ICON Weekly Report of September 11, 2020

By The ICBM Ear/Peter Huessy, President of GeoStrategic Analysis

"We all urge a moment of silence to honor those who perished in the attacks of 9-11"

Top News: Administration Seeks CR Amendments to Protect Scheduled Triad Modernization:

Columbia Class Submarine: The administration requested that a CR authorize the Navy to procure the first two Columbia-class ballistic missile subs simultaneously. The White House also wants authority to incrementally fund the subs.

Space Force Issues: The administration also wants lawmakers to transition funding for the Space Force into separate accounts from the Air Force, warning that carrying over the current accounts would create unnecessary red tape for the new service.

New nuclear warheads: The list also seeks to free up money for the development of the new W93 submarine-launched nuclear warhead.

Where things stand: The House and Senate have agreed with the administration on a CR for up to six months through March 2021 but at least through November to fund the Federal government in the absence of the passage of regular appropriation bills for the coming fiscal year. Treasury Secretary Munichin and Speaker Pelosi have tentatively agreed to a plan according to news reports.

News You Can Use

Great ICBM/GBSD News: Our friends at NG have been awarded a \$13.3 billion contract to begin the process of building a new land-based missile system. Congrats to all who are part of the ICBM Team for this big step forward. In 1994, the draft PBR for ICBM RDT&E was a low \$36 million. Senator Baucus of Montana subsequently secured a written pledge from President

Clinton to fully support the sustainment of the current 500 Minuteman force. Michaela Dodge in her taped remarks for the 22nd of September Triad event, explored the cost issues associated with the GBSD, the B-21 and the Triad. We complete the taping of all speakers Monday, September 14,2020 except those speakers who will be live.

USAF Chief of Staff Brown: Change Now or Risk 'Losing a High-End Fight,' and 'Quality Airmen'

By Brian W. Everstine

The Air Force risks losing its superiority and a future conflict if change does not begin immediately, from how it buys and evaluates weapons to how it trains and deploys Airmen, Chief of Staff Gen. Charles Q. Brown Jr. writes in his first directive to the service. In an eight-page "strategic approach" memorandum to the force titled "Accelerate Change or Lose," Brown issues stern warnings on the ramifications of not taking threats seriously, and the importance of the Air Force clearly making its case to the country at large, saying failure is a realistic consequence. "Today we operate in a dynamic environment with factors that have us taking various actions to continue the mission and take care of Airmen and families," Brown wrote. "As a result, we have a window of opportunity. Our Air Force must accelerate change to control and exploit the air domain to the standard the nation expects and requires from us. If we don't change—if we fail to adapt—we risk losing the certainty with which we have defended our national interests for decades. We risk losing a high-end fight. We risk losing quality Airmen, our credibility, and our ability to secure our future."

8th AF Boss on Hypersonics, B-21, Long-Range Strike, and B-52 Re-Engining

By John A. Tirpak

The Air Force may be thinking about the AGM-183 hypersonic missile as a transitional type until more advanced systems arrive, the head of 8th Air Force said in an AFA Mitchell Institute live streaming event Aug. 31. Maj. Gen. Mark E. Weatherington also said he thinks the Long-Range Standoff nuclear cruise missile could be sped up two years, the B-21 bomber is on track and will fly in 2022, and there should be a joint analysis of whether all the services need to pursue long-range strike systems.

Hyten: New Warfighting Concept to Erase Battlefield Lines

By Connie Lee National Defense Magazine September 9,2020

A new warfighting concept due to be delivered by the end of the year will do away with the traditional concept of "battlefield lines," said Air Force Gen. John Hyten, vice chairman of the joint chiefs of staff.

Earlier this year, Defense Secretary Mark Esper tasked the Pentagon with developing new warfighting ideas for engaging in future conflicts that incorporate all battle domains and address threats outlined in the National Defense Strategy. This will require the services to restructure its forces and change the way they operate.

The development process is still in the experimentation phase, Hyten said Sept. 9 at the Department of Defense Artificial Intelligence Symposium and Exposition, which was held virtually due to COVID-19 safety concerns. However, the upcoming concept is beginning to take shape, he noted.

"We're about there and we're starting to understand what that [concept] really is," he said.

The upcoming document — which is slated to be released in December — will be unique in that it changes the way the military will operate by eliminating lines on the battlefield such as fire support coordination lines, he noted. Instead of designating areas for each of the service's operations, fires will come in from multiple domains, he said.

"We're going to be able to bring fires from all domains including space and cyber, kinetic and non-kinetic," he said. "We'll be able to bring fires from all domains seamlessly."

The goal is to be able to deter adversaries from attacking U.S. forces, he said.

"The speed in which we do that will overwhelm an adversary and hopefully create the environment where we no longer have to worry about fighting that war because an adversary will look at us and say, 'I never want to enter into war with the United States,'" he said.

Artificial intelligence will be a key part of the concept, he noted.

"It has to be enabled by artificial intelligence," he said. "We have to be able to use machine learning to create that environment, and [the] all-domain command-and-control concept has to have all those pieces together."

The department will also need to work closely with its allies, he added.

To better acquire advanced AI technologies, the Defense Department must better coordinate with industry, he said. Many companies already have the computer algorithms it needs, he noted.

There are "industry partners out there that already have functioning algorithms that can take massive amounts of data, apply the algorithms ... and learn from that [and] allow the machine to learn from that," he said.

The Pentagon will need to adopt new AI technologies in a more modern, quick way, he said.

Additionally, the Pentagon will need to change the way it acquires software, he noted. Rather than employing large development teams of about 500 people, the Defense Department should have smaller, more agile processes that can deliver products quickly.

"We have to figure out how to do that across our enterprise," he said.

China's Nuclear Buildup Changes Balance of Power

 $\underline{https://www.bloomberg.com/opinion/articles/2020-09-07/china-s-nuclear-buildup-changes-u-s-defense-strategies}$

Whether this strategic shift is good or bad for the U.S. is open to interpretation.

By: Hal Brands For Bloomberg News // September 7, 2020, 6:00 PM EDT

It wouldn't be a new cold war without an accelerating nuclear arms race.

The Pentagon <u>reported</u> last week that China is undertaking a significant nuclear buildup, which will double the size of its arsenal by 2030. That development isn't surprising, given China's strategic situation. But it's still distinctly challenging for the U.S., because it compounds the worsening military situation in the western Pacific. Since its first nuclear test in 1964, Beijing has <u>possessed</u> a relatively modest deterrent — an arsenal numbering first in the dozens and now in the low 200s of warheads.

China is now rapidly expanding that deterrent, building more and better intercontinental ballistic missiles that will improve its ability to hit targets in the U.S. It is developing a more robust "triad" — a combination of long-range bombers, ballistic missile submarines and land-based missiles — that will make its nuclear capabilities more survivable against any potential attack. The Defense Department projects that in addition to the doubling of China's nuclear warhead stockpiles over a decade, the number of warheads that can strike the U.S. will grow to roughly 200 by 2025.

The People's Liberation Army is also improving the readiness of its nuclear forces, by developing a launch-on-warning capability — a posture in which Beijing would respond to an incoming nuclear attack with a retaliatory strike before enemy warheads hit their targets. In one sense, it's not shocking that a country involved in a deepening rivalry with U.S. — which has <u>about</u> 1,400 deployed nuclear warheads — would improve its nuclear capabilities as its power grows. The more challenging question is how much, and in what ways, the Chinese buildup matters.

One interpretation is that it doesn't. Even with 400-plus warheads, China will be far short of nuclear parity with the U.S. Beijing has retained its longstanding, if <u>ambiguous</u>, "no first use" policy, and it seems highly unlikely that China would use nuclear weapons in an unprovoked attack. Indeed, the scholars Fiona Cunningham and M. Taylor Fravel have <u>argued</u> that China remains very hesitant to employ nuclear weapons in most conflicts, for fear that any nuclear war

could spin out of control. From this perspective, the Chinese buildup might be a strategic nothing-burger.

Yet this interpretation raises the obvious question of why the Chinese would engage in a pointless buildup. A second interpretation holds that the buildup is strategically meaningful, but in a good way. Nuclear strategists have long warned that it can be dangerous for both sides when one actor fears that its nuclear forces are vulnerable to a disarming first strike. In a crisis, an insecure nuclear power might feel pressure to use or lose its arsenal — to fire off its warheads before they are wiped out by an enemy strike.

For this reason, Secretary of Defense Robert McNamara actually <u>worried</u> about the vulnerability of Soviet ICBMs during the 1960s. This hypothesis is somewhat plausible, given concerns that U.S. conventional strikes on Chinese command-and-control assets could accidentally make Beijing <u>fear</u> losing contact with its nuclear forces. The trouble is that nuclear stability can, paradoxically, be destabilizing.

This possibility underpins a third interpretation — that the Chinese buildup will make life harder for the U.S. America's nuclear shield has typically been designed to shore up the conventional defense of exposed allies. During the Cold War, NATO would have struggled to stop a Soviet invasion with conventional forces, so it had to be willing to escalate to nuclear war. For that threat to be believable, the U.S. had to have a meaningful "damage-limitation" capability — the ability to wipe out most or all Soviet nuclear forces, so Moscow could not inflict catastrophic harm on America in a retaliatory attack.

There are similar considerations at work today. As the conventional military balance in the Taiwan Strait deteriorates, the U.S. might feel compelled to threaten nuclear escalation to deter or defeat a Chinese attack. But that option is only credible if the U.S. can destroy enough of China's nuclear arsenal — on the ground or with missile defenses — to prevent a devastating riposte. As one Chinese military official <u>remarked</u> during a crisis over Taiwan in 1996, America would surely not save Taipei if it meant losing Los Angeles.

This is where China's buildup matters. As recently as the mid-2000s, Beijing's arsenal was small and vulnerable enough that some experts <u>believed</u> that the U.S. could perhaps destroy it in a first strike. Several years later, the scholar Thomas Christensen <u>wrote</u> that the Chinese themselves worried that they had only a tenuous second-strike capability, and were improving their arsenal accordingly.

If China's nuclear expansion removes any remaining possibility of an effective U.S. first strike, then Washington might well be deterred from going nuclear in the first place. And that, in turn, could make Beijing more confident in its ability to wage a winning conventional war as the balance of power shifts in its favor. There's no easy fix, from an American perspective. The U.S. could try to improve its ability to target China's expanding nuclear forces, but that would be very hard and expensive when resources for nuclear modernization are already stretched quite thin.

It could look for <u>limited</u> nuclear options against China: strikes that use a small number of weapons simply to demonstrate that the war will get out of hand if Beijing doesn't call it quits.

Yet there is no guarantee that limited strikes wouldn't spiral into something more catastrophic. Or Washington could simply defend its allies and partners conventionally. That's the most attractive option in theory, but one that will also require lots of money and innovation as China's military capabilities improve.

China's nuclear buildup thus demonstrates two uncomfortable truths. First, that the requirements of strategic stability and American strategy are often at <u>odds</u>. In theory, the most stable situation is one of perfect mutual assured destruction, in which neither side has an incentive to use nuclear weapons first because neither side can escape a society-shattering response. But America's global commitments require the advantage provided by strategic instability if the U.S. is to reinforce those commitments with the threat of nuclear escalation.

This was why the U.S. never really <u>accepted</u> mutual assured destruction during the Cold War, and why the emergence of a still-inferior but more secure Chinese arsenal is troubling. Second, the dilemmas of defense in the western Pacific are only getting harder. The overriding thrust of Chinese military modernization for a quarter-century has been neutralizing the conventional advantages — long-range power projection, space-enabled precision-strike capabilities — that would allow Washington to intervene decisively in a war in China's neighborhood. The People's Liberation Army is narrowing the nuclear imbalance that backstops an eroding conventional edge. A revisionist state is getting closer to the point at which it might be able to expand its influence by force. That has, historically, been a formula for trouble.

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China's second century of shame, thanks to its Communist Party

https://thehill.com/opinion/international/515390-chinas-second-century-of-shame-thanks-to-its-communist-party

BY JOSEPH BOSCO, CONTRIBUTOR to THE HILL // 09/08/20 10:00 AM EDT

For the Chinese Communist Party (CCP), China's "century of humiliation" is the gift that keeps on giving. Beijing returns again and again to the theme of Western imperialism, oppression and exploitation to keep stoking the embers of grievance and resentment against the West, and especially the United States.

But the People's Republic that announced China had "stood up" in 1949 soon made clear what that would mean for the Chinese people and the world — and it was not an agenda that would engender pride among ordinary Chinese, or peace of mind in the international community. At home, Mao Zedong launched radical social and economic initiatives that led to domestic disasters of unfathomable proportions.

The <u>Great Leap Forward</u> and the <u>Cultural Revolution</u> together accounted for as many as 60 million Chinese deaths, eclipsing by an order of magnitude the losses sustained during the <u>Japanese invasion</u> and occupation that the CCP is happy to invoke at a moment's notice.

Aside from the tragic toll in Chinese lives lost to the revolution, the destruction of China's cultural, artistic and spiritual heritage was colossal, exceeding anything perpetrated during 14 years of brutal occupation by Imperial Japan.

Beyond China's borders, war against the world was the Chinese Communists' calling card. Within months of its creation, China joined in North Korea's invasion of South Korea, for which it was <u>branded an aggressor state</u> by the United Nations. At the same time, it invaded and occupied the autonomous states of Tibet and East Turkestan. It prepared to do the same to Taiwan until the United States intervened to prevent an even wider Asian war.

In subsequent years, China invaded parts of India, Vietnam and the Soviet Union, and fomented "wars of national liberation" throughout Asia, Africa and Latin America. At home, the communist regime instituted one grotesque cruelty after another, such as its <u>one-child policy</u> that led to widespread forced abortions and female infanticide, or the industrial-scale harvesting of organs from live prisoners of conscience. Because of its inhuman behavior domestically and its international aggression, China had become a pariah nation.

When Richard Nixon contemplated what he would do if he won the presidency in 1968, he saw the world's greatest danger in a "Red China" ruled by a government whose primary mission seemed to be to "nurture its fantasies, cherish its hates and threaten its neighbors." He made the historic decision to bring China out of its "angry isolation" and welcome it into "the family of nations." He believed that, short of war, it was the only way "to draw off the poison from the Thoughts of Mao."

That process of "dynamic detoxification" would help "open China to the world and open the world to China." All subsequent administrations, until <u>Donald Trump</u>'s, hewed to the same expanded engagement policy with the hope that China's leaders would find it in their collective heart to end the sense of grievance and anti-West hostility. But it proved to be a false expectation. As the decades passed, China grew more powerful economically and militarily, but without ever softening its paranoid view of the outside world.

It consistently failed to institute the economic and political reforms that would move it toward fulfillment of the aspirations it had signed onto in the <u>Universal Declaration of Human Rights</u> and the <u>International Covenant on Civil and Political Rights</u>. Western hopes that China finally would become a "normal" nation reached their first peak in the late 1980s when Deng Xiaoping, the diminutive and genial anti-Mao, loosened internal restrictions and introduced limited market reforms.

But, when students and workers gathered peaceably in Tiananmen Square and a hundred other cities to support Deng's economic opening and encourage parallel political reforms, he turned the guns and tanks of the People's Liberation Army against the Chinese people to remind them they lived in the People's Republic. Despite that shock, the West convinced itself it had to do even more to encourage internal political reform in China and pinned its hopes on China's accession to the World Trade Organization.

When I <u>testified against this</u> in 2000, the Senate Foreign Relations Committee chair asked if joining the WTO would change China. I said I feared it would change us. It certainly did not change Communist China. On the contrary, Beijing followed its well-established practice of exploiting as weakness every generous Western opening it now found in trade, investment, technology and intellectual property transfer (licit and illicit).

Chinese companies with ties to the Communist Party and the military even gained special lenient access to the U.S. stock markets. While Vladimir Lenin said capitalists would sell communists the rope to hang them, China proved the West also would provide it the money to buy the rope. China has escalated the attack on its own people with its human rights atrocities in Tibet (cultural genocide) and East Turkestan/Xinjiang (cultural and actual genocide), its crackdown in Hong Kong, and its persecution of all forms of dissent and free expression throughout the mainland.

On virtually a daily basis, it threatens war against democratic Taiwan for showing the Chinese people a better way. Its unleashing of the coronavirus pandemic first on its own people and then on the world — whether by strategic design or cruel and reckless disregard of the consequences of its actions — has added to the gathering shame and doubts the rulers have earned. They truly have "hurt the feelings of the Chinese people," who do not yet have the full picture of the growing opprobrium directed at communist officials by members of the international community.

Even a tiny European state such as the Czech Republic has <u>demanded an apology</u> for the crude threats issued by China's foreign minister because a Czech official visited Taiwan. Given its behavior within and outside China, the communist government has matched the reputations of Nazi Germany and the Soviet Union as abominations in the civilized world. For many, PRC soon may stand for the "Pariah Republic of China." The Chinese people deserve better.

In his July <u>speech at the Nixon Library</u>, Secretary of State <u>Mike Pompeo</u> talked of the joint responsibility the Chinese people and the outside world share to bring about long-promised change: "We must ... engage and empower the Chinese people — a dynamic, freedom-loving people who are completely distinct from the Chinese Communist Party. ... Changing the CCP's behavior cannot be the mission of the Chinese people alone. Free nations have to work to defend freedom."

GBSD, B-21 Spending Could Top \$10B In 2027: Cowen Group

https://breakingdefense.com/2020/09/gbsd-b-21-spending-could-top-10b-in-2027-cowen-group/

<u>B-21 production costs, the Cowen analysis finds, will ramp up fast, from \$202 million in 2022 to</u> \$4 billion in 2027.

By THERESA HITCHENSon September 09, 2020 at 6:05 PM

WASHINGTON: The Air Force's combined spending on the Ground Based Strategic Deterrent (GBSD) and the B-21 bomber is likely to triple by 2027 to some \$10.2 billion annually, as production begins to ramp up under both programs, the Cowen Washington Research Group estimates.

The \$13.3 billion GBSD contract, announced yesterday by the Air Force, covers engineering, manufacturing and development (EMD) of the new ICBMs through 2029. The Cowen analysis, out today, notes that while the contract announcement does not explain whether LRIP is included, it can be assumed. This is because Air Force budget justification documents detail plans for "five option years" under the contract to include "early production and deployment," author Roman Schweizer explains.

GBSD, which will replace the aging LGM-30G Minuteman III missiles that first became operational in 1970, represents one third of DoD's top priority nuclear modernization effort. The third leg of the modernization program is the Navy's planned buy of 12 new Columbia-class nuke-launching submarines, which the Pentagon's 2021 budget documents estimate to cost \$110 billion to buy. The Congressional Budget Office in 2019 estimated the price tag for the total DoD triad modernization effort at \$234 billion through 2028. This ginormous price tag does not include spending by the Energy Department to build the nuclear warheads that would be carried by DoD's ICBMs, bombers and subs.

Northrop Grumman was the sole bidder for the GBSD program following Boeing's decision last year to drop out over concerns about Northrop's acquisition of one of the two makers of solid rocket motors in the country, Orbital ATK. Cowen estimates that research and development spending for GBSD will jump from \$1.5 billion in 2021, peaking at \$3.07 billion in 2024, and decreasing to \$1.9 billion in 2027. Production, the analysis says, will begin in 2027 with a budget of \$2 billion. The Air Force's press release yesterday says that it expects to begin deploying GBSD in late 2020.

For the B-21, the analysis estimates that R&D spending will steadily decline from the \$2.8 billion in the Air Force's 2021 request to \$1.2 billion in 2027. But production costs, the analysis finds, will ramp up: from \$202 million in 2022 to \$4 billion in 2027.

| B-21 Program Profile | | | | | | | | | | | | |
|--|----------------|-------------|-------------|-------------|-----------------|---------------|---------------|---------------|---------------|---------------|------------------------|--------------------------------|
| Spending Type | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26' | FY27' |
| B-21 R&D | 710 | 1,358 | 1.915 | 2,190 | 2,982 | 2,848 | 2,896 | 2,670 | 2,260 | 1,661 | 1,412 | 1,200 |
| B-21 Prod | | | | | | | 202 | 2,400 | 3,350 | 4,020 | 4,690 | 5,096 |
| Total Budget Authority | 710 | 1,358 | 1,915 | 2,190 | 2,982 | 2,848 | 3,098 | 5,070 | 5,610 | 5,681 | 6,102 | 6,296 |
| Est Y/Y BA Change | | 91% | 41% | 14% | 36% | -4% | 9% | 64% | 11% | 1% | 7% | 3% |
| Proj. Qty | | | | | 1 | 1 | 1 | 3 | 5 | 6 | 7 | 8 |
| GBSD Program Profile | FV14 | EV47 | EV40 | EV10 | EV20 | EV24 | EV22 | EV22 | EV24 | EVar | EV241 | EVAT |
| Spending Type | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26° | |
| Spending Type | FY16 65 | FY17 114 | FY18 222 | FY19 401 | FY20 557 | FY21 1,524 | FY22 2,536 | FY23 3,034 | FY24 3,072 | FY25 3,031 | FY26* 2,728 | |
| Spending Type GBSD R&D | | | | | | | | | | | | 1,910 |
| Spending Type GBSD R&D GBSD Prod | | | | | | | | | | | | 1,910 2,000 |
| GBSD Program Profile Spending Type GBSD R&D GBSD Prod Total Budget Authority Est Y/Y BA Change | 65 | 114 | 222 | 401 | 557 | 1,524 | 2,536 | 3,034 | 3,072 | 3,031 | 2,728 | 1,910 2,000 |
| Spending Type GBSD R&D GBSD Prod Total Budget Authority | 65 | 114 | 222 | 401 | 557 557 | 1,524 | 2,536 | 3,034 | 3,072 | 3,031 | 2,728 | 1,910 2,000 3,910 |
| Spending Type GBSD R&D GBSD Prod Total Budget Authority Est Y/Y BA Change | 65 | 114 | 222 | 401 | 557 557 | 1,524 | 2,536 | 3,034 | 3,072 | 3,031 | 2,728 2,728 -10% | |
| Spending Type GBSD R&D GBSD Prod Total Budget Authority Est Y/Y BA Change | 65 | 114 | 222 | 401 | 557 557 | 1,524 | 2,536 | 3,034 | 3,072 | 3,031 | 2,728 2,728 -10% | 1,910 2,000 3,910 43% |

Source: DoD, Cowen and Company

The analysis is largely based on Air Force budget estimates through 2025, and Schweizer's own projections. Of course, this means the numbers are squishy. That's especially true for the B-21, whose program is highly classified. Indeed, the number of B-21 bombers the Air Force intends to buy, originally set at 100, remains unclear. As *Breaking D* readers know, senior service officials have been hinting loudly that they need more.

In addition, unit costs for the stealth bomber's production are also classified. Way back in 2015, when the Air Force awarded Northrop Grumman the B-21 contract, it put a cap on the Average Production Unit Cost per aircraft of \$550 million in 2010 dollars. "The APUC from the independent estimate supporting today's award is \$511 million per aircraft, again in 2010 dollars," the release added. No updated assessments have been released. Several high officials have said the program is on budget and on schedule, without providing any details.

Finally, the production schedule and the count of how many are to be built each year, is classified, along with the planned annual procurement costs. That said, our colleagues at Bloomberg reported in February that internal Air Force budget documents show procurement starting in 2022 budgeted at \$193 million. That jumps to \$4.3 billion in 2025. Schweizer said in an email that his estimates are based on those numbers, and that the projections for 2026 and 2027 are his own.

Cowen's analysis notes that Congress is by and large supportive of both efforts. While some have fretted that presidential candidate Joe Biden might reconsider building the GBSD, the document says that is not likely. After all, the Obama administration, during which Biden served as Veep, actually started the program.

A new U.S. ambassador: Meanwhile, in a huge win for the increasingly influential antiinterventionist lobby, the White House on Thursday announced the nomination of <u>Will Ruger</u>, vice president for research and policy at the Charles Koch Institute, to be the ambassador to Kabul.

Tensions Being Reduced on Korean Peninsula: The commander of U.S. forces in Korea on Thursday cited an "identifiable" reduction in tensions on the Korean peninsula compared to previous years. Army Gen. Robert Abrams said North Korea has generally been abiding by the comprehensive military agreement reached in September 2018 and called the situation "generally pretty calm." The country has not conducted any long-range or nuclear missile tests in more than two years,

Defense Contractor Help: The Professional Services Council is pressing congressional leaders to prolong a program that reimburses contractors for sick or paid leave offered employees who can't access the federal facilities where they need to work. <u>In a letter to House and Senate leaders</u>, PSC President and CEO David Berteau urged lawmakers to extend the authority, which expires on Sept. 30, as part of a stopgap government funding bill expected to pass this month. The government-wide program, created by <u>Section 3610 of the CARES Act</u> stimulus bill in March, "is clearly needed" until the pandemic subsides to keep workers on payrolls and "in a ready state."

Navy Ship Building: Small budget transfers for multiple programs in the markups of the defense bill are often slated to increase the shipbuilding budget of the US Navy. But the Navy is still not on track to reach 355 ships. In its latest budget submission, the service is projected to grow to just 305 ships by the end of what would be Trump's second term.

Esper early this year tasked Norquist to lead a "future naval forces" study after expressing dissatisfaction with the Navy's most recent shipbuilding plan. The new effort brought together officials from the Navy, Marine Corps, Joint Staff, Office of the Secretary of Defense, and outside advisers to determine the makeup of the fleet by 2045.

Report from the Pentagon on China: Sobering News***

"Major Surprises" in DoD's 2020 China Report to Congress. (Sept. 1, 2020), (~200-pages). ["Military and Security Developments Involving The People's Republic of China"]

1. Chinese Communist Party (CCP) President Xi intends to <u>dominate the United States</u>, both in <u>economic-might</u> & <u>military-might</u>, by ~2049. "Military-might-makes-right", also directly-fuels

critical China economic growth, through coercion of INDOPACOM neighbors & US Allies. The CCP believes that nothing can stop China's manifest-destiny, of eventual global-domination.

- 2. China is waging a "whole-of-country" attack against the United States, through its "Military-Civil-Fusion" Initiative. China believes that its entire Economy, must be used for both "Competition-&-War". China's Military is the Economy. China's Economy is the Military. They are one-&-the-same. An economic competitor is an enemy of China. A military competitor is an enemy of China. China will continue its massive-theft of targeted US IP, until there is a credible-deterrent, or a painful US counter-reaction. Use of Chinese social-media "apps", allows China to collect the private-personal-data of hundreds-of-millions of Americans, for future exploitation & coercion.
- 3. China will use whatever means necessary, to <u>buy-or-steal</u> those critical <u>disruptive-technologies</u>, that generate both <u>economic-wealth</u> & <u>military-power</u>. China realizes that "<u>data is the new gold</u>". China plans to build the dominant <u>global-digital-infrastructure</u>. China then plans to <u>harvest all of the private-sensitive-data</u> of companies, governments, and citizens, that use China's global-digital-networks. China plans to become all-knowing, through its <u>global-surveillance-state</u>. [Importantly, China clearly-fears the <u>US Navy</u>, particularly SSN <u>nuclear-powered attack submarines</u>]
- 4. China will do everything possible to <u>hide its true intentions</u>, and plans for <u>economic</u>, <u>technological-superiority</u>, and <u>military-might</u>, until it is too late for the US to stop China.
- 5. China is likely to become even more secretive, concealing its intentions, following the bruising-tariffs by the US, that directly-slowed China's critical 2019 GDP growth. However, it is increasingly-likely that US Allies will recognize China's true character, following China's original-concealment of COVID-19 pandemic.
- 6. For China, the <u>current international-order</u> that fueled China's economic rise, is merely a means-to-an-end, that <u>must ultimately be destroyed</u>, to enable China's true unfettered economic development.
- 7. <u>China blames the United States</u> for slowing its manifest-destiny of world-domination. China believes that the <u>US is "in-decline</u>". China is co-opting international organizations, to create a "<u>multi-polar-system</u>", to generate "<u>veto-power</u>" over the United States, and to accept China's revisionist-narrative. China characterizes itself as a struggling, "<u>developing-nation</u>", until at least ~2035.

- 8. China conducts <u>pervasive propaganda/information operations</u>, paying/coercing/co-opting US public figures & institutions, to drown-out the growing-threat from the CCP.
- 9. All of China's <u>PLA</u> armed forces are under the direct-command of the CCP <u>Central Military Commission</u>, chaired by <u>President Xi</u>.
- 10. China's "<u>Active-Defense</u>" Strategy <u>openly-authorizes preemptive-attacks</u>, against any "enemy preparing to attack". China also advocates for attacking-first, <u>if</u> that will lessen the duration, or magnitude, of an expected-conflict. China's Active-Defense Strategy also emphasizes <u>asymmetric-attacks</u>, to blunt or delay traditional <u>US power-projection</u> of conventional forces.
- 11. China's short-term military-objective is to "deter/delay/deny" US military power-projection, in any potential Chinese blockade or invasion of Taiwan, (or its smaller islands). China's promise of Taiwan "one-country/two-systems" no longer appears credible, given recent Chinaseizure of Hong Kong law enforcement, (breaching that "one-country/two-systems" agreement).
- 12. China will <u>defy international law</u>, and <u>take provocative military action</u>, to seize control of <u>minerals & oil</u> to fuel its Economy. China's Achilles-heel is its need to import ~10M barrels of oil per day, to fuel ~80% of its industrial energy needs. China's "<u>One-Belt-One-Road</u>" Initiative is targeted at countries that: (a) have valuable <u>mineral/oil rights</u>; (b) allow "<u>Debt-trap-diplomacy</u>", to veto or silence disgruntled-neighbors; or (c) are at key <u>logistical choke-points</u> or "over-watch" locations.
- 13. China appears <u>largely-ambivalent</u> on resolving the <u>North Korea</u> impasse, generally-honoring UN sanctions; but is primarily-focused on avoiding the collapse of Kim Jong-un's Regime, that would then flood China with fleeing-refugees.
- 14. China appears to be spending at least ~\frac{\$200B/year on defense}{}, (after excluded-categories are re-added). [China claims its 2019 defense budget is only ~\frac{\$174B}{}, (~25\% of DoD's \frac{\$705B 2021}{}] Budget Request)] China's defense budget has been growing at ~\frac{+8\% inflation-adjusted-rate per year on average. China is clearly-avoiding large RDT&E costs, through its pervasive theft of US defense technology & weapon system designs, through cyber-attacks, espionage, and "adversarial-capital" activities. Separately, there is still a massive discrepancy, between China's claimed ~\frac{\$174B}{year} of total defense spending, and the sheer number of new ships,

IRBMs, ICBMs, submarines, aircraft carriers, and now hypersonic weapons, that China is fielding each year.

- 15. DoD openly-warns that <u>China is already ahead of US Forces</u> in sheer quantities of: (a) <u>ships</u>; (b) <u>Intermediate Range Ballistic Missiles</u>; and (c) <u>Integrated Air Defense Systems</u>.
- 16. <u>PLAN Navy</u> is clearly China's crown-jewel, with ~350 ships, including: (a) four <u>SSBN</u>, (could increase to ~8 <u>SSBNs</u> by ~2030); (b) six SSN <u>nuclear-powered attack submarines</u>; (c) 50 <u>diesel-powered attack submarines</u>; (d) ~23 <u>DDG</u> destroyers; (e) ~42 <u>corvettes/frigates</u>; (f) ~two <u>LHAs</u>; (g) ~8 <u>LPDs</u>; and (h) 1st <u>domestically-built aircraft carrier</u> (Shandong).
- 17. <u>PLA Rocket Force</u> is China's other crown-jewel, with: (a) ~1,250 <u>IRBMs</u> (including both <u>DF-21</u> & <u>DF-26</u> missiles, attempting to target Guam & aircraft carriers); (b) ~100 current nuclear-tipped <u>ICBMs</u>, (but growing to ~200 <u>ICBMs</u> in ~five-years), (including new MIRV-capable <u>DF-41</u>); and (c) hypersonic <u>DF-17</u> glide-vehicle.
- 18. <u>PLA Strategic Support Force</u> contains all of PLA's: (a) <u>counter-space</u> capabilities, (direct-ascent interceptors; ground-based lasers; jammers; on-orbit ramming spacecraft); and (b) EW/cyber-security/Information Operations.
- 19. <u>PLA Air Force</u> & <u>PLAN Aviation</u> have ~2,000 combat aircraft, with the goal of achieving a majority of fourth-generation fighters "over-next-several-years". Production of claimed fifth-generation <u>J-20</u> fighter is still in its infancy, (with smaller <u>J-31</u> aircraft being developed for export, plus future Chinese aircraft carriers). DoD warns that PLAAF is closing traditional combat-overmatch quickly. Lastly, DoD warns that PLAAF <u>integrated-air-defenses</u>, (of Russian <u>S-300</u> & soon-to-be <u>S-400</u>), are highly-lethal.
- 20. China has the world's largest standing <u>PLA Army</u>, (with ~915K Active Soldiers), but appears to be shifting resourcing to PLAN Navy; PLARF Rocket Force, (including ICBMs); and PLA Strategic Support Force (counter-space).
- 21. PLA's Achilles-heel appears to be a combination of: (a) poor <u>Battle Management</u> and <u>C4ISR</u>; (b) weak <u>joint warfighting doctrine</u>; (c) limited <u>Readiness</u> to fight; and (d) the "<u>Five Incapables</u>", (weakness of Officer Corps to understand Commander's Intent, and then fight in a decentralized-manner).

- 22. While China has a credible <u>Air Defense Network</u>, it is not yet truly-clear whether China has a significant <u>missile defense capability</u>, (other than potential terminal/point defense).
- 1. Chinese Communist Party (CCP) President Xi intends to dominate the United States, both in <u>economic-might</u> & <u>military-might</u>, by ~2049. "Military-might-makes-right", also directly-fuels critical China economic growth, through coercion of INDOPACOM neighbors & US Allies. The CCP believes that nothing can stop China's manifest-destiny, of eventual global-domination.
- · "PLA's objective is to become a 'world-class' military by the end of 2049...It is likely that Beijing will seek to develop a military...that is equal to—or in some cases superior to—the U.S. military..."
- "Given the far-reaching ambitions the CCP has for a rejuvenated China, it is unlikely that the Party would aim for an end-state in which China would remain in a position of military inferiority vis-à-vis the United States...For China to...willingly accept a permanent condition of military inferiority, would seem anathema to the fundamental purpose of becoming a 'great modern socialist country."
- "The CCP desires the <u>PLA</u> to become a practical instrument of its statecraft...particularly...to revise aspects of the international order."
- "The PRC's foreign policy seeks to revise aspects of the international order, on the Party's terms...forging an external environment conducive to China's 'national rejuvenation'."
- · "In 2019, China intensified its efforts to advance its overall development, including steadying economic growth, strengthening its armed forces, and taking a more active role in global affairs."
- "As Party leaders view a divided China, as a weak China, they argue that 'full reunification'—unification with Taiwan on Beijing's terms', and completing Hong Kong and Macau's integration by the end of 2049—is a fundamental condition of national rejuvenation."
- "The CCP's leaders claim that their strategy to achieve national rejuvenation, requires the PRC to 'lead the reform of the global governance system', as...an intolerable constraint on their strategic ends...To the CCP, revisions are necessary to accommodate China's development..."

- "For China's strategy in the 'New Era,' [President] Xi laid out...a timeline linked to two symbolically-important 'centenary milestones' reached in 2021 (the CCP's centenary) and 2049 (the PRC's centenary). To bridge the lengthy gap between the two anniversaries, Xi added interim objectives for 2035, and laid out a broad two-stage modernization plan to reach 2049."
- "In the first stage from 2021 to 2035...China will likely continue to prioritize economic development as 'the central task,'...By 2035, China will also seek to increase its economic and technological strength to become a 'global leader in innovation' and to 'basically' complete its military modernization."

- 2. China is waging a "whole-of-country" attack against the United States, through its "Military-Civil-Fusion" Initiative. China believes that its entire Economy, must be used for both "Competition-&-War". China's Military is the Economy. China's Economy is the Military. They are one-&-the-same. An economic competitor is an enemy of China. A military competitor is an enemy of China. China will continue its massive theft of targeted US IP, until there is a credible-deterrent, or a painful US counter-reaction. Use of Chinese social-media "apps", allows China to collect the private-personal-data of hundreds-of-millions of Americans, for future exploitation & coercion.
- "The PRC pursues its <u>Military-Civil Fusion</u> (MCF) Development Strategy as a nationwide endeavor...The Party's leaders view MCF as a critical element of their strategy for the PRC to become a 'great modern socialist country', which includes becoming a world leader in science and technology (S&T) and developing a 'world-class' military."
- "MCF [Military-Civil Fusion] encompasses...fusing...China's defense industrial base, and its civilian technology and industrial base...integrating...military and civilian sectors...to include all relevant aspects of its society and economy for use in competition and war."
- The Party conceives of China's...'basic economic system' in which public ownership is dominant...comprised of China's public ownership economy and the multi-ownership economy...The CCP sets more specific development goals in its Five-Year Plans (FYPs). The PRC is currently executing the 13th FYP, and the CCP is formulating the 14th FYP that will cover 2021-2025."
- "Made in China 2025: First announced by the PRC in May 2015...setting higher targets for domestic manufacturing in...<u>robotics</u>, <u>power equipment</u>, and next-generation <u>information</u> <u>technology</u> by 2020 and 2025...awarding subsidies...while increasing pressure on foreign firms to transfer technology."
- "The PRC has mobilized vast resources...in strategic S&T fields...The PRC's state investment funds...have marshalled hundreds of billions of dollars in capital...China's private

sector, led by Internet companies <u>Baidu</u>, <u>Alibaba</u>, and <u>Tencent</u>, and telecommunications equipment manufacturers <u>Huawei</u> and <u>Zhongxing Telecommunications Company Ltd</u>.

(ZTE), is driving...<u>facial recognition</u> and <u>5G</u>...In 2017, China designated <u>Alibaba</u>, <u>Baidu</u>, <u>iFlytek</u>, and <u>Tencent</u> as the country's official '<u>AI Champions</u>,' with <u>SenseTime</u> joining in 2018...In 2019, China added ten new companies, including <u>Huawei</u>, <u>Hikvision</u>, <u>Megvii</u>, and <u>Yitu</u>, to the champions list...AI and facial recognition firms like <u>SenseTime</u>, <u>Megvii</u>, and <u>Deepglint</u>, reportedly received hundreds of millions of dollars in investments in 2017. China is the world's largest market for video surveillance technologies. The 2017 <u>National Intelligence Law</u> requires PRC companies, such as <u>Huawei</u> and <u>ZTE</u>, to support, provide assistance, and cooperate in China's national intelligence work wherever they operate."

"The PRC is pursuing...hypersonic weapons, electromagnetic railguns, directed energy weapons, and counter-space capabilities. The country's effort to build national 'corporate champions', that achieve rapid market dominance...directly complements the PLA's modernization efforts...Some emerging technologies include: > AI and Advanced Robotics: enhanced data exploitation, decision support, manufacturing, unmanned systems, and command, control, communications, computers, intelligence, surveillance, and reconnaissance (C4ISR). > Semiconductors and Advanced Computing...> Quantum Technologies: secure global communications, enhanced computing and decryption capabilities, undersea target detection, and enhanced submarine navigation. > Biotechnology...advanced human-machine teaming. > Hypersonic and Directed Energy Weapons: global strike and defeat of missile defense systems, antisatellite (ASAT)/missile/unmanned aircraft system capabilities. > Advanced Materials and Alternative Energy..."

"In November 2019, a U.S. Federal grand jury indicted a PRC national who had worked as an imaging scientist for Monsanto...on...economic espionage...In December 2018, the U.S. Department of Justice indicted two PRC nationals associated with a hacking group operating in China, known as Advanced Persistent Threat 10 (APT10)...resulting in the theft of hundreds of gigabytes of sensitive data involving aviation, space and satellite technology, manufacturing technology, pharmaceutical technology, oil and gas exploration... communications technology, computer processor technology...In August 2017, a U.S. cybersecurity firm identified a separate hacking group in China, referred to as <a href="maintenance-ma

3. China will use whatever means necessary, to buy-or-steal those critical disruptive-technologies, that generate both <u>economic-wealth</u> & <u>military-power</u>. China realizes that data is "the new gold". China plans to build the dominant global-digital-infrastructure. China then plans to harvest all of the private-sensitive-data of companies, governments, and citizens, that use China's global-digital-networks. China plans to become all-knowing,

through its global-surveillance-state. [Importantly, China clearly-fears the US Navy, particularly SSN nuclear-powered attack submarines]

- "China seeks to become a leader in key technologies...<u>AI</u>, <u>autonomous systems</u>, <u>advanced computing</u>, <u>quantum information sciences</u>, <u>biotechnology</u>...China has invested significant resources to...subsidize companies involved in strategic S&T fields...China continues to undermine the integrity of the U.S. science and technology research enterprise through...hidden diversions of research...and intellectual property."
- The PRC leverages foreign investments, commercial joint ventures, mergers and acquisitions, and state-sponsored industrial...espionage, and the manipulation of export controls for the illicit diversion of dual-use technologies...In 2019, the PRC's efforts included efforts to acquire dynamic random access memory, aviation, and anti-submarine warfare technologies."
- "<u>Digital Silk Road</u>...seeks to build China-centric digital infrastructure, export industrial overcapacity, facilitate expansion of Chinese technology corporations, and <u>access large repositories of data</u>...China is investing in...next-generation cellular networks—such as fifthgeneration (5G) networks—fiber optic cables, undersea cables, and data centers...satellite navigation systems, artificial intelligence (AI), and quantum computing..."

- 4. China will do everything possible to hide its true intentions, and plans for <u>economic</u>, <u>technological-superiority</u>, and <u>military-might</u>, until it is too late for the US to stop China. To China, the ends-justify-the-means.
- "CCP leaders recognized China's growing strength could flare tensions with others, without careful management. Deng Xiaoping's reputed approach to this dilemma...was for China to, 'hide our capacities and bide our time'...The Party's leaders have also offered a view of competition based on relative levels of economic, technological, and military power."
- "PLA writings divide military operations into two categories: war and non-war. The PLA's concept of non-war military activities (NWMA) is...expansive...ranging from...suppressing domestic unrest, to maritime rights protection...And may include the threat of violence, or the use of violence, from low levels to levels approaching war."

5. China is likely to become even more secretive, concealing its intentions, following the bruising-tariffs by the US, that directly-slowed China's critical 2019 GDP growth. However, it is increasingly-likely that US Allies will recognize China's true character, following China's original-concealment of COVID-19 pandemic.

• "In 2019...U.S.-China trade tensions exacerbated a slowdown in China's economy...In the first three quarters of 2019, China posted an official gross domestic product growth rate of 6.2 percent, marking the slowest rate of growth in nearly 30 years."

6. For China, the current international-order that fueled China's economic rise, is merely a means-to-an-end, that must ultimately be destroyed, to enable China's true unfettered economic development.

- The Party views a shift towards a 'multi-polar' system as vital for China to advance its strategy. China's leaders have eagerly embraced narratives of the West's relative decline and the inevitability of China's rise, as largely consistent with their strategy...Despite China benefiting enormously from the general peace and prosperity of the current international system, the Party views core aspects of the system as incompatible with its strategy..."
- "China desires to continue benefiting from the general peace and prosperity it has enjoyed for decades under the current international system, in order to advance its overall development towards 'national rejuvenation'. Simultaneously, China's national ambitions...induce it to adopt more assertive and revisionist policies which threaten the peace..."

- 7. China blames the United States for slowing its manifest-destiny of world-domination. China believes that the US is "in-decline". China is co-opting international organizations, to create a "multi-polar-system", to generate "veto-power" over the United States, and to accept China's revisionist-narrative. China characterizes itself as a struggling, "developing-nation", until at least ~2035.
- "Beijing has also expressed concerns over...mounting sense of insecurity towards the United States. The PRC's 2019 defense white paper criticized the United States as the 'principal instigator' of global instability...The PRC's leadership...views the United States as more willing to confront Beijing...CCP leaders' perceptions of...an increasingly confrontational United States, is consistent with the Party's long-held opinion...that the United States seeks to prevent China's rejuvenation."
- · "China differentiates its goals...among...<u>major powers, peripheral nations, developing nations,</u> and <u>international organizations</u>...China contends that a new framework for relations is necessary...in essence a multipolar system. With <u>peripheral nations</u>, China seeks...[to] create a more favorable environment along its maritime and land borders...For <u>developing countries</u>, China emphasizes solidarity and...'actively' carrying out multilateral diplomatic work...such as the World Health Organization (WHO)..."
- · "In 2019, President Xi Jinping made seven foreign trips, [including to]...the <u>G20 Summit</u>. In June 2019 alone, President Xi traveled to Russia, Central Asia, North Korea, and Japan. President Xi also hosted a number of large-scale diplomatic events in China, including the second 'Belt and Road' International Cooperation Summit Forum."

- 8. China conducts pervasive propaganda/information operations, paying/coercing/coopting US public figures & institutions, to drown-out the growing-threat from the CCP.
- "The PRC conducts <u>influence operations</u>...by targeting cultural institutions, media organizations, business, academic, and policy communities in the United States...and international institutions...to condition domestic, foreign, and multilateral political establishments and public opinion, to accept Beijing's narratives."

9. All of China's <u>PLA</u> armed forces are under the direct-command of the CCP <u>Central Military Commission</u>, chaired by <u>President Xi</u>.

The <u>PLA</u> is the principal armed wing of the CCP...The <u>CCP Central Military</u> <u>Commission</u> (CMC), currently chaired by <u>Xi Jinping</u>, is the highest military decision-making body in China. As a party-army, the PLA is a political actor...Party leaders and official propaganda have increasingly emphasized the principles of the Party's absolute control over the PLA, and the PLA's loyalty to the Party..."

10. China's "Active-Defense" Strategy openly-authorizes preemptive-attacks, against any "enemy preparing to attack". China also advocates for attacking-first, if that will lessen the duration, or magnitude, of an expected-conflict. China's Active-Defense Strategy also emphasizes asymmetric-attacks, to blunt or delay traditional US power-projection of conventional forces.

- "China's military strategy is based on 'active defense'...Active defense encompasses offensive and preemptive aspects...China's 2019 defense white paper reaffirmed active defense as the basis for its military strategy. Minister of National Defense Gen Wei Fenghe reiterated this principle of active defense in his speech at the Ninth Beijing Xiangshan Forum in 2019..."
- "The PRC's 2019 defense white paper describes this principle as, 'We will not attack unless we are attacked, but we will surely counterattack if attacked.' Active defense may entail...preemptively striking an adversary preparing to attack...This aspect emphasizes...avoiding enemy strengths, and concentrating on building asymmetric advantages against enemy weaknesses..."
- "The 'dialectical unity of restraining war and winning war'. This tenet seeks to resolve the dilemma that using too little force may protract a war, instead of stopping [a war]...If war is unavoidable, however, this aspect calls for restraining war by taking the 'opening move' and 'using war, to stop war."
- "The PRC's stated defense policy is to 'resolutely safeguard' its sovereignty...according to its 2019 defense white paper...To oppose and contain 'Taiwan independence'...to safeguard China's maritime rights and interests...to safeguard China's security interests in outer space,

electromagnetic space and cyberspace...and to support the sustainable development of the country."

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- 11. China's short-term military-objective is to "deter/delay/deny" US military power-projection, in any potential Chinese blockade or invasion of <u>Taiwan</u>, (or its smaller islands). China's promise of Taiwan "one-country/two-systems" no longer appears credible, given recent China-seizure of Hong Kong law enforcement, (breaching that "one-country/two-systems" agreement).
- "Relations between the PRC and <u>Taiwan</u> remained at an impasse through 2019. Since the 2016 election of Tsai Ing-wen as Taiwan's president, China halted formal communication with Taiwan...The PLA also is likely preparing for a contingency to unify Taiwan with the mainland by force, while simultaneously deterring, delaying, or denying any third-party intervention on Taiwan's behalf..."
- "In January 2019, President Xi Jinping publicly reiterated China's long-standing refusal to renounce the use of force to resolve the Taiwan issue. In the same speech, Xi also reaffirmed China's long-standing position for peaceful unification under the principle of 'one country, two systems."
- "The PLA could initiate the military options...[1] Air and Maritime Blockade...Large-scale missile strikes and possible seizures of Taiwan's offshore islands would accompany a Joint Blockade...China will also likely complement its air and maritime blockade operations with concurrent electronic warfare (EW), network attacks, and information operations (IO)...[2] Limited Force or Coercive Options...Such a campaign could include computer network or limited kinetic attacks against Taiwan's political, military, and economic infrastructure...Similarly, PLA special operations forces (SOF) could infiltrate Taiwan and conduct attacks against infrastructure or leadership targets; [3] Air and Missile Campaign. China could use missile attacks and precision air strikes against air defense systems, including air bases, radar sites, missiles, space assets, and communications facilities...[4] Invasion of Taiwan...The objective would be to break through...shore defenses, establish and build a beachhead...and...seize and occupy key targets or the entire island...These stresses, combined with China's combat force attrition, and the complexity of urban warfare...make an amphibious invasion of Taiwan a significant political and military risk...China could launch an invasion of small Taiwan-occupied islands in the South China Sea such as Pratas or Itu Aba. A PLA invasion of a medium-sized, better-defended island such as Matsu or **Jinmen is within China's capabilities.** Such an invasion would demonstrate military capability, political resolve, and achieve tangible territorial gain, while simultaneously showing some measure of restraint. However, this kind of operation involves significant...political risk, because it could galvanize pro-independence sentiment on Taiwan, and generate international opposition."
- "Taiwan's military spending remains at approximately two percent of its gross domestic product. In August 2019, Taiwan said it would increase the island's defense budget by 5.2

percent to NT \$358 billion (\$11.6 billion). Meanwhile, China's official defense budget continues to grow, and for 2019, is roughly 15 times that of Taiwan, with much of it focused on developing the capability to unify Taiwan with the PRC by force."

- 12. China will defy international law, and take provocative military action, to seize control of minerals & oil to fuel its Economy. China's Achilles-heel is its need to import ~10M barrels of oil per day, to fuel ~80% of its industrial energy needs. China's "One-Belt-One-Road" Initiative is targeted at countries that: (a) have valuable mineral/oil rights; (b) allow "Debt-trap-diplomacy", to veto or silence disgruntled-neighbors; or (c) are at key logistical choke-points or "over-watch" locations.
- "In 2019, China imported approximately 10.1 million barrels per day of crude oil, which met approximately 77 percent of its needs. Also in 2019, China met 43 percent of its natural gas demand with imports...Most of China's oil and natural gas imports come primarily from the Persian Gulf, Africa, Russia, and Central Asia...In 2019, approximately 77 percent of China's oil imports, and 10 percent of its natural gas imports, transited the South China Sea and Strait of Malacca."
- "China and Japan have overlapping claims to both the continental shelves and the exclusive economic zones (EEZs) in the East China Sea...Japan maintains that an equidistant line from each country involved should separate the EEZs, while China claims an extended continental shelf beyond the equidistant line to the Okinawa Trench."
- "The South China Sea plays an important role...because...[of]...flow of oil and commerce through South China Sea shipping lanes...China claims sovereignty over the Spratly and Paracel Island groups...within its ambiguous self-proclaimed 'nine-dash line' claims disputed...by Brunei, the Philippines, Malaysia, Vietnam, Taiwan...In 2016, a tribunal established pursuant to the Law of the Sea Convention, ruled that any PRC claim to 'historic rights'...within the area depicted as the 'nine-dash line', could not exceed its maritime rights...set out in the Law of the Sea Convention. China did not participate in the arbitration, and PRC officials publicly voiced opposition to the ruling. By the terms of the Convention, the ruling is final and binding on China and the Philippines."
- "In 2019, China did not resume <u>South China Sea</u> land reclamation or major military infrastructure construction at its <u>seven Spratly Islands outposts</u>. China's outposts...include advanced weapon systems; however, no large-scale air presence has been yet observed in the Spratly Islands. In 2019, China deployed PLAN, CCG, and civilian ships in response to Vietnamese and Malaysian drilling operations within China's claimed 'nine-dash-line' and construction by the Philippines at Thitu Island."
- "In July 2016, an arbitral tribunal convened pursuant to provisions in the 1982 Law of the Sea Convention, ruled in a case brought by the Philippines, that China's claims to 'historic rights' in the South China Sea...depicted by the 'nine-dash line', could not exceed...relevant

provisions of the Law of the Sea Convention...China has deployed anti-ship cruise missiles (ASCMs) and long-range surface-to-air missiles (SAMs) to the <u>Spratly Islands</u>, and fighters and SAMs to the disputed Paracel Islands."

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- 13. China appears largely-ambivalent on resolving the <u>North Korea</u> impasse, generally-honoring UN sanctions; but primarily-focused on avoiding the collapse of Kim Jong-un's Regime, that would then flood China with fleeing-refugees.
- "China largely continues to enforce a number of the UN Security Council's resolution sanctions against North Korea, but Beijing regularly fails to act against illicit ship-to-ship transfers in China's territorial seas...In 2019, President Xi Jinping met twice with Kim Jong-un...China's focus on maintaining stability on the Korean Peninsula, involves preventing North Korea's collapse and military conflict on the Peninsula. Toward these ends, China continues to advocate for a dual-track approach towards North Korea, that embraces both dialogue and pressure, and that encourages the resumption of U.S.- North Korea talks."

- 14. China appears to be spending at least ~\$200B/year on defense, (after excluded-categories are re-added). [China claims its 2019 defense budget is only ~\$174B, (~25% of DoD's \$705B 2021 Budget Request)] China's defense budget has been growing at ~+8% inflation-adjusted-rate per year on average. China is clearly-avoiding large RDT&E costs, through its pervasive theft of US defense technology & weapon system designs, through cyber-attacks, espionage, and "adversarial-capital" activities. Separately, there is still a massive discrepancy, between China's claimed ~\$174B/year of defense spending, and the sheer number of new ships, IRBMs, ICBMs, submarines, aircraft carriers, and now hypersonic weapons, that China is fielding each year.
- "In early 2019, the PRC announced a 6.2-percent inflation-adjusted increase in its annual military budget to \$174 billion, which is approximately 1.3 percent of gross domestic product. This year's budget...sustains the PRC's position as the second-largest military spender in the world, after the United States. The PRC's defense budget has nearly doubled during the past 10 years...China's official military budget grew at an annual average of approximately 8 percent in inflation-adjusted terms...The PRC's published military budget omits several major categories of expenditures...In 2019, China's actual military-related spending could be more than \$200 billion..."
- "Economic forecasters project that China's economic growth will slow during the next 10 years, falling from 6.1 percent in 2019, to 3 percent in 2030, which could slow future defense spending growth."

- 15. DoD warns that China is already ahead of US Forces in sheer quantities of: (a) ships;(b) Intermediate Range Ballistic Missiles; and (c) Integrated Air Defense Systems.
- *China is already ahead of the United States in certain areas such as: [1] Shipbuilding: The PRC has the largest navy in the world, with an overall battle force of approximately 350

ships and submarines, including over 130 major surface combatants...[2] <u>Land-based conventional ballistic and cruise missiles</u>: The PRC has more than 1,250 ground-launched ballistic missiles (GLBMs) and ground-launched cruise missiles (GLCMs) with ranges between 500 and 5,500 kilometers...[3] <u>Integrated air defense systems</u>: The PRC has one of the world's largest forces of advanced long-range surface-to-air systems—including Russian-built S-400s, S-300s..."

16. <u>PLAN Navy</u> is clearly China's crown-jewel, with ~350 ships, including: (a) four <u>SSBN</u>, (could increase to ~8 SSBNs by ~2030); (b) six SSN <u>nuclear-powered attack submarines</u>; (c) 50 <u>diesel-powered attack submarines</u>; (d) ~23 <u>DDG</u> destroyers; (e) ~42 <u>corvettes/frigates</u>; (f) ~two <u>LHAs</u>; (g) ~8 <u>LPDs</u>; and (h) 1st <u>domestically-built aircraft carrier</u> (Shandong).

- "The <u>People's Liberation Army Navy</u> (PLAN) is the largest navy in the world with a battle force of approximately 350 platforms, including major surface combatants, submarines, ocean-going amphibious ships, mine warfare ships, aircraft carriers, and fleet auxiliaries...As of 2019, the PLAN is largely composed of modern multirole platforms, featuring advanced anti-ship, anti-air, and anti-submarine weapons and sensors."
- "Modernizing the PLAN's <u>submarine force</u> remains a high priority for the PRC. The PLAN currently operates <u>four nuclear-powered ballistic missile submarines</u> (SSBNs) with two additional hulls fitting out, <u>six nuclear-powered attack submarines</u> (SSNs), and <u>50 diesel-powered attack submarines</u> (SSs). The PLAN will likely maintain between 65 and 70 submarines through the 2020s...China continues to increase its inventory of conventional submarines capable of firing advanced anti-ship cruise missiles (ASCMs). Since the mid-1990s, the PLAN has purchased 12 Russian-built <u>Kilo class SS</u> units, eight of which are capable of launching ASCMs. During these years, China's shipyards have delivered 13 <u>Song class SS</u> units (Type 039) and 17 <u>Yuan class</u> diesel-electric air-independent powered attack submarine (SSP) (Type 039A/B). The PRC is expected to produce a total of 25 or more Yuan class submarines by 2025."
- "Over the past 15 years, the PLAN has constructed twelve nuclear submarines two Shang I class SSNs (Type 093), four Shang II class SSNs (Type 093A), and six Jin class SSBNs (Type 094)...Equipped with the CSS-N-14 (JL-2) submarine-launched ballistic missile (SLBM), the PLAN's four operational Jin class SSBNs represent the PRC's first credible sea-based nuclear deterrent. Each Jin class SSBN can carry up to 12 JL-2 SLBMs...China's next-generation Type 096 SSBN, which will likely begin construction in the early-2020s, will reportedly carry a new type of SLBM. The PLAN...could have up to eight SSBNs by 2030."
- "The PLAN remains engaged in a robust shipbuilding program for <u>surface combatants</u>, producing new <u>guided-missile cruisers</u> (CGs), <u>guided-missile destroyers</u> (DDGs) and <u>corvettes</u> (FFLs)...In December 2019, China launched the sixth <u>Renhai</u> class cruiser (Type 055)...The Renhai carry a large load out of weapons including ASCMs, surface-to-air missiles (SAMs), and anti-submarine weapons, along with likely LACMs, and anti-ship

ballistic missiles (ASBMs) when those become operational. By the end of 2019, the PRC had launched 23 <u>Luyang III</u> DDGs—including 10 lengthened <u>Luyang III MODs</u>...Both...have a 64-cell multipurpose vertical launch system...By the end of 2019, more than 42 <u>Jiangdao class</u> FFLs had entered service, out of an expected production run of at least 70 ships..."

- "China's investment in LHAs signal its intent to continue to develop its <u>expeditionary</u> warfare capabilities. In 2019, China launched its first <u>Yushen class</u> LHA (Type 075) and a second <u>Yushen class</u> LHA is under construction, with additional hulls expected during the 2020s...The <u>Yushen class</u> can carry a large number of landing craft, troops, armored vehicles, and helicopters. In addition, the PLAN has seven large <u>Yuzhao class</u> amphibious transport docks (LPDs) (Type 071), with an eighth ship expected to commission in 2020...The <u>Yushen</u> and <u>Yuzhao</u> can each carry several of the new <u>Yuyi class</u> air-cushion medium landing craft and a variety of helicopters, as well as tanks, armored vehicles and PLAN marines..."
- "In December 2019, the PRC commissioned its first domestically-built <u>aircraft carrier</u>, <u>Shandong</u>...The new carrier is a modified version of the <u>Liaoning</u> (Soviet Kuznetsov) design and likewise uses a ski-jump takeoff method for its aircraft. China continued work on its second domestically built aircraft carrier in 2019, which will be larger and fitted with a catapult launch system...The PRC's second domestically built carrier is projected to be operational by 2024, with additional carriers to follow."

17. <u>PLA Rocket Force</u> is China's other crown-jewel, with: (a) \sim 1,250 <u>IRBMs</u> (including both <u>DF-21</u> & <u>DF-26</u> missiles, attempting to target Guam & aircraft carriers); (b) \sim 100 current nuclear-tipped <u>ICBMs</u>, (but growing to \sim 200 <u>ICBMs</u> in \sim five-years), (including new MIRV-capable DF-41); and (c) hypersonic DF-17 glide-vehicle.

- "The <u>PLA Rocket Force</u> (PLARF) organizes, mans, trains, and equips the PRC's strategic land-based nuclear and conventional missile forces...The PLARF, previously known as the PLA Second Artillery Force, was elevated to the status of a full service, alongside the PLAA, PLAN, and PLAAF...in late 2015."
- "The PLARF continues to grow its inventories of <u>DF-26</u> intermediate-range ballistic missiles (IRBMs)...against ground targets, as well as conventional strikes against naval targets."
- "The PLARF's conventional missile forces includes the CSS-6 (<u>DF-15</u>) short-range ballistic missile (SRBM) (range 725-850 km); the CSS-7 (<u>DF-11</u>) SRBM (600 km); the CSS-11 (<u>DF-16</u>) SRBM (more than 700 km); land-attack and anti-ship variants of the CSS-5 (<u>DF-21</u>) medium-range ballistic missile (MRBM) (approximately 1,500 km); the <u>DF-26</u> IRBM (approximately 4,000 km); and the CJ-10 (<u>DH10</u>) ground-launched cruise missile (GLCM) (approximately 1,500 km)...The <u>DF-21D</u> has a range exceeding 1,500 km, is fitted with a <u>maneuverable reentry vehicle</u> (MARV) warhead..."

- "China has placed a heavy emphasis on...<u>hypersonic glide vehicles</u>. In August 2018, China successfully tested the XINGKONG-2 (<u>Starry Sky-2</u>), which it publicly described as a hypersonic wave-rider vehicle. The PLARF also paraded the <u>DF-17</u> missile for the first time as part of the PRC's 70th anniversary parade in 2019."
- "The number of [nuclear] warheads on land-based PRC ICBMs, capable of threatening the United States, is expected to grow to roughly 200 in the next five years. China's fixed ICBM arsenal consists of 100 ICBMs, including the shorter range CSS-3 (<u>DF-4</u>), as well as the silo-based CSS-4 Mod 2 (<u>DF-5A</u>) and MIRV-equipped Mod 3 (<u>DF-5B</u>)...The solid-fueled, road-mobile <u>CSS-10</u> class missiles complement this force. The CSS-10 Mod 2 (<u>DF-31A</u>), with a range in excess of 11,200 km, can reach most locations within the continental United States...Development of the CSS-X-20 (<u>DF-41</u>), a new MIRV-capable, road-mobile ICBM, continued in 2019, and the PRC paraded at least 16 road-mobile DF-41 launchers during the 2019 parade..."

18. <u>PLA Strategic Support Force</u> contains all of PLA's: (a) <u>counter-space</u> capabilities, (direct-ascent interceptors; ground-based lasers; jammers; on-orbit ramming spacecraft); and (b) <u>EW/cyber-security/Information Operations</u>.

- "The CMC established the <u>PLA Strategic Support Force</u> (SSF) in 2016...to centralize the PLA's strategic <u>space</u>, <u>cyber</u>, <u>electronic</u>, and <u>psychological warfare</u>...capabilities...The SSF oversees two deputy theater command-level departments: the <u>Space Systems Department</u> responsible for military space operations, and the <u>Network Systems Department</u> responsible for information operations (IO), which includes EW, cyber warfare, and psychological operations...The PRC continues to develop <u>counter-space</u> capabilities, including direct ascent, co-orbital, electronic warfare, and directed energy capabilities—that can contest or deny an adversary's access to space domain..."
- The PLA continues to acquire and develop a range of <u>counter-space</u> capabilities...including kinetic-kill missiles, ground-based lasers, and orbiting space robots, as well as expanding space surveillance capabilities...As of May 2018, the PRC's reconnaissance...fleet consisted of more than 120 satellites...The PRC is developing electronic warfare capabilities such as satellite jammers; offensive cyber capabilities; and directed-energy weapons. Moreover, China has demonstrated sophisticated, potentially damaging on-orbit behavior with space-based technologies. China has an operational ground-based Anti-Satellite (ASAT) missile intended to target low-Earth orbit satellites, and China probably intends to pursue additional ASAT weapons capable of destroying satellites up to geosynchronous Earth orbit."

19. <u>PLA Air Force</u> & <u>PLAN Aviation</u> have ~2,000 combat aircraft, with the goal of achieving a majority of fourth-generation fighters "over-next-several-years". Production of claimed fifth-generation $\underline{J-20}$ fighter is still in its infancy, (with smaller $\underline{J-31}$ aircraft being developed for export, plus future Chinese aircraft carriers). DoD warns that PLAAF is

closing traditional combat-overmatch quickly. Lastly, DoD warns that PLAAF integrated-air-defenses, (of Russian <u>S-300</u> & soon-to-be <u>S-400</u>), is highly-lethal.

- "The <u>People's Liberation Army Air Force</u> (PLAAF) and <u>PLAN Aviation</u> together constitute the largest aviation forces in the region, and the third largest in the world, with over 2,500 total aircraft...of which approximately 2,000 are combat aircraft (including fighters, strategic bombers, tactical bombers, multi-mission tactical, and attack aircraft)...The PLAAF is rapidly catching up to Western air forces. This trend is gradually eroding longstanding...U.S. military technical advantages vis-à-vis the PRC in the air domain."
- "The PLAAF and PLAN Aviation continue to field greater numbers of fourth-generation aircraft (now more than 800 of 1,500 total operational fighters...) and probably will become a majority fourth-generation force within the next several years. For fifth-generation fighters, the PLAAF operationally-fielded limited numbers of its new J-20, while development continues on the smaller FC-31/J-31 for export, or as a future naval fighter for the PLAN's next class of aircraft carriers...Finally, the PLAAF is preparing upgrades for the J-20, which may include increasing the number of AAMs the fighter can carry in its low-observable configuration, installing thrust-vectoring engine nozzles, and adding supercruise capability by installing higher-thrust indigenous WS-15 engines."
- "China's <u>bomber</u> force is composed of <u>H-6 Badger</u> variants, which are domestically-produced versions of the Soviet <u>Tupolev Tu-16</u> (Badger) bomber...In recent years, China has fielded greater numbers of the <u>H-6K</u>...The H-6K can carry six LACMs, giving the PLA a long-range standoff precision-strike capability that can range Guam...More recently, PLAN Aviation has begun operating the <u>H-6J</u>...This aircraft carries six supersonic long-range <u>YJ-12</u> ASCMs and can attack warships out to the Second Island Chain...During the PRC's 70th anniversary parade in 2019, the PLAAF publicly revealed the <u>H-6N</u>...optimized for long-range strikes...The <u>H-6N's</u> air-to-air refueling capability also provides it greater reach over other H-6 variants that are not refuelable in-air."
- "In addition, the PLAAF is seeking to extend its power-projection capability with the development of a new stealth strategic bomber. PLAAF leaders publicly announced the program in 2016, however commentators speculate that it may take more than a decade to develop this type of advanced bomber."
- "The PLAAF possesses one of the largest forces of advanced long-range <u>SAM</u> systems in the world, composed of Russian-sourced <u>SA-20</u> (<u>S-300</u>) battalions and domestically-produced <u>CSA-9</u> (HQ-9) battalions...The PRC has contracted with Russia to acquire the <u>SA-21</u> (<u>S-400</u>) SAM system, and is developing the <u>CSA-21</u> (HQ9B) as follow-ons to its SA-20s and CSA-9s..."

- 20. China has the world's largest standing-army, (with ~915K Active Soldiers), but appears to be shifting resourcing to PLAN Navy; PLARF Rocket Force, (including ICBMs); and PLA Strategic Support Force (Space).
- The People's Liberation Army Army (PLAA) is the world's largest standing ground force, with approximately 915,000 active-duty personnel in combat units...The PLAA has now standardized its 13 group armies...which were reduced in number from 18 in 2017...In total, these 78 combined-arms brigades serve as the PLAA's primary maneuver force...The PLAA delineates its combined-arms brigades into three types: heavy (tracked armored vehicles), medium (wheeled armored vehicles), and light (high-mobility, mountain, air assault and motorized)...Each group army controls six additional brigades...an artillery brigade, an air defense brigade, an army aviation (or air assault) brigade, a special operations forces (SOF) brigade, an engineer and chemical defense brigade, and a sustainment brigade."
- "The PLAA also continues to bolster its armor capabilities in heavy combined-arms brigades with the initial fielding of the <u>Type-15 light main battle tank</u>...with the firepower of its 105mm main gun...The PLAA also fielded the Z-20 medium lift helicopter..."

- 21. PLA's Achilles-heel appears to be a combination of: (a) poor <u>Battle Management</u> and <u>C4ISR</u>; (b) weak <u>joint warfighting doctrine</u>; (c) limited <u>Readiness</u> to fight; and (d) the "<u>Five Incapables</u>", (weakness of Officer Corps to understand Commander's Intent, and then fight in a decentralized manner).
- The PRC's goals for modernizing its armed forces...as stated in the 2019 defense white paper, are: [1] By 2020: 'To generally achieve mechanization...with significantly enhanced informationization and greatly improved strategic capabilities;' [2] By 2035: 'To comprehensively advance the modernization of...organizational structure, military personnel, and weaponry and equipment...and basically complete the modernization of national defense and the military...'; and [3] In 2049: 'To fully transform the people's armed forces into world-class forces.'"
- "PLA media outlets have identified the need for the military to address the 'Five Incapables' problem: that some commanders cannot: (1) judge situations; (2) understand higher authorities' intentions; (3) make operational decisions; (4) deploy forces; and, (5) manage unexpected situations."

- 22. While China has a credible Air Defense Network, it is not truly-clear whether China has a significant missile defense capability, (other than potential terminal/point defense).
- · "China is working to develop <u>ballistic missile defenses</u> consisting of exo-atmospheric and endo-atmospheric <u>kinetic-energy interceptors</u>...The <u>HQ-19</u> mid-course interceptor has undergone tests to verify its capability against 3,000 km-class ballistic missiles...Indigenous radars including the <u>JY-27A</u> and <u>JL-1A</u>...reportedly provide target detection for the system."

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^{**} This report is from Jim McAleese, reprinted here with permission.

Upcoming Events of Nuclear Interest

Agenda

Minot Task Force-21and GeoStrategic Analysis "Seeking and Securing National Consensus on Nuclear Deterrence and Modernization"

Tuesday, September 22, 2020

| Time | Event |
|--------------------------------|--|
| Live 09:05-09:15 | Introduction by Peter Huessy and Mark Jantzer |
| LIVE - 09:15-09:45 EDT | Senator Kevin Cramer, (R-ND), Member of the Senate Armed services Committee: Congressional Perspective on Strategic Nuclear Modernization, GBSD, B-21, and NC3 |
| LIVE 11:00-11:30 EDT | Senator John Hoeven, (R-ND), Member of the Appropriations Committee: A View from Appropriations |
| Live (invited) | The Honorable Barbara M. Barrett, Secretary of the Air Force (invited) |
| (following final live speaker) | Closing Remarks - by Peter Huessy and John MacMartin |
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| On Demand | The Strategic Environment: The Current Russian Challenge: New Start, and the Russia and China Nuclear Threat - Tim Morrison, Senior National Security Fellow, Hudson Institute (Moderated by Peter Huessy) |
| | |
| On Demand | General John Hyten, Vice Chairman of the Joint Chiefs of Staff: The Importance of Nuclear Modernization |

| Time | Event |
|-----------|--|
| | |
| On Demand | Russian Nuclear Forces: Is There a Strategy of Escalate to Win? - Dr. Stephen J. Blank, Senior Fellow at Foreign Policy Research Institute's Eurasia Program - Dr. Mark Schneider is a Senior Analyst with the National Institute for Public Policy (Moderated by Peter Huessy) |
| | |
| On Demand | Are Nuclear Weapons a Hegemonic Tool in Chinese Security Policy? - Joseph Bosco, Fellow at the Institute for Corea-America Studies (ICAS) and the Institute for Taiwan-America Studies (ITAS) - Rick Fisher, Senior Fellow with the International Assessment and Strategy Center (Moderated by Peter Huessy) |
| | |
| On Demand | Getting Nuclear Deterrence and Modernization Right - Drew Walter, PTDO Deputy Assistant Secretary of Defense for Nuclear Matters (Moderated by Mark Jantzer) |
| 0 0 1 | |
| On Demand | Toward Theories of Victory, Red and Blue - Dr. Brad Roberts, Director, Center for Global Security Research (Moderated by Peter Huessy) |
| | |
| On Demand | The Cost of Nuclear Modernization in Perspective - Dr. Michaela Dodge, Research Scholar at the National Institute for Public Policy (Moderated by John MacMartin) |
| | |
| On Demand | The Nature of Nuclear Deterrence - Honorable Frank Miller, Principal, The Scowcroft Group (Moderated by Mark Jantzer) |

| Time | Event |
|-----------|--|
| | |
| On Demand | Nuclear Deterrent Strategy, NC3 and Major Power Competition - Maj Gen Bill Chambers, USAF, retired, Institute for Defense Analysis (Moderated by John MacMartin) |

Speaker Bios



Dr. Stephen J. Blank is Senior Fellow at Foreign Policy Research Institute's (FPRI's) Eurasia Program. He has published over 900 articles and monographs on Soviet/Russian, U.S., Asian, and European military and foreign policies, testified frequently before Congress on Russia, China, and Central Asia, consulted for the Central Intelligence Agency, major think tanks and foundations, chaired major international conferences in the U.S. and in Florence; Prague; and London, and has been a commentator on foreign affairs in the media in the U.S. and abroad. He has also advised major corporations on investing in Russia. He has published or edited 15 books.



Joseph Bosco served as China Country Desk Officer in the Office of the Secretary of Defense (2005-2006) and Director of Asia-Pacific Disaster Relief and Humanitarian Affairs (2008-2010).

He is presently a Fellow at the Institute for Corea-America Studies (ICAS) and the Institute for Taiwan-America Studies (ITAS). He was formerly a nonresident Senior Associate at the Center for Strategic and International Studies and a nonresident Senior Fellow in the Asia-Pacific program at the Atlantic Council and part of its international observer delegation during Taiwan's historic 2000 presidential election.

He earned his A.B. cum laude at Harvard College and his L.L.B. at Harvard Law School, where his third-year paper on U.S. policy in Vietnam was selected as an honors paper. He obtained his L.L.M. in International and National Security Law at Georgetown Law Center, where his honors paper focused on the international law implications of the 1995-1996 missile crises across the Taiwan Strait.



Major General William A. Chambers, USAF (retired) served in uniform for 35 years, culminating in duty as the Assistant Chief of Staff for Strategic Deterrence and Nuclear Integration, Headquarters U. S. Air Force, Washington D.C. In that role, he directed the policy, planning, advocacy, and assessment for Air Force nuclear weapon systems.

Since retirement from active duty in 2013, he has been employed by the Institute for Defense Analyses (IDA), a Federally-funded Research and Development Center, which provides studies for the Department of Defense on a full range of national security issues. At IDA, he leads research teams focused on nuclear weapons policy and strategy as well as strategic force structure modernization and Nuclear Enterprise infrastructure; his team recently provided analysis that fulfilled a statutory requirement to examine the issue of presidential decision-making regarding nuclear weapons. He also led analysis efforts that informed the 2018 Nuclear Posture Review and its ongoing implementation.

General Chambers was a master navigator and weapon systems officer; his operational experience included tours in Strategic Air Command flying the KC-135A and FB-111A. He served as a nuclear policy planner on the Joint Staff and as deputy executive assistant to the Chairman of the Joint Chiefs of Staff. He commanded the 11th Wing at Bolling Air Force Base, Washington, DC. He has also served in a variety of leadership roles in the Pentagon and in overseas commands. General Chambers served as Deputy Commanding General, Combined Forces Command-Afghanistan in Kabul during 2006-2007. From 2008-2010 he served as Director of Air and Space Operations and then as Vice Commander, U.S. Air Forces in Europe.



Senator Kevin Cramer was elected to the United States Senate on November 6, 2018 after serving three terms as North Dakota's At-Large Member of the United States House of Representatives. He is the first Republican to hold this Senate seat in his lifetime. He serves on the Armed Services, Environment and Public Works, Veterans Affairs, Banking, Housing and Urban Affairs and Budget Committees.

Cramer has had a distinguished career in public service. In 2003, then-Governor John Hoeven appointed Cramer to the Public Service Commission, and in 2004 he was elected to the position. As a North Dakota Public Service Commissioner, Cramer helped oversee the most dynamic economy in the nation. He worked to ensure North Dakotans enjoy some of the lowest utility rates in the United States, enhancing their competitive position in the global marketplace. An energy policy expert, Cramer understands America's energy security is integral to national and economic security.

Cramer has a Bachelor of Arts degree from Concordia College in Moorhead, Minnesota, a Master's degree in Management from the University of Mary in Bismarck, North Dakota, and was conferred the degree of Doctor of Leadership, honoris causa, by the University of Mary on May 4, 2013.



Dr. Michaela Dodge is a Research Scholar at the National Institute for Public Policy. Prior to joining the National Institute, Dr. Dodge worked at The Heritage Foundation from 2010-2019. She left Heritage to serve as Senator Jon Kyl's Senior Defense Policy Advisor between October to December 2018. Her last position at Heritage was a Research Fellow for Missile Defense and Nuclear Deterrence.

Dr. Dodge's work focuses on U.S. nuclear weapons and missile defense policy, nuclear forces modernization, deterrence and assurance, and arms control. Additionally, she was a Publius Fellow at the Claremont Institute in 2011 and participated in the Center for Strategic and International Studies PONI Nuclear Scholars Initiative Program.

Dr. Dodge received a Ph.D. from George Mason University in 2019. She earned her Master of Science in Defense and Strategic Studies degree from Missouri State University in 2011. At Missouri State, Dr. Dodge was awarded the Ulrike Schumacher Memorial Scholarship for two years. She received a bachelor's degree in international relations and defense and strategic studies from Masaryk University, Czech Republic.



Mr. Richard D. Fisher, Jr. is a Senior Fellow with the International Assessment and Strategy Center. In 2016 he joined the Advisory Board of the Global Taiwan Institute. He has previously worked with the Center for Security Policy, Jamestown Foundation China Brief, U.S. House of Representatives Republican Policy Committee, and The Heritage Foundation. He is the author of China's Military Modernization, Building for Regional and Global Reach (Praeger, 2008, Stanford University Press, 2010, Taiwan Ministry of National Defense translation 2012) Since 1996 he has covered scores of international arms exhibits and his articles have been published in the Jane's Intelligence Review, Jane's Defence Weekly, Aviation Week and Space Technology, Armed Forces Journal, Far Eastern Economic Review, Asian Wall Street Journal, Defense News, The Epoch Times and the The Washington Times. He has studied at Georgetown University and received a B.A. (Honors) in 1981 from Eisenhower College.



Senator John Hoeven was sworn in as North Dakota's 22nd U.S. Senator in 2011, following ten years of service as the state's governor. He is a member of the United States Senate Committee on Appropriations which is tasked with writing the legislation that allocates federal funds to the numerous government agencies, departments, and organizations on an annual basis. In the national security area his appropriations subcommittee assignments include



Peter Huessy is Director of Strategic Deterrent Studies at the Mitchell Institute for Aerospace Studies and President and CEO of Geo-Strategic Analysis. Mr. Huessy teaches nuclear deterrent and missile defense policy at the U.S. Naval Academy as part of his work on a wide range of national security and defense issues, including nuclear deterrence, missile defense, terrorism and counterterrorism, proliferation, energy and immigration. He created a nuclear deterrent and missile defense seminar series in 1983 and since then has hosted 1,500 of these seminars on key defense and national security issues for the Mitchell Institute, and previously for the National Defense Industrial Association and the National Defense University Foundation. He created the Triad series of conferences in 2011.



Gen. John E. Hyten, USAF, serves as the 11th Vice Chairman of the Joint Chiefs of Staff. In this capacity, he is the nation's second highest-ranking military officer and a member of the Joint Chiefs of Staff.

Gen. Hyten attended Harvard University on an Air Force Reserve Officer Training Corps scholarship, graduated in 1981 with a bachelor's degree in engineering and applied sciences, and was commissioned a second lieutenant. The general's career began in engineering and acquisition before transitioning to space operations.

He has commanded at the squadron, group, wing and major command levels. In 2006, he deployed to Southwest Asia as Director of Space Forces for operations Enduring Freedom and Iraqi Freedom. He commanded Air Force Space Command, and prior to his current assignment, was the Commander of U.S. Strategic Command, one of 11 Combatant Commands under the Department of Defense.



Mark J. Jantzer is a resident of Minot, North Dakota, and the long-time Chair of Task Force 21, Minot's base retention and future military missions organization. As a Chief of Staff of the Air Force and Air Force Global Strike Command Civic Leader, Jantzer advises the commanders, and advocates and educates on issues affecting airmen. Appointed by the Governor to Task Force Military Issues North Dakota, Jantzer works to make North Dakota a desirable location for the military. Jantzer is a founding board member of the Strategic Deterrent Coalition, a nonprofit organizations that seeks to insure a robust strategic deterrent. Elected to the Minot City Council in 2008, Jantzer has served continuously and is currently Council President. In business for over 40 years, Jantzer is General Manager of The Computer Store, Inc., in Minot.

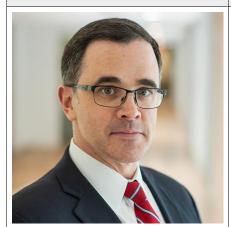


L. John MacMartin has been the President of the Minot Area Chamber of Commerce since August, 1990, and the interim President/CEO of the Minot Area Development Corporation since November, 2019. Prior to Minot he served as the Vice President of the Billings Area Chamber of Commerce, Billings, Montana. He has completed a six year course of study known as the Institute for Organizational Management conducted by the US Chamber of Commerce. He completed the Leadership Development Program and the Center for Creative Leadership program through the American Chamber of Commerce Executives (ACCE). He also participated in a program focused on Transformational Leadership in Chambers offered jointly by ACCE and the Aspen Institute. He is a past board member of the American Chamber of Commerce Executives, served on the American Chamber of Commerce Certification Commission as a member and past chair, is a past-president of the Mid America Chamber of Commerce Executives and is a member of the ND Chamber of Commerce Executives and a past-president of that group.

John received an Associate of Arts degree in Liberal Arts from Bismarck Junior College in 1972, then earned his Bachelor of Science degree in Public Administration from the University of North Dakota in 1874. In 2000, he received a Professional Accreditation as a Certified Chamber Executive (CCE). He obtained a Master of Science degree in Management from Minot State University in 2002. John has had the opportunity to attend the National Security Forum, a part of Air War College, at Maxwell Air Force Base. In addition, he was a member of the 70th Joint Civilian Orientation Conference (JCOC) which visited European Command locations in the fall of 2005.



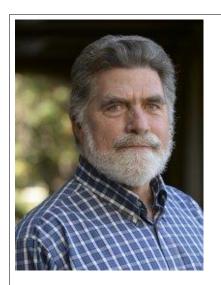
The Honorable Franklin C. Miller is Principal, The Scowcroft Group. He is an internationally recognized expert on nonproliferation, defense, nuclear energy and policy issues, and export control. He served for thirty-one years in the U.S. government, including twenty-two years in the Department of Defense—serving under seven Secretaries in a series of progressively senior positions—and four years as a Special Assistant to President George W. Bush and as Senior Director for Defense Policy and Arms Control on the National Security Council staff.



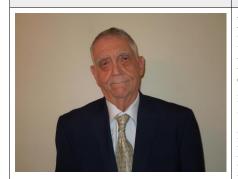
Tim Morrison is a senior fellow at Hudson Institute, specializing in Asia-Pacific security, missile defense, nuclear deterrent modernization, and arms control. Most recently, Mr. Morrison was deputy assistant to the president for national security in the Trump administration. He served as senior director on the National Security Council for European affairs, where he was responsible for coordinating U.S. government policy for 52 countries and three multilateral organizations. Prior to that post, he was senior director for counterproliferation and biodefense, where he coordinated policy on arms control, North Korean and Iranian weapons of mass destruction programs, export controls and technology transfers, and implementation of the Trump administration's Conventional Arms Transfer policy.

For 17 years, Mr. Morrison worked in a variety of roles on Capitol Hill. From 2011 through July 2018, he served on the House Armed Services Committee staff, initially as staff director of the Subcommittee on Strategic Forces and ultimately as policy director of the Committee. From 2007 until 2011, Mr. Morrison was the national security advisor to U.S. Senator Jon Kyl (AZ), the Senate Republican Whip.

Mr. Morrison has a B.A. in political science and history from the University of Minnesota. He also has a J.D. from the George Washington University Law School. He is an intelligence officer in the United States Navy Reserve, serving since 2011.



Dr. Brad Roberts is director of Lawrence Livermore National Laboratory's Center for Global Security Research. Previously he served as Deputy Assistant Secretary of Defense for Nuclear and Missile Defense Policy (2009-2013). In this role, he served as Policy Director of the Obama administration's Nuclear Posture Review and Ballistic Missile Defense Review and had lead responsibility for their implementation. From 1995 to 2009, Dr. Roberts was a member of the research staff at the Institute for Defense Analyses in Alexandria, Virginia and an Adjunct Professor at George Washington University. His book, The Case for U.S. Nuclear Weapons in the 21st Century (Stanford University Press) was recently recognized by the American Library Association as one of the outstanding academic titles of 2016. A member of the Council on Foreign Relations, Roberts has a bachelor's degree in international relations from Stanford University, a MA. from the London School of Economics and Political Science, and a PhD in international relations from Erasmus University.



Dr. Mark Schneider is a Senior Analyst with the National Institute for Public Policy. He specializes in missile defense policy, nuclear weapons, deterrence, strategic forces, arms control, and arms control verification and compliance issues. Dr. Schneider served in a number of senior positions within the Office of Secretary of Defense for Policy including Principal Director for Forces Policy, Principal Director for Strategic Defense, Space and Verification Policy, Director for Strategic Arms Control Policy and Representative of the Secretary of Defense to the Nuclear Arms Control Implementation Commissions. He also served in the senior Foreign Service as a Member of the State Department Policy Planning Staff, the Professional Staff of the Senate Select Committee on Intelligence, the Department of Energy, the Energy Research and Development Administration and the Atomic Energy Commission. Dr. Schneider served as a member of the DoD Compliance Review Group. He chaired several working groups of the START and INF Treaty Implementation Commissions (JCIC and SVC) in Geneva, negotiating many implementation agreements with the successor states of the former Soviet Union. He most

| recently served as Acting Chairman of the U.SRussia Working Group on Missile Defense. |
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Mr. Drew Walter is currently performing the duties of (PTDO) Deputy Assistant Secretary of Defense for Nuclear Matters. Nuclear Matters is the Department of Defense (DoD) focal point for a wide range of issues related to the U.S. nuclear weapons stockpile, nuclear counterterrorism, and nuclear counterproliferation.

Before being assigned as PTDO DASD(NM), Mr. Walter served as Senior Advisor to the Deputy Under Secretary of Defense for Acquisition and Sustainment. In this role, Mr. Walter supported the Deputy Under Secretary's efforts to integrate efforts across the Department related to nuclear deterrent modernization and sustainment

Prior to joining DoD, Mr. Walter served as a professional staff member with the Committee on Armed Services in the U.S. House of Representatives.

Mr. Walter began his career at Sandia National Laboratories, where he was a Senior Member of the Technical Staff. His responsibilities at Sandia included conducting physical security assessments for U.S. nuclear weapons, developing and analyzing new security technologies and novel security assessment methodologies, and conducting special studies for laboratory executives. Mr. Walter holds Bachelor's and Master's of Science degrees in Mechanical Engineering, both from the Rochester Institute of Technology.

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Breakfast Seminar Schedule: Brad Roberts Speaking September 21,2020

Peter Huessy and The Mitchell Institute invites you to join a live webcast of our Nuclear Deterrence Forum with Dr. Brad Roberts, Director of the Center for Global Security Research at Lawrence Livermore National Laboratory, on Monday, September 21, 11:30 am EST. Drawing on a five-year effort at the Center for Global Security Research to understand Russian and Chinese strategic thought, their approaches to conflict with the United States and its allies, and the requirements of integrated strategic deterrence, Dr. Brad Roberts joins us to discuss the United States and its allies' need for a coherent and robust theory of victory against great power competitors, the obstacles that have hindered past progress, and where the United States should go from here.

Advance registration is required.

Registration Link:

https://us02web.zoom.us/webinar/register/WN_21dhIAkPTECMzllqLPbmCA

After registering, you will receive a confirmation email containing information about joining the webinar.

After the event, watch the video on Mitchell Institute's website: https://www.mitchellaerospacepower.org/aerospace-nation

Breakfast Seminar with Moshe Patel, Head of the Israel MDO

The video from yesterday's event with Moshe Patel is now up on You-tube. Here's the link to the video: https://youtu.be/0g39xqP94os

Democrats Tried to Give Billions to Iran, Russia and Communist China

This was America's way of helping the world to overcome economic damage from the pandemic.

by Peter Huessy, The National Interest, September 10, 2020

The House of Representatives passed a <u>major appropriations bill</u>, 229 to 182, on July 31, 2020. Among other things, the bill contained funding for the next fiscal year for all eleven departments of the U.S. government. For most news outlets, that was not particularly surprising since Congress must pass a budget for the government every year. Except that this time there was something unusual.

The House Rules Committee, just before the legislation reached the House floor, inserted a new section in the bill. According to Rep. Bill Huizenga (R-Mich.) with little debate, a whopping \$3 trillion was tacked onto existing International Monetary Fund (IMF) drawing rights or funding, and by a party-line vote. The new section directed the IMF to send the \$3 trillion dollars —with no strings attached—as coronavirus relief aid to all nations based in part on their respective GDP and financial losses. That was not done by mistake. Adding such a huge expenditure to any bill must have had the prior agreement of Speaker of the House Nancy Pelosi (D-Calif.) or the idea would have gone nowhere.

Nearly \$300 billion was tucked in the bill for <u>Iran, Venezuela, Syria, China and Russia</u>, a rogue gallery of countries masquerading as normal nations but behaving more like criminal gangs. For example, the U.S. State Department has officially stated that Iran <u>commits more terror</u> attacks than any other country on earth. If there are any doubts about Iran's intentions regarding the United States, read the exultant headline of Iran's state-controlled Afkar News, "American Soil Is Now Within the Range of Iranian Bombs." They were celebrating the fact that Iran now has the technology to get them <u>within reach</u> of deploying intercontinental missiles capable of reaching the continental United States.

China gave us the coronavirus and, as a consequence, more than half a million people have been killed and trillions of dollars of economic damage has been done worldwide. Russia continues to send little green men to subvert Ukraine, Belarus, Georgia, and Moldova while building up the largest arsenal of nuclear weapons in the world. As for Syria, thousands of its people have been killed in a brutish civil war, and providing the Assad regime vast sums of money is the same as furnishing it with even more horrible war machines than the chemical weapons it has already used against its own people. Venezuela continues its downward spiral into economic chaos while working with Cuba and Iran to subvert the United States and its allies in the hemisphere. The specific funding for these countries, according to Rep. Huizenga, is staggering: \$20 billion for Iran, \$75 billion for Russia, \$170 billion for Communist China and \$17 billion for Syria.

Democrat supporters of the bill may wish us to believe that such a huge gift of taxpayer's money to the IMF is America's way of helping the world to overcome economic damage from the pandemic. However, there was no mention of other nations contributing to the IMF or of the impact that giving \$3 trillion to other nations —including America's enemies—would have on its national debt.

And there are other downsides.

First, there are no "strings" attached to the funds. And even if there were, how would such restrictions be enforced? What is to prevent the recipients from buying weapons with their American money?

Second, Russia and China recently threatened at the United Nations to veto a U.S. resolution to extend the arms embargo on Iran. And there is every indication that Russia and China are anxious their arms industries to crank out weapons for Iran to buy, including more missiles or missile technology capable of carrying nuclear weapons. With no arms embargo, what's the chance that Iran might use \$20 billion in easy money from the IMF to purchase such weapons or the advanced technology needed to finally deploy missiles capable of reaching New York or Washington, DC? Huizenga produced a Facebook video that admonished the procedure used to pass the House bill, explaining in it that the bill 's IMF provision had no committee hearing and that opponents like him were allocated only one minute to speak in opposition. A minute is insufficient time for informed debate on spending \$3 trillion let alone giving \$300 billion to rogue states.

Even worse, a floor amendment the Michigan lawmaker tried to offer would have prohibited U.S. banks from using money in U.S. accounts for an IMF bailout of Iran. The Speaker of the House ruled that it was not in order. Will this bill become law? The Senate companion bill has not yet been scheduled for committee or floor action, and according to Senate Appropriation Committee sources the funding for Iran, China and other villainous nations won't fly. Those same Senate sources say the Treasury Department has also weighed in and emphatically told Senate appropriators, "No way."

Nevertheless, in the strange world of international institutions the member nations of the "world community," irrespective of their behavior, all get freebies from the IMF. One-quarter of those funds come from U.S. banks and American account holders. And while IMF regulations may stipulate the funds are "loans," history shows that those loans will be rolled over into bigger loans down the road and then eventually be forgiven. Thankfully, Huizenga has drawn attention to this astounding House bill, even if it seems to have no chance of passing in the Senate since the majority, and at least some of the minority, won't approve it.

But be warned. The makeup of Congress and the administration itself may change in the coming elections. And terrible ideas like an IMF bailout of America's enemies might be resurrected.

Peter Huessy is President of GeoStrategic Analysis. He is also a senior consultant to Ravenna Associates.