armed Forces' logistical strategy, and the policy orientation of logistical strategies were completed in 2006. Implementation will continue in accordance to the aforementioned strategies to guide logistical transformations of the ROC Armed Forces and effectively support operational requirements.

(II) Supply chain management

Modeled equipment databases will be applied to establish long term supply and demand channels with suppliers in the form of military sales, commercial sales, basic order agreements, and order contracts for the spare parts of assembly and accessories for weapons systems. General supplies and expendable materials will be jointly contracted or bulk purchases made to simultaneously simplify contractual management personnel, reduce inventory size, and improve maintenance and repair efficiency.

In terms of cost considerations over the full life cycle of weapon systems, late stage maintenance costs account for a higher portion of costs. Therefore, domestic establishments outsourcing plans and relevant maintenance capacities will be continued. Also, "full life cycle management" frameworks will be created in accordance with logistical strategy plans. Supervision, management, and evaluation of the "planning, development, production, deployment, maintenance, and retirement" stages of operation will be executed with weapon system-specific management methods. "Supply chain management" mechanisms will be applied to effectively undertake resource planning, resource acquisition, production, maintenance, transportation, and allocation operations.

(III) Industry Strategic Partnerships

The ROC Armed Forces will expand domestic and foreign industry cooperation and catalyze the integration of strategic partnerships and technology transfers (including funding) measures between contractors, manufacturers, and domestic public and private sector entities (including military units) when acquiring large foreign weapon systems. As a result, the ROC Armed Forces will be able to enhance the industry foundation of defense self-reliance, establish interconnected industry cooperation support networks, lower life cycle costs, and improve logistical operation efficiency. Also, during project classification and evaluation, IC requirements will be clearly outlined, and the ROC Armed Forces will consider transferring logistical capacities to the domestic sector. Best case scenarios of corporate operations will be reviewed (such as performance-based logistics) to regulate operational logic and operational

procedures as appropriate to concurrent national affairs, and establish optimal operational models for cooperation with industry establishments.

“Industry strategic partnerships” will be implemented, and the feasibility of “performance-based logistics” will be researched. Non-core maintenance work will be gradually contracted out to the private sector to act as integrated contractors for weapon system support, which will undertake various logistical maintenance and support operations. Domestic industry participation in defense affairs will be fully encouraged to lower weapon maintenance costs, increase weapon readiness, and catalyze the economic benefits of domestic industries.

IV. Overall Planning for ROC Armed Forces Bases

(I) Preserve bases in use to provide construction and demolition services

The MND will release unsuitable land in accordance with the government’s economic development policies. In principle, bases currently in normal use will not be released, but if the central and local governments still require land, the MND can negotiate with the agency that requires land to “find alternative locations, provide construction and demolition services, and relocation after construction” as long as military preparation missions remain unaffected.

(II) Preserve military property rights for instant land reassignment

In consideration for future or wartime reuse of certain fields, and to balance local needs, military property rights over certain idle bases should be retained as long as military preparation missions are unaffected. Rental contracts can be established to provide for civilian use, and instant land reassignment clauses will be included in the contract to ensure that, in future times of military need, the contracted land can be used.

(III) Refurbish barracks to accelerate trust fund financing

Currently, it is estimated that the reconstruction trust fund’s income is still insufficient. In order to avoid budgetary shortages in the “refurbishing of old living quarters” initiative of the trust fund, incorporation of high value idle lands in the ROC Armed Forces into the reconstruction trust fund still needs to be reviewed. Bidding work needs to be transferred to the National Property Administration in order to consolidate the finances of the trust fund.

(IV) Establish inspection mechanisms for the discreet release of Bases

In order to comprehensively address land problems associated with the ROC Armed Forces and achieve uniformity between authorities and responsibilities, the “ROC Armed Forces Base Release Inspection Mechanism” was promulgated in August 2008, which incorporated relevant management agencies and all military service commands to establish policy teams

and task forces. ROC Armed Forces bases will be thoroughly reviewed through decision-making and inspection mechanisms to realize the strategy of “joint military-civilian prosperity”. Last year’s “policy team (task force) for the release inspection of ROC Armed Forces bases” resulted in decisions that led to the releasing of 263 idle bases, for a total area of 400.91 hectares.

(V) Listen to Local Demand to integrate defense the people’s livelihood

The MND’s “Public Opinion Inquiry Tour” initiative has held meetings with county and city governments in Taiwan and its outer islands. 113 issues, ranging from major economic development plans, local public works, recreational land requirements, reconstruction trust funds for old living quarters, idle base management, and military-civilian land disputes, have been registered. The MND has engaged in two-way communication, and agreed to cooperate with 66 issues in reference to overall considerations over readiness requirements, land planning, and civilian demand. A total of 327.12 hectares of land were released.

Section 4 Integrating Economy and Livelihood

National defense capabilities are the most important line of defense for maintaining national security. A sufficient capability to deter foreign aggression and protect the people during wartime needs to be ensured. Even during peacetime, defense establishments are also necessary investments on top of deterring war and ensuring positive investment environments. Under the policies of “a self-reliant defense”, “outsourcing of military necessities” and “dual use technology development program”, defense establishments can further synergize with economic establishments. Through defense IC and defense resource outsourcing, weapons and equipment can be produced domestically to increase domestic technological and industrial capacities, and achieve the synergistic benefits.

I. Coordinate with the Government to Prosper Industry and Economy

In order to coordinate with the government’s “i-Taiwan 12-point Infrastructure Plans – Taoyuan Aerotropolis”, the ROC Armed Forces airbase in Taoyuan will be “jointly used by military and civilian”, and incorporated into the overall planning of the Aerotropolis. In the future, after takeoff and landing missions on military airstrips have terminated, surrounding no- or limited-construction areas will be reviewed and lifted where appropriate to account for national security and major national infrastructure demands. Thus, the ROC Armed Forces will be able to energize regional industrial economic prosperity and future development of the Taoyuan International Airport, in order to create a three-win solution for national security, economic development, and enhancement of international competitiveness.

Also, in order to boost the tourism development of local governments, the MND has reviewed appropriate openings of important positions and locations for tourist visits when local governments (or people) apply for permits. Currently, publicly opened locations include “Cingtian Hall”. In the future, the ROC Armed Forces will also make plans for opening the “Shishan artillery position”, “Central Tunnel”, “Chinshan radio station” on Matsu, and the “Dongtai Base” on Penghu for local tourism developments, while observing the aforementioned principles.



The flow of dual-use technologies, such as material science, electronic technology and mechanical processing, can create industry environments that benefit both the military and society.

II. National Technology Developments to Stimulate Industries

The MND is committed to accelerating transformation of defense technologies and creating value for domestic industries to achieve the dual benefits of “invigorating national economy” and “enhancing defense self reliance”. Since undertaking the Cooperation Technology Development Program from the MOEA, the MND had been making major pushes for “critical technologies”, “outsourcing of military necessities”, and “stimulating traditional industries”, and also making plans to develop key green energy technologies such as “solar powered battery materials” and “hydrogen fuel cells”. MND hopes converting “defense technological capacity” to “civilian production technology” with civilian industrial demand as the foundation will enhance our industrial technology standards and international competitiveness. Also, industrial establishments will be invited to participate in key technology developments of military necessity with emphasis on defense armament requirements, become certified suppliers for the research and production of military necessities, and thus build on the domestic defense technology industry.

From 2004 to 2008, 800 technology transfers were secured. 640 patent applications were made. In the last three years, the MND was further able to yield a 10:1 (or higher) investment to return ratio for overall industrial value. Simultaneously, the flow of dual-use technologies can further create industry environments that benefit both the military and society.

III. River Dredging to Benefit Taiwan and its People

Taiwan itself has steep mountain ranges and concentrated cycles of intense rain. Moreover, soil preservation needs to be enhanced, and as a result, disasters and damages are common during typhoon season. The ROC Armed Forces' assistance with river flow diversion projects not only provides professional training for troops, it further accomplishes preventative functions, which has immense contribution for lowering life and property losses for the people and facilitating national economic development. The ROC Armed Forces will regard river flow diversion work as sincerely as combat itself, and organize task forces, concentrate equipment, and make uniform applications. Rivers will be used as training grounds in coordination with the basic training schedules of the engineer corps to achieve the objective of the fusion of combat and training, and also simultaneously accomplish the objective of "fusion of defense and society".

The ROC Armed Forces mobilizes forces to engage in river flow diversion projects in various locations, in the hope that when summer flooding seasons approach, the security of the people's lives and properties can be ensured, and also demonstrate the policy benefits of the "fusion of defense and society". In 2009, the ROC Armed Forces completed the 4th stage of the Luofu Bridge for Shimen Dam, 2nd and 3rd stages of the Yonghsing Bridge for Jhuoshuei River, and 4th stage of the upper Caogong Canal in Gaoping River, for a total river flow diversion of 1,250,000 cubic meters.

IV. Base Release to Invigorate Economy

In recent years, the central and local governments addressed land demand for economic development. Considering that economic strength is also an important element of all-out defense, the ROC Armed Forces will adopt the "release useless land and create win-win solutions" approach for its idle and unsuitable lands, and gradually release idle, scattered, or non-military land, which will lower patrol and management requirements, eliminate military-civilian land disputes, and maintain positive military-civilian relations.



The Armed Forces engaged in river flow diversion projects in various locations, in the hope of ensuring the security of the lives and properties of the people when summer flood seasons approach.

In recent years, the ROC Armed Forces have coordinated organizational adjustments, major national economic development policies, and local development needs to release over 1,805 hectares of land, which serve as great contributions to expanding domestic demand and invigorating economic development. Currently, the ROC Armed Forces are accounting for the implementation of the “Jingsui Program” and “voluntaryism”, and will subsequently release non-essential bases to account for annual simplification of the force structure as part of its military land planning, while still putting national defense as the top priority, in order to fulfill overall economic development and civilian demand. For example, the 202 and 205 military plants in urban Taipei and Kaohsiung have been moved away from urban areas, which is a major demonstration of the MND addressing the demands of local governments.

V. Resource Outsourcing to Expand Domestic Demand

Under efforts to establish “a self-reliant defense” and “resource outsourcing”, the defense establishment has made considerable contributions towards encouraging domestic industrial development. Thus, the ROC Armed Forces were able to produce tangible effects from “expanded domestic demand” and potential benefits for “market stimulus”.

The current mechanism of new weapon and equipment investment has incorporated domestic

production capacity evaluations to encourage domestic suppliers to research and produce military products. Also, in terms of IC for foreign procurement of military products, key technologies can also be introduced to amplify overall benefits. Other engineering, transportation, administration, and supply tasks required for other military preparation support will be done through domestic procurement or rentals. Non-core maintenance capacities for active weapons and equipment will be contracted out to the private sector. Statistically, domestic procurement of military products has risen dramatically from \$55.8 billion in 2003 to \$80.8 billion in 2008.

Chapter 7 Solid Defense Capabilities



Recently, the PRC had undergone rapid military expansion far beyond the force and scope of any plausible attack against Taiwan, making it the most immediate security threat against Taiwan. Therefore, the ROC Armed Forces will continue with its RMA policies and defense transformation plans. Modern defense capabilities will be created through “reshaping of intangible combat capabilities”, “integration of cyber and electronic warfare capabilities”, “improvements to joint operation effectiveness”, “enhancements of logistics support capabilities”, and “realization of all-out defense” and “comprehensive disaster prevention buildup” to demonstrate the nation’s determination for self defense, and act as the most reliable foundation for national stability.

Section 1 Reshaping Intangible Combat Capabilities

To strengthen our willpower against enemy forces and secure the people's support and recognition, the ROC Armed Forces seek to "foster patriotic loyalty, enhance military ethics, enforce military discipline, harness esprit de corps, counter enemy psychological warfare, strengthen determination for victory, and establish all-out defense", with the purpose of preserving important military traditions to achieve the objective of refining intangible combat capabilities.

I. Foster Patriotic Loyalty

In order to pass on the great military culture of "conscientiousness, fearlessness, patriotism, and compassion", the ROC Armed Forces devises its patriotic education on the foundation of "policy indoctrination", "loyalty education", "enemy awareness education", "military laws and discipline education", and "military ethics education", divided into school, force, and reserve education levels. Staff members will be educated to lead by example and harness esprit de corps at the force level. The ROC Armed Forces will also coordinate with all-out defense policies and relevant festivities when arranging monthly meetings, spring and autumn memorial ceremonies, award ceremonies, cultural promotions, and campaign tours to invigorate the people's morale. Additionally, implementation of the "voluntaryism" policy will be combined with adjustments in professional political warfare capabilities and establishment. Research and evaluation mechanisms will also be set up. This will create the capacity for instantaneous dissemination of information during peacetime and wartime, and effectively increase patriotic traditions.

II. Strengthen Resolve for Self Defense

Modern threats against national security have become more diverse. The ROC Armed Forces will enhance the servicemen's understanding of security, improve the contents of enemy awareness education, and consolidate the resolve to "fight for the existence and growth of the Republic of China, and fight for the safety and well-being of the people of Taiwan, Penghu, Kinmen, and Matsu". Available venues of public discourse will also be used to allow people to understand latest possible threats and proactively enhance overall willpower within the military and the people to resist the enemy.

In addition, psychological training methods in advanced nations will be consulted. Two training centers will be established in the northern and southern test centers to allow for demonstrations and deliberation, with emphasis on the theoretical research and curriculum



The Armed Forces reshape intangible combat capabilities with the objectives of cultivating patriotic loyalty, solidifying resolve on defense and rectifying important military conduct.

design of “psychological training for battlefield stress”. The program will be divided into the two major axes of “basic garrison training – enhancement of psychological fitness” and “professional training at the test centers– improvement of stress resistance”. Existing military training curriculum will be incorporated, which is expected to improve the overall intangible combat capabilities of the ROC Armed Forces.

III. Rectify Military Discipline

In order to declare the government’s determination in eliminating corruption and preventing misconduct, the MND established the Anti-corruption Task Force, which will put elimination of corruption and illegal conduct at the top of current policy priorities. Also, military discipline and security enforcement measures will be implemented simultaneously with the purpose of preventing the incidence of misconduct through ethics education and institutional reforms.

(I) Persist in eliminating corruption and preventing misconduct to enforce anti-corruption and supervision

Internal audits will be performed on personnel matters, procurement, and finance. “Joint military and judicial investigation mechanisms” will be established through cooperation between the military and judicial enforcement. Crimes will be prosecuted on the principles of

minimization of errors, expeditious trials, and sufficient punishment. Major systematic reforms will be researched along with simultaneous implementation of military ethics and security enforcement measures, which will complement systematic reforms to prevent incidence of corruption.

1. Current working stage

The Anti-corruption Task Force will be established, with the Minister acting as the chairman, which will make elimination

of corruption and illegal conduct the central current work of the organization. All abnormal incidents will be investigated, with priority on major cases of corruption and illegal conduct uncovered by media reports, individual whistleblowers, administrative investigations, or military investigations. Concrete anti-corruption policies will be devised by analyzing the overall causation of corruption cases to establish mechanisms for tight internal control, monitoring, and cracking down illegal conduct.

2. Subsequent execution stage

Indoctrination, prosecution and prevention against corruption will be continued in coordination with the Executive Yuan's national Anti-corruption Action Plan. There will be close cooperation with the Executive Yuan's Anti-corruption Action Plan Mechanism to ensure proactive elimination of corruption and misconduct, with the purpose of investigating all illegal activities in the military. The work will not stop without exterminating all such incidents, so as to demonstrate resolve for reform.

(II) Enhance legal education to ensure administration by law

Military law and discipline education hours will be increased at the agency, force, and academy levels to rectify important virtues within the ROC Armed Forces. Legal concepts such as administration by law and lawful use of public funds will be cultivated to develop accountability and conscientiousness in military personnel. Disciplinary education will be



Activities are held in coordination with the festivities to boost morale among the general public and promote patriotic sentiments.

emphasized during the professional training stages of financial, engineering, and procurement personnel, to ensure ethical awareness and eliminate all incentives for corruption.

At the same time, concrete measures for ensuring “military discipline and security”, including “swift and severe punishment, retention of qualified personnel, and removal of unqualified personnel”, will be promulgated to demonstrate the resolve of the ROC Armed Forces to consolidate its military integrity. Through enhancements to military discipline education, personnel background checks, control of early warning for security threats, military discipline and security review meetings, adequate damage control, counseling and evaluations, it is hoped that the ROC Armed Forces will maintain strict discipline at all levels, ensure decent military conduct, and jointly protect the reputation of the ROC Armed Forces and the safety of the troops.

Section 2 Integrating Cyber and Electronic Warfare Capabilities

The communication, information, and electronic planning and preparation of the ROC Armed Forces are based on the objectives of “integrated warfighting capabilities and information sharing”, with the joint command mechanism as the core. An orientation towards information and electronic warfare will be incorporated to continue applying overall public and private communication and information resources, enhancing establishment of communication and information platforms, developing information and electronic attack and defense capabilities, and constructing C⁴ISR systems to ensure efficient command and control in combat, effectively secure “cyber and electronic advantages” across the Taiwan Strait, and fulfill defense operation requirements.

I. Consolidate Joint Command and Control Mechanisms

The “Posheng Program” is being implemented to gradually construct the foundation for “network-centric warfare” (NCW) capabilities and complete the integration of primary aerial and naval sensors, major weapon systems and platforms, and communication and information networks, as dictated by the joint operational requirements. Full control of battlefield activities will be provided to the joint operational command center and the major operation centers of each military service through the establishment of advanced digital datalinks and joint operational command and control systems. Intelligence and information can be simultaneously exchanged on the battlefield to facilitate battlefield decision-making at the command level. (See Figure 7-1)

To continue enhancing the NCW capacities of the ROC Armed Forces, digital command and control capabilities of all levels of commands and combat troops will be improved. In the future, development will focus on integrating joint combat command and control platforms, ensuring working communications for joint command and control, enhancing information and electronic protection, establishing information and electronic attack and defense capacities, and enhancing training for complex electromagnetic environments, so that all levels of troops can acquire appropriate information and battlefield pictures, improve battlefield monitoring and command and control functions, and ultimately increase the joint operational capabilities of the Armed Forces.

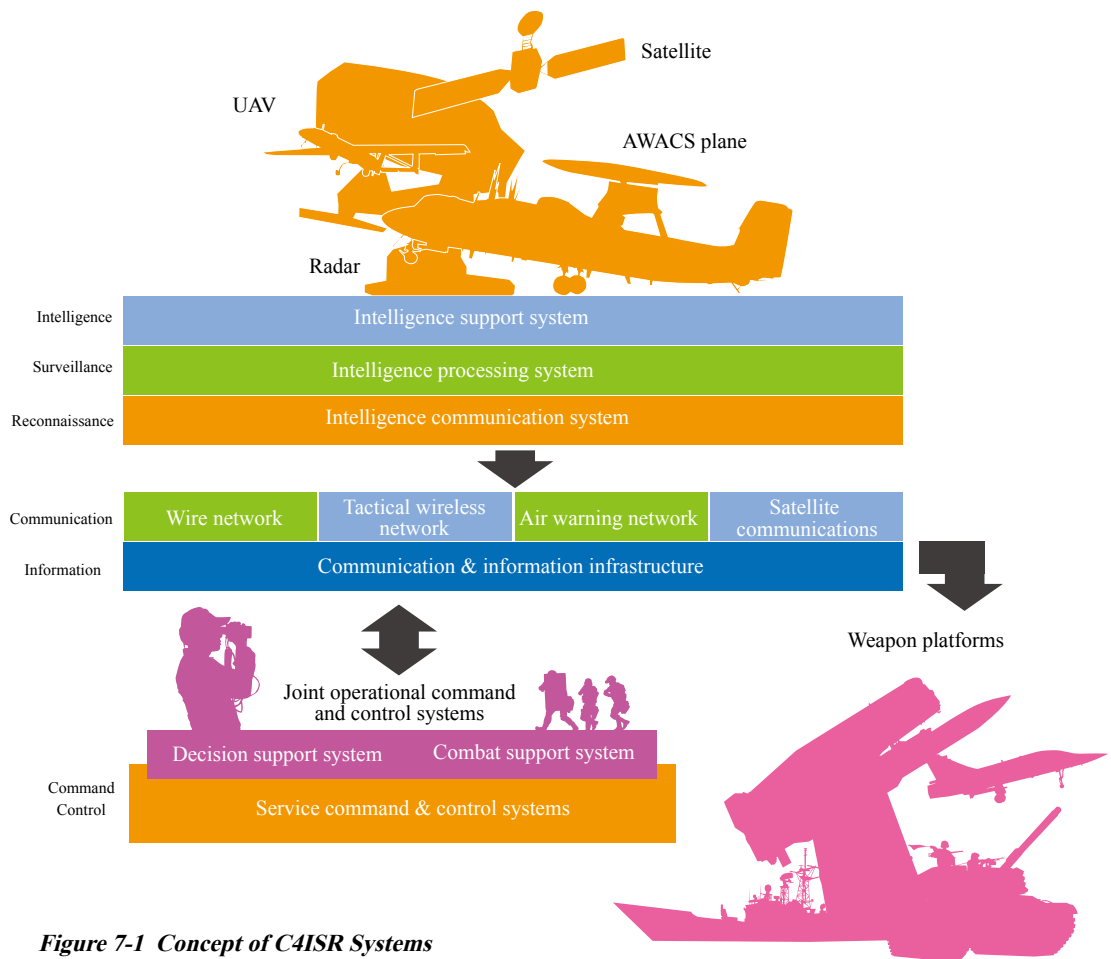


Figure 7-1 Concept of C4ISR Systems

II. Strengthen Information Warfare Capacities

The information and electronic warfare objective of the ROC Armed Forces is the fulfillment of “information assurance” and optimal operation of communication and information systems achieved through the application of information technology combined with management measures to support the execution of military missions. During peacetime, network information security measures will continue to be enhanced. Joint surveillance, reconnaissance, and information sharing will be utilized to tightly monitor network information traffic, build defensive depth, and consolidate overall defensive capacities for information security. During wartime, the nation’s overall information operational capabilities will be mobilized to secure information advantages. “Early warning and rapid

response” mechanisms will be used to ensure that communication and information systems can effectively support military missions.

III. Enhance the Electronic Warfare Capabilities of the ROC Armed Forces

To cope with the complex electromagnetic environment of future battlefields, MND will manage and control capacities of communication, information, and electronic electromagnetic spectrums, and support management systems to make electronic warfare decisions. Also, database integration for electromagnetic spectrum management, electronic intelligence, and threat parameters for electronic warfare will be performed in conjunction with the “Han Kuang exercise” and all levels of offensive and defensive combat exercises to validate each unit’s execution and response capabilities so that they can effectively support combat missions.

Currently, the PRC’s missiles are the greatest threat against Taiwan. Long-range early warning radars will be developed under the application framework of the “ROC Armed Forces missile defense system” to enhance early warning and engagement capabilities against missiles. Also, refitting of air force tactical control radars will be incorporated to improve joint surveillance, reconnaissance, and early warning capabilities. The PRC’s electronic warfare forces have been expanding annually, and their weapons and equipment are upgraded continuously. Under today’s high tech and complex electromagnetic environment and with the threat of electronic attacks, MND is developing electronic jamming tools as an important force buildup objective for the ROC Armed Forces. The ROC Armed Forces intend to enhance the overall electronic warfare capabilities to suppress the PRC’s operational command, control, communication, and intelligence capabilities, and thus attain the tactical and strategic benefits of deterrence.

IV. Utilize Overall Public and Private Communication and Information Resources

The communication and information networks of the ROC Armed Forces will incorporate public and private communication and information network infrastructure as dictated by mission requirements. Automated, high speed, and highly reliable communication and information networks will be constructed. Procedures for military management and utilization of public and private communication facilities at all levels for combat preparations will be devised according to the “Act of All-Out Mobilization Preparation” and its relevant implementation details. Mobilization and material procurement and requisition procedures will be incorporated to sufficiently manage the application of publicly and privately



Long-range early warning radars are to be built to increase early warning and engagement capabilities of the missiles.

run communication and information resources, such as the utilization of land line and wireless facilities, telephone lines, mobile communication, digital networks, and satellite communications for backup support of defensive operations. Regular coordination and exercises will be performed to maintain applicable public and private communication and information resources and technical capacities. Also, standard operating procedures will be created to enable peacetime usage of abundant public and private resources for operational readiness and disaster prevention and relief. In wartime, objectives of military operations can be immediately supported.

Section 3 Improving Joint Operations Effectiveness

Joint operations of the ROC Armed Forces are focused on building “long range precision operations” and “synchronous joint engagements” capabilities. Simultaneous applications of precision strikes, multilayered interceptions, anchorage areas and beachhead attacks, and asymmetrical operations can effectively “disable the enemy’s operational center of gravity”, and execute “joint interdiction”, and “anchorage area and beachhead elimination”, thus achieving the military strategic objectives of “preventing enemies from landing and establishing lodgment in Taiwan”.

I. Joint Operations Concept

“Joint suppression, sea and air interception, and anchorage area and beachhead elimination” are the operational requirements for the joint operations of the ROC Armed Forces. When the enemy demonstrates palpable intent or action of invasion, the forces and firepower of each military service will be effectively integrated. Invading forces will be engaged through multilayered interception and sequential elimination of enemy forces based on deployments that are appropriate for the operational ranges of relevant weaponry, thus accomplishing defensive missions.

Currently, the ROC Armed Forces have reached the third stage – “interconnected joint operations” – of the five-stage joint operation development plan. When the “Jingsui Program” is completed and the command and control datalink systems are integrated in the future, combat operations of each military service can hopefully be integrated onto one single operational platform to facilitate simultaneous action, thus advancing to the fourth stage – “integrated joint operations”. This driving force and momentum will be maintained to achieve the fifth stage – “interdependent joint operations” – to further consolidate the joint operation capabilities of the ROC Armed Forces. (See Figure 7-2 for the levels of joint operation development objectives)

II. Joint Command Mechanism

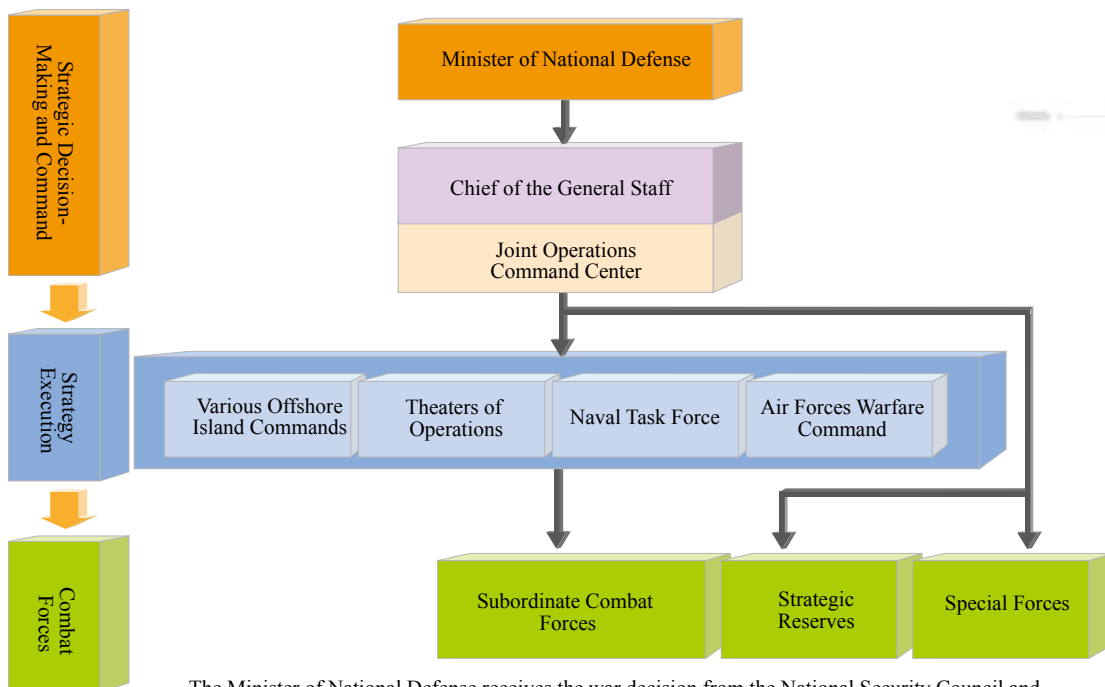
In order to establish mechanisms that are “consistent and accountable in peacetime and wartime” and are able to sufficiently realize joint operation efficiencies, the “ROC Armed Forces Joint Operation Command Center” has been created as the operational decision-making and command center of the ROC Armed Forces, and will directly command all levels of strategic execution. Interconnected joint operation command networks will also be built (see Figure 7-3) to attain joint operation mechanisms with “simplified force deployment”,



Figure 7-2 Levels of Joint Operation Development Objectives

“flattened command hierarchy”, and “rapid and precise command”.

Throughout annual validations by the “Han Kuang exercises”, the “joint operations command mechanism” of the ROC Armed Forces has not yet exhibited any significant shortcomings. Currently, each center’s organization, operational functions, inter-departmental coordination, and software and hardware are approaching completion. Also, starting from 2004, the “Posheng Program” entered the “system establishment” stage. After the entire program is complete, command, control, communication, information, and intelligence systems can be integrated and connected with major weapon platforms. The “command and control system” and “battlefield management system” can be effectively linked to provide instantaneous battlefield intelligence. The result will be increased battlefield transparency, which can better facilitate battlefield management, catalyze the consolidation of joint operations command and control functions, and fulfill the requirements of joint operations. In the future, adjustments and refinements will continue in accordance with the plans of the “Jingsui Program”. There will also be gradual developments building on the foundation of the Posheng Program to increase combat response efficiency.



The Minister of National Defense receives the war decision from the National Security Council and empowers the Chief of the General Staff to utilize the joint operations command mechanism to direct command centers of offshore islands, theaters of operations, navy and air force commands, and other strategy execution units and subordinate combat forces to engage in combat.

Figure 7-3 Joint Operations Command System

III. Joint Operations Capability Buildup

The warfighting capabilities of three military services will be integrated to apply precision strikes, multilayered interceptions, anchorage area and beachhead attacks, and asymmetrical warfare techniques and effectively “disable the enemy’s operational center of gravity”, and execute “joint interdiction”, and “anchorage area and beachhead elimination”, thereby accomplishing the objective of territorial defense. Relevant capability development includes: joint C⁴ISR, joint information and electronic warfare, joint counter air, joint sea control, joint ground defense, asymmetrical warfare, reserve mobilization, joint logistics, and overall intangible combat capabilities.

IV. Joint Operations Training and Exercise

Training will be provided through the “joint operations basic training”, “services operation training”, and “joint operations training” stages, as per the “joint operations at all combat and training scenarios” principle, so that the ROC Armed Forces can harness joint operation planning and management capabilities. The annual “Han Kuang exercises” will remain the core of training to effectively integrate joint operations training of the Armed Forces. Also, training topics and emphases will be clearly enumerated in the “joint mission essential task”, which will be implemented through fighting OPFOR (opposing force) to simulate battlefield

stress for troops at all levels. Coordination between military services and branches will be enhanced to form a competent fighting force that can intensify its capabilities and willpower to sufficiently utilize the integrated capabilities of joint operation.

Because safety, resource, environmental, and local development requirements have become increasingly important, acquisition of training fields and execution of large scale joint field training and exercise have become increasingly difficult. Therefore, “live, virtual, constructive battlefield training environments” have become a necessary trend. The ROC Armed Forces will integrate the application of existing simulated training facilities to create simulated but realistic training environments. All joint operations training and exercise will be in the form of “command post exercises before file training exercises” to achieve the objectives of integrated planning and complete utilization of training resources and facilities, so that the overall training mechanism can be improved and the results of joint operations training and exercise can be effectively advanced.

Section 4 Enhancing Logistical Support Capabilities

To account for stipulations of the “Jingsui Program”, future logistical developments will be based on comprehensive reviews of all existing logistical systems and organizational structures. Management mechanisms that enable “rapid logistical support, precise logistical management, and effective logistical decision-making” will also be established to control military and civilian resources, integrate logistical information, improve logistical operation efficiency, and effectively accomplish defensive operation missions of the ROC Armed Forces. Concrete measures to be implemented are as follows:

I. Improve Logistical Systems and Simplify Operational Procedures

In conjunction with “voluntaryism” and “Jingsui Program”, usable civilian resources will be incorporated through “maintenance outsourcing” and “contracting out” to simplify replaceable personnel and lower personnel maintenance costs and the ratio between logistical and combat structures. Also, logistical operation procedures, job authorities and responsibilities, and command and control mechanisms will be reviewed for simplification. Appropriate adjustments will be made to logistical organizational structures and formulation (amendments) of logistical operation regulations in coordination with manning and equipping experiments to fulfill mission requirements for force development and readiness preparation.

II. Consolidate Field Logistics to Enhance Emergency Support

In order to facilitate the contracting out of logistical support manpower, the establishment of mobile logistics forces to provide support on the go will be considered. Mobile equipment supply and maintenance will be adopted to consolidate field logistical support capabilities. Also, various logistical materials will be transported through transportation networks and distribution channels to the required battlefields to provide immediate and rapid forward logistical support at close range during peacetime and wartime.

III. Introduce Performance-based Logistics to Fulfill Operation Requirements

Performance-based logistical strategies will be introduced with emphasis on core requirements of logistical support. Support mechanisms will be established through long term support agreements and relations by incorporating domestic industrial willingness

and capabilities to provide logistical support and effectively lower logistical personnel maintenance and costs. Logistical support efficiency will be maximized to account for reductions in the scope of force in order to fulfill the needs of the operating forces.

IV. Organize District Support to Realize Mobilization Preparations

Overall civilian capacities will be integrated with district logistical support commands as the main divisions to establish effective local economic logistical support systems. Wartime support plans will also be formulated for periodic mobilization training and exercises such as requisition and procurement, as appropriate to realize mobilization preparation for district support capacities. Dual-use (for military and civilian) logistical channels for military supplies and material will be established to utilize the functions of all-out logistics and achieve uniformity between peacetime and wartime logistical defense operations.

V. Integrate Logistical Information to Enhance Support Functions



Logistical operation paradigms will be appropriately adjusted to account for military development and preparation mission requirements.

To fulfill joint operation mission requirements, functions of the “ROC Armed Forces logistical management system” will be improved and corporate resource planning structures will be developed. Existing logistical information systems will also be comprehensively integrated to establish information sharing environments, instantaneously control the logistical situations and requirements of troops across the entire ROC Armed Forces, and tangibly harness logistical command and control capabilities. Thus, logistical management efficiency can be improved to achieve the objectives of “precise logistical management, instantaneous logistical

decision-making, and rapid and effective logistical support”.

VI. Cultivate Qualified Management Personnel and Improve Work Efficiency

Currently, the ROC Armed Forces are committed to solving factors of influence such as military sales, maintenance outsourcing, and contracting out of labor. The capacity of the ROC Armed Forces' education establishment will be integrated by using professional management knowledge, methods, and tools with scientific and practical ideologies to cultivate qualified contract managers for "contracting-out" procedures and plans for manpower development, so that contracting-out projects can be facilitated successfully. Thus, the efficiency and benefits of contracting-out projects can be increased to ensure the ROC Armed Forces' overall warfighting capabilities and achieve the objectives of force development and readiness preparation.

VII. Strengthen Standard Inventories to Improve Distribution Management

To account for plans for "voluntaryism", logistical work is gradually opened to be contracted out to private sector industries to reduce personnel maintenance costs. The ROC Armed Forces will maintain contract execution evaluation work and preserve material flow



The ROC Armed Forces will capitalize on military and civilian resources, integrate logistical information, and increase the efficiency of logistical operations.

capacities for field warehouses, as well as review and improve combat preparation storage and standardization of military goods to establish transparency of assets and improve flexibility and utility of asset usage. Transportation capacities will be enhanced and district (theaters of operation) supply chains will be developed to improve material flow management and minimize the manpower required to effectively maintain wartime preparation needs.

VIII. Review Redundant Equipments to Conserve Maintenance Cost

To account for future force structural adjustments of the ROC Armed Forces, surplus equipment across all military services may be “reclassified”, “inventoried”, “reserved”, “mothballed”, or “retired” to reduce equipment maintenance costs and maintenance personnel requirements and achieve the objectives of peacetime preservation of warfighting capabilities and immediate wartime activation and engagement.

Section 5 Realizing of All-Out Defense

Based on the all-out defense principle of “incorporating mobilization in policy implementation and assimilating combat readiness in economic infrastructures”, relevant departments and all levels of government will be integrated according to the “Act of All-Out Defense Mobilization Preparation” to collectively participate in all-out defense mobilization preparation. All levels of schools, social organizations, and government agencies will be incorporated through the “All-Out Defense Education Act” to fully provide advocacy for and realize the “listen to the people” policy and harness recognition and faith for all-out defense. Thus, an all-out defense mobilization system that is all-purpose, all-united, all-defensive, and all-trusted can be proactively established, thereby accomplishing all-out defense.

I. Enhance Mobilization Mechanisms

The Executive Yuan has established the “All-Out Defense Mobilization Preparation Conference” in accordance to the stipulations of the “Act of All-Out Defense Mobilization Preparation”, with the MND acting as secretary and coordinating psychological, manpower, material and economic, transportation, financial, sanitation, technological, and military mobilization departmental preparation bulletins, as well as mobilization preparation bulletins for 25 directly administered cities and county and city governments. Annual policy plans will be incorporated to jointly implement all-out defense mobilization preparation measures. In peacetime, all government and private sector manpower and material mobilization resources will be investigated and compiled by law. During disasters, these resources can be provided to the commanders of all levels of disaster response centers as per relevant stipulations in the “Disaster Prevention and Protection Act”, which can then support mobilization capacities for disaster rescue. Additionally, general organizations for coordinating all-out defense capabilities will be formed by the MND’s Reserve Command, district and county (city) reserve commands (or reserve service centers), and (defense) commands for operation zones without corresponding district reserve commands. This network will serve as the coordination interface between administrative agencies and military units. When disaster response centers are established at all levels, they will be staffed by general operations secretary teams of appropriate ranks to coordinate with disaster support affairs in the ROC Armed Forces. The all-out defense mobilization system will be established as to enable peacetime disaster prevention and rescue support, wartime support of military operations and emergencies, as well as maintaining emergency response functions of public agencies and account for the people’s basic livelihood needs.(see Figure 7-4)

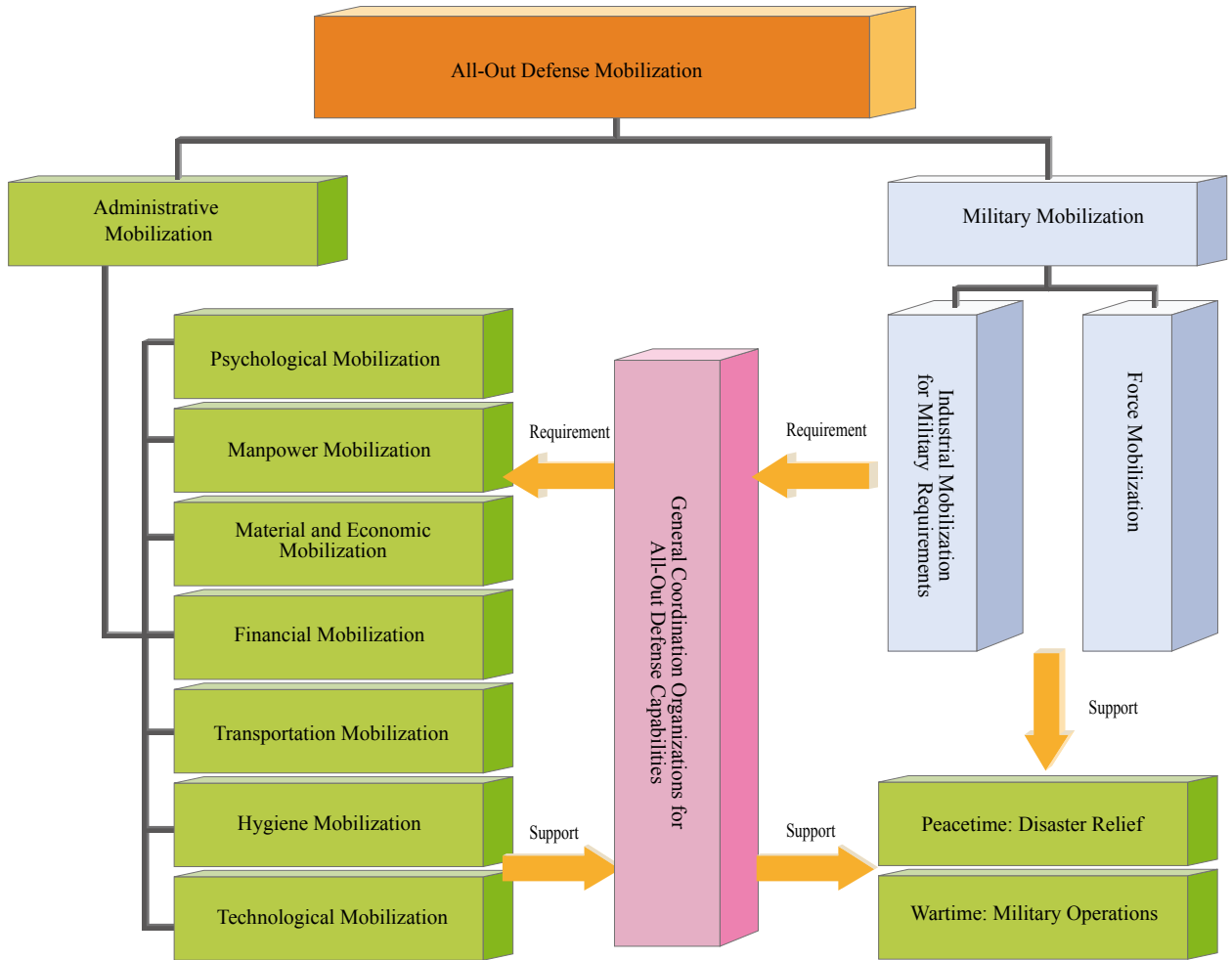


Figure 7-4 All-Out Defense Mobilization Mechanisms

II. Consolidate Mobilization Preparation

(I) Control defense mobilization capacities

1. Administrative mobilization

The MND will act as the secretariat to work with relevant departments to supervise the governments of all cities and counties to regularly investigate, record, and register manpower and material resources that can be mobilized within each jurisdiction, so as to accumulate mobilization capacities. In terms of registered civilian manpower and resources, there are 1,546,031 persons available for manpower mobilization, 1,616,242 vessels (ships, vehicles) available for transportation mobilization,

507 medical agencies, and 10 categories, 66 sections, and 332 items of critical materials in 2009. In order to control regional civilian mobilization capacities and shorten the appropriation time for material mobilization, the “material mobilization registration information system” will be activated, using electronic maps to display material mobilization capacities and storage locations. Support allocations, supply requirement certifications, and production of requisition booklets for the distribution of appropriation applications will be performed, with the objective of creating an operational environment with universal “electronic supply requirement certifications”, in order to simplify military and public requirement certification processes.

2. Military mobilization

Currently, there are approximately 2,840,000 registered reserve servicemen. During peacetime, they will be appropriately organized and trained to harness the esprit de corps of reserve troops. Education and on-duty muster training will be implemented based on annual plans to enhance the professional capabilities of reserve servicemen and address combat mission requirements. Also, mobilization symbols, personnel transfer application management, inquiries, statistics, and troop deployment locations will be managed through information systems to shorten mobilization schedules and effectively support personnel applications within the Armed Forces. Troops at all levels will submit procurement and requisition applications as well as their corresponding certification processes annually based on material shortages and operation requirements. Appropriations in 2009 are expected to include eight categories and 248 sections of basic metals and 21,971 stationary facilities to facilitate peacetime disaster prevention and relief and wartime support of military operations.

(II) Utilize results from annual exercises and validation

Exercises will be separated into “military mobilization exercises” and “all-out defense mobilization exercises” to test the appropriateness of annual mobilization preparation plans and enhance emergency mobilization and response capabilities.

1. Military mobilization exercises

Various types of reserve forces and auxiliary military service troops will be mobilized across all districts of Taiwan based on the framework of the annual “Han Kuang exercise”. Training topics include “issuing and delivering mobilization orders”, “manpower and material mobilization”, “reserve troop mobilization organization, recovery of warfighting capabilities, and execution of homeland defense operations”, and “production conversion for the mobilization of the military supply industry” to

validate the mobilization mechanism and the results of reserve troop training.

2.All-Out defense mobilization (Wan-An) exercise

Homeland security and protection will be the main topic, with topics from relevant annual exercises of central ministerial authorities incorporated for joint implementation. This will validate each city and county government's mobilization response mechanisms and review the feasibility and appropriateness of mobilization plans. Thus, the overall warfighting capabilities of all-out defense and coordinated response functions that combined "military with policy" and "military with civilian" can be enhanced.

(III) Enhance reserve troop training

Personnel selection will be based on the "on-site mobilization and engagement" principle and the expertise, age, physical condition, tactical force positions, and place of residence of required personnel. Also, "fixed organization" will be implemented to harness the willpower to fight for and defend people's homelands, hometowns, and assets.

In order to enhance the territorial defense capabilities of reserve servicemen, reserve troops will be "assembled every other year" starting from 2009, with each training cycle lasting for two years. Training time will be extended from five to seven days. Necessary composite training will be performed, along with the annual mobilization training, which will include battlefield management and theaters of operation training and exercise to increase the basic warfighting capabilities of reserve troops.

III. Strengthen Consensus for All-Out Defense

The psychological defenses of the people will continued to be strengthened through "all-out defense education" to realize the government's "listen to the people" policy. Communication and exchange with local administrative leaders and representatives to secure the people's recognition and support, and thus attain an all-purpose, all-united, all-trusted, and all-defensive defense, effectively utilize overall national resources, and incorporate tangible and intangible capabilities to secure the ultimate objective of defending national security.

(I) All-Out defense education

To increase national awareness and knowledge of all-out defense, relevant ministries and all levels of government and agencies will be integrated according to the "All-Out Defense Education Act". Public advocacy activities and publicity material distribution will be employed to infuse the vision, concepts, and knowledge of "all-out defense" into the lives of the people.



People can understand the history and process of the ROC Armed Forces' military preparations through establishment of military history museums and thus appreciate the importance of national defense.

1. Realize school education to consolidate defense concepts

The "Implementation Regulations for All-Out Defense Education Curriculum for All Levels of Schools" will be completed in coordination with the Ministry of Education. Also, in order to allow young people to experience the importance of defense to national security, the "Kinmen boot camp" and seven other summer boot camps were held in 2009. As well, supporting "firing activity for high school and vocational school students" and "aptitude workshops for middle school and elementary school instructors" will be held to foster the vision for all-out defense.

2. Improve on-the-job training and popularize digital learning

67 qualified instructors will be sent by the National Defense University to provide on-the-job training for personnel working for 65 agencies ranging from central government and city and county governments. Also, the "e-learning network" will be established in cooperation with the Executive Yuan's Civil Service Development Institute. Educational classes for the digital learning platforms (e-learning centers) of local learning centers will be formulated to facilitate online learning for public sector employees.

3. Realize social education to enhance danger awareness

Under the condition that operational training duties and missions of the ROC Armed Forces are not affected, “Defense Journey of Discovery – Base Open Days” activities will be held to introduce the people to the military developments and preparations of ROC Armed Forces. Secondly, exhibitions will be held in cooperation with local governments and other agencies and organizations, so that the vision of all-out defense can be sufficiently indoctrinated for the people.

4. Utilize defense artifacts to promote educational vision

The ROC Armed Forces historical artifacts museum will be established to hold topical exhibitions such as “Memories of War – 50th Anniversary of the 823 battle” and other general exhibits. The general public can understand the history of force developments and preparations of the ROC Armed Forces and thus appreciate and support the importance of national defense. In addition, DVDs of “Artifacts – Military Flags and Military Swords”, which will be aired on the “Defense Online” program of CTS (Chinese Television System), and also placed on the “all-out defense education network” for viewing and usage.

(II) Public opinion inquiry tour

To encourage integration between troops and their local establishments, put into action the ROC Armed Forces’ commitment of service to the people, and attain in-depth understanding of civilian needs so as to serve as important references for defense policies and jointly facilitate overall local developments, the “Public Opinion Inquiry Tour” project had been undertaken since July 2008 to realize the government’s “listen to the people” policy.

1. Listen to the people to harness defense consensus

Government leaders from all counties and cities and representatives of the National Assembly convene face to face to communicate and exchange opinions regarding current defense policies and policy orientations, and physically solve local economic development and national security problems. Thus, defense affairs can become more transparent to eliminate suspicion within the people, and further result in harnessing consensus for all-out defense and gaining recognition and support from public opinion.

2. Realize national security to support local development

Town hall meetings will be held with representatives of National Assembly and the general public during visits to the leaders of city and county governments to understand local needs. Face to face discussion meetings, briefings, or inspections of major bases and structures will also be held to enhance exchange of opinions to account for both “national security” and “local development”. Since May 2009, visits

and meetings for all 25 counties and cities in Taiwan have been completed. There were 28 meetings with representatives from local governments, National Assembly, dependents, and local representatives, which has effectively resolved issues related to “government real estate”, “exercises and primary bases and training fields”, “fuel and ammunition warehouses”, “reconstruction of dependent quarters”, “promotion of local tourism developments”, and “other defense affairs” to facilitate the fusion of local prosperity and civilian needs with the defensive operations and preparations of the ROC Armed Forces. Thus, the overall national economic infrastructure, national security, and local development can all be accounted for, and at the same time, the MND is able to demonstrate its sincerity and accountability in executing national policies.

3. Serve the people to create win-win military-civilian solutions

The ROC Armed Forces are the defender of the people’s lives and well-being. All of the actions taken by the ROC Armed Forces are met with high expectations and austere judgment from the people and public opinion. Through the tour of discussion meetings in the “Public Opinion Inquiry Tour” project, defense policies have been made closer to public opinion. People were also assisted in handling and solving problems, allowing people to experience the sincerity of the ROC Armed Forces in serving the people. Ultimately, the connection between troops and the people will be enhanced and produce a powerful all-out defense force.

Section 6 Enhancing Disaster Prevention

On August 8, 2009, Typhoon Morakot heavily damaged southern Taiwan, resulting in the worst flood disaster in the last 50 years in Taiwan. The massive human and economic losses are difficult to estimate. In analyzing this disaster and rescue actions, this particular disaster can be said to be characterized by “extreme precipitation, extreme area of effect, extreme difficulty, extreme duration, extreme force demand, violent water flow, complex geography, and communication failures”. As a result, the difficulty of this rescue operation far exceeds any disaster rescue mission in the past. In this particular rescue mission for the “88 flood”, the ROC Armed Forces have deployed more ground and air forces than any other disaster rescue missions in history. At the end of September, more than 547,000 ground troops were deployed, while some 5,700 aircraft were deployed. The overall results were widely appreciated and respected across the nation and its people, and the valuable experiences of this disaster will all become part of the historical heritage of the ROC Armed Forces.

Other than enhancing its operational training duties, the ROC Armed Forces will also coordinate with supervisory agencies to draft or amend relevant legislation to increase and refine overall disaster prevention and relief capabilities. Overall disaster relief capacities of the ROC Armed Forces will also be strengthened through war games, professional disaster relief education and training, and procurement of disaster rescue equipment, in order to ensure the security of the lives and properties of the people during unexpected major disasters.

I. Incorporation into Core Missions

Climate changes and environmental destruction caused by global warming pose the greatest threat against human existence. The scope and intensity of major natural disasters have exceeded previous levels in recent years, and territorial security has become the most urgent issue for national security. The ROC Armed Forces need to simultaneously possess the capability to perform conventional and unconventional military actions under the new conditions that add to the diversity, complexity, and variableness of national security. Therefore, the President has announced that, disaster prevention and relief needs to be regarded as a primary mission by the ROC Armed Forces, and its role in disaster prevention and relief will transition from “reception of request, then engage in support” to “proactive and coordinated execution”. In order to achieve this mission, the ROC Armed Forces will comprehensively improve MOOTW capabilities such as disaster prevention and relief, and incorporate outfitting missions as the emphases of operations training, to strengthen professional disaster relief capabilities at the troop level.



The ROC Armed Forces will comprehensively improve non-war military operational capabilities such as disaster prevention and relief, and incorporate outfitting missions as the emphases of operations training.

II. Integration of Warning Mechanisms

Having observed the unpredictable nature of natural disasters, the immediacy of disaster damage intelligence will be helpful for lowering human and economic losses. In order to enhance the disaster prevention warning intelligence gathering of the ROC Armed Forces, the warning mechanism of the Executive Yuan's Disaster Prevention and Protection Commission will be incorporated. Through interdepartmental integration of functional mechanisms, two-way communication channels can be established to deploy warning intelligence and communication infrastructure in all theaters of the ROC Armed Forces, which will produce a completely systematic monitoring framework. Through integration of local and federal intelligence, early warning, and early response measures, effective early response for prevention and protection can be achieved to facilitate immediate disaster intelligence acquisition. Thus, when disasters strike, the ROC Armed Forces can capitalize on response opportunities, mobilize appropriate forces and equipment, integrate usable resources, achieve disaster rescue missions, and thus lower the people's human and economic losses.

III. Preserved Force Deployments

Disaster prevention and relief will be primarily focused on the Taiwan theaters of operation, with incorporation of regional joint defense organizations to define areas of responsibility. Application of professional forces will be uniformly planned according to disaster type, regional characteristics, and threat level. Also, during flood season, preserved force deployment and preserved equipment can be utilized immediately to fully engage in disaster



Various ROC Armed Forces helicopters can be used for emergency and disaster rescues during incidences of major disasters, and ensure the people's physical and economic security.

rescue missions upon announcement of disaster warning and incidence of disaster. Also, all theaters of operation should simultaneously complete flatbed truck rentals for transportation of disaster rescue equipment required for interregional support, as well as other relevant planning and preparations, and ensure that troops can engage in disaster relief with absolute immediacy.

IV. Drafting and Amendments of Legislation

Regarding the execution of disaster prevention and relief missions, the ROC Armed Forces will coordinate with the Executive Yuan to simultaneously work on drafting and amendments of relevant legislation so that, in the future, the ROC Armed Forces can quickly complete disaster prevention and relief preparations under necessary legal authority and regulation during disaster prevention, disaster relief, aftermath recovery and reconstruction. When disasters occur, the ROC Armed Forces will also be able to acquire effective resources and capacities and fully engage in rescue and support operations. Currently, legislation relevant to the ROC Armed Forces' disaster prevention and relief, such as "National Defense Act", "Act of Military Service", and "Contingency Response Regulations for the ROC Armed Forces during Regular Military Preparation Periods" have been placed under extensive reviews for amendments in order to address future disaster prevention and rescue mission requirements.

V. Development of Doctrines and Training Orders

Disasters are equivalent to warfighting, for they are among the new challenges that have

emerged from unconventional security threats. More states have included major disaster relief as major military training topics. Enhancing MOOTW capabilities to address major environmental changes have become important topics in American and Japanese efforts to enhance training and education. The ROC Armed Forces are the major force for disaster relief. For rapid response and professional rescue during disaster relief missions, the ROC Armed Forces will absorb international professional relief knowledge and techniques, and also incorporate the mission-specific outfitting characteristics of the ROC Armed Forces to separately develop doctrines and training orders specific to different types of disaster prevention and relief, to be applied to force training and exercise at all levels. Thus, foundational capacities can be established to tangibly raise overall professional disaster relief capabilities.

VI. Enhance Disaster Relief Training

In observing the vision for “prevention against the unpredictable”, although the ROC Armed Forces already has basic disaster rescue classes and training, they are largely considered to be insufficient. In the future, planning will be conceptualized on the foundation of interregional integration of disaster rescue resources across the Armed Forces according to their theaters of operation to independently execute missions and troop reinforcement scenarios when operations across multiple operational zones are required. Disaster relief mechanisms and the frequency and variety of simulated and real training exercises will continue to be enhanced simultaneously. In addition to incorporating annual “joint search and rescue”, “Wan An”, and “Han Kuang” simulations and major training curriculums, resource organization for disaster prevention and relief and all-out defense mobilization systems will also be effectively integrated. As well, local inspections, lectures, and disaster prevention (relief) exercises will be jointly conducted with local governments and non-governmental organizations for disaster-prone regions. Overall disaster relief capabilities can be enhanced through fostering of effective coordination.

VII. Acquisition of Disaster Relief Equipment

To account for more frequent occurrences of major natural disasters and improve the efficiency of disaster prevention and rescue operations in the future, the MND has designated the army’s “multipurpose engineer vehicle”, “forklift”, “NBC (nuclear, biological, and chemical) protection and response equipment”, and the navy’s “special operations inflatable boat” as priority acquisitions for the 2010 fiscal year. Also, machinery and equipment related to disaster rescue requirements will be comprehensively reviewed based on the disaster rescue experiences of the “88 flood”. These machines and equipment will be priority items in the budget for early acquisition, as per the principle of “disaster relief during peacetime and combat during wartime”, so as to facilitate future disaster relief missions.

Chapter 8 The Initiation of Peace



The direction of cross-strait relations not only impacts the nation's sustainable survival and long-term development, but is also a common concern of the international community. In order to maintain peace and stability in the Asia-Pacific region and ensure our national security and greatest interests, the present administration has been endeavoring to seek and initiate an environment of cross-strait compromise and peace, and re-open the mechanism for cross-strait dialogue and negotiation, which has greatly reduced cross-strait tension. The ROC Armed Forces are, at the present stage, complying with the integrated policies of the government to incrementally develop a roadmap for “constructing cross-strait military confidence building measures (CBM)”. It is actively prompting cross-strait peace based on the concept and action of “threat minimization, chance maximization”.

Section 1 Building Military CBM

Cross-strait political confrontation and the PRC's targeted military expansion and development have caused tremendous attention and concern internationally. The situation over the Taiwan Strait has always been viewed as one of the potential threats in East Asia conflicts. Therefore, preventing the occurrence of military conflict is a responsibility shared by both sides of the Taiwan Strait, and further relates to the security benefits and expectations of many countries in the region. Maintaining peace and stability across the Taiwan Strait to construct a safe environment of "coexistence and prosperity" is not only beneficial to both sides of the Strait, but is also the foundation stone of peace, stability and prosperity in the East-Asia region.

At present, cross-strait relations are at a historical turning point. Under the worldwide ideological trend of non-military solutions to controversies, the issue of "constructing cross-strait CBM" has prevailed in the region, and become a focal point of international and domestic concern. Geographically, Taiwan and Mainland China are merely partitioned by a strait. The probability of military friction is rather high. Shall there be a lack of mutual trust on both sides, any mishaps or accidents will be misinterpreted as deliberate provocation, and further result in full scale military conflict. The easing of current cross-strait tensions has shone a light on peace over the Taiwan Strait, and both sides of the strait may engage in extensive exchanges and co-operations in the future. However, the long-standing military confrontation across the Taiwan Strait remains the most complex and formidable issue.

For the sake of regional peace, the ROC government, besides observing the UN Security Council Resolution No. 1540 by not assisting in the expansion of nuclear and bio-chemical weapons, has clearly declared that it will never develop nuclear nor weapons of mass destruction. Meanwhile, it has been advising the PRC many times to remove its missile deployment against Taiwan and is proposing that both sides negotiate to "construct CBM", so as to alleviate cross-strait military tensions and avoid potential military accidents or armed conflicts. Nevertheless, as the PRC has not yet adjusted its military deployment against Taiwan nor amend its provisions -- adopting "non-peaceful means" to resolve cross-strait issues -- in the Anti-Secession Law, cross-strait military confidence building has not developed into communicative (establishing hot line), standardized (such as formulation of "Code of Conduct in the Strait", rules of engagement on mutual vessels and fighters), or restrictive measures (for example, limiting the deployment of certain forces and military activities, force reduction, etc.). This means that the risk of cross-strait military accidents and conflicts still exists.

Despite the easing of cross-strait relations the PRC has not yet made a commitment to “renounce the use of military force against Taiwan”. The ROC Armed Forces should strengthen self-defense determination and enhance the capabilities of force development and readiness to deter any occurrence of war. Besides continuing to work on force development and readiness tasks, the MND at this present stage has conducted comprehensive analysis and evaluation of future cross-strait CBMs and drawn up various preparation plans, having comprehensively considered international public opinion, domestic public opinion and developments in the cross-strait situation. It is hoped that when cross-strait interaction becomes more mature, communication may lead to understanding and exchanges to defuse hostility.

To safeguard national security, the MND has persevered with the attitude of “cautious discretion and cautious consolidation in each step” to implement cross-strait military confidence building through a stable, pragmatic and gradual approach. At the beginning, mutual understanding, exchange of good will, expression of stance and views will be enhanced through multi-variable exchanges. As mutual trust increases and based on “mutually beneficial cooperation”, dialogue and negotiations on issues of mutual concern could be conducted to gradually establish an institutionalized mechanism, thereby achieving the objectives of ceasing hostilities, ensuring peace and sustaining the nation’s survival and development.

Section 2 Participating in Regional Security

Taiwan's geographical location is situated at the border of Northeast Asia and Southeast Asia as the hub of the first island chain of the Pacific Ocean. This position possesses convenience in projecting military force towards surrounding seas. It also plays the role of a key lever in the West Pacific strategies of the US, Japan and the PRC. In addition to this, Taiwan's surrounding sea areas and airspace serves as an intersection of important international routes, where there are a daily average of nearly a thousand flights and ships passing through due to heavy traffic. Especially in Northeast Asia, Japan and Korea are both export-oriented countries and must import crude oil, industrial raw materials and goods and materials from abroad. They also sell their products to the world through shipping. If routes in the Taiwan Strait cannot be used, then they have to sail to the Pacific Ocean on the east of Taiwan, which will increase their risks and costs substantially. Besides geographic location, Taiwan's success in delivering democratic transformation and economic development has been highly commended around the world. We as a nation are also willing to share these experiences and values with the world.

Therefore, whether seen from a strategic, political or economic perspective, Taiwan should indeed contribute its capabilities in Asia-Pacific regional affairs. Yet although we are willing to participate in the Asia-Pacific regional security dialogue, joint maritime operations, rescue operations and joint military exercises and other activities that may promote regional security, we are almost excluded from the Asia-Pacific security mechanism as a result of the PRC's deliberate diplomatic obstruction. Take the South China maritime right dispute for example. Taiwan has the biggest island – Taiping Island amongst the Nansha Islands and has effectively ruled from 1950 till this day. Yet the “Declaration on the Conduct of Parties in the South China Sea” as led by the PRC only converses and coordinates with ASEAN countries and excludes Taiwan. This not only undermines our rights and interests, but in dealing with future shipwreck search and rescue and anti-piracy issues this will lack integrity without our participation.

Although participation in multilateral regional security mechanisms has been subject to the PRC's frequent obstruction, the MND has been active through the “second track” to participate in international security symposiums held by overseas academia or officials. It has also invited experts and scholars and retired generals from Europe, the US and Asia-Pacific region to participate in relevant academic seminars organized by us to establish international exchanges and dialogue and facilitate the international community's understanding of the nation's defense policy and the importance of Taiwan in Asia-Pacific regional security.



Through annual friendly voyages, exchanges with friendly countries are promoted to jointly maintain security, stability, prosperity and development in the region.

It is hoped that this will enhance Taiwan's international visibility and help seize future opportunities for participating in the Asia-Security regional security mechanism.

Security problems faced by modern states are complicated and multifaceted. Due to close geographical proximity of countries in the region, the interconnectedness of various types of security issues can no longer be dealt with by just one country but through the means of international collaboration. Based on this, the ROC must establish a defense force capable of combat and agility. Besides effectively deterring military threats from the PRC and maintaining peace across the Taiwan Strait, it should also make a greater contribution to regional stability through participation in regional security collaboration mechanisms. We also look forward to more support from various countries in recognizing Taiwan's efforts in the regional security dialogue mechanisms, so as to jointly pursue security, stability, prosperity and development in the Asia Pacific region.

Section 3 Promoting Peace across the Taiwan Strait

Peace and stability across the Taiwan Strait is a guarantee to regional security and secures the nation's stability and prosperity. The ROC has resolutely opposed to using any non-peaceful means to alter the status quo across the Taiwan Strait or undermine the fruits of our free and democratic constitution and administration accumulated over the years. The Armed Forces and the people have no reason to abandon or weaken our defense. The nation must insist on having reliable self-defense capabilities in order to maintain a lasting peace across the Taiwan Strait.

Take the neutral states such as Switzerland and Sweden for example. They have existed for more than a century yet are unaffected by war. The key lies in "maintaining peace by deterrence". That is, in a strategic environment with no apparent enemy and threats, they still maintain a strong defense force, a considerable defense budget and an all-out defense system that can be rapidly mobilized. This indicates that even in peaceful situations, national defense should still be underscored, not to mention that the PRC's military threats still remain against us. Therefore, the government has been active in improving cross-strait relations and given priorities to issues such as economic and trade. Although cross-strait relations have gradually eased at present, the ROC Armed Forces will not relax force development and combat readiness. The Armed Forces will continue to assess carefully factors such as the future security environment, national objectives and resources, conduct comprehensive plans for major items and priorities of force development and combat readiness, and implement these progressively each year. This is so as to establish a "Hard ROC" national defense force and build a defensive military that "cannot be intimidated, seized, devoured or crashed", and thus producing effective deterrence strength. In turn, this shall maintain peace and stability in the Taiwan Strait and Asia-Pacific region and serve as the guarantee for cross-strait peace.

We have never underestimated the various challenges throughout the cross-strait development process. We also believe that seeking mutual prosperity and development peacefully and moderately creating lasting peace in the Taiwan Strait is a goal worth pursuing. For only through lasting peace in the Taiwan Strait can enable the ROC to realize its commitment to regional peace and stability. It is hoped that both sides of the Strait can work together for each other's greatest interests. At this critical juncture, the Armed Forces shall continue to devote themselves to readiness training with a dedication to excellence. They shall see safeguarding national security and protecting homeland and territory as their duty, stand firm and hold fast to the belief that they are fighting for the existence and survival of the ROC and for the safety and well-being of the people, thereby fulfilling the sacred mission of protecting the nation and defending the people.

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National library Cataloguing in Publication (CIP) Information

National Defense Report, the Republic of China, 2009/ Ministry of
National Defense “National Defense Report” Editing Committee
Second Edition – Taipei: Ministry of National Defense, 2009
Cover: 19-26 cm
ISBN: 978-986-01-9932-1 (Paperback)
1. Ministry of National Defense 2. Republic of China

599.8

98017294

Book Title: 2009 ROC National Defense Report
Author: National Defense Report Editing Committee, Ministry of
National Defense
Publisher: Ministry of National Defense
Contact Address: No. 164, Bo-ai Rd., Taipei City, Taiwan
(Taipei Postal Mailbox No. 91195)
Web Site: <http://www.mnd.gov.tw/>
Telephone: 02-2331-1994 Fax: 02-2370-9530

Sold in:
Government Publications Bookstore, Sung Chiang Branch Telephone: 02-2518-0207
Address: 1F, No. 209, Sung Chiang Rd., Taipei City 104, Taiwan
Wu-nan Culture Enterprise (Head office)
Address: No. 6, Zhongshan Rd., Central Dist., Taichung City 400, Taiwan
Telephone: 04-2226-0330
1F, No.1, Tongshan St., Zhongzheng Dist., Taipei City 100, Taiwan
Telephone: 02-3322-4985

Printed by:
Northern Print Shop, Armaments Bureau, Ministry of National Defense
Publication date: Decemeber 2009
Version: 2nd edition

Price: Paperback: NT\$270
GPN 1009802407 (Chinese paperback)
GPN 1009802436 (English paperback)
ISBN-13 978-986-01-9932-1 (Chinese paperback)
ISBN-10 978-986-01-9933-8 (English paperback)