

China's Research Institutes

Purpose

The purpose of this report is to introduce eight Chinese civilian and five Chinese military research institutes that may provide useful data for drafting the report required by the legislative mandate of the US-China Commission. Attached are several English language brochures produced by the research institutes that were provided to Chairman Richard D'Amato and Executive Director Andrew Semmel during their visits to these civilian institutes on October 8-11, 2001.

For the benefit of readers who are unfamiliar with exactly how these research institutes operate within China's system of "party controlled government," I have also attached a ten-page excerpt from Kenneth Lieberthal's book *Governing China* (Norton, 1995) that explains very well the secret role of the Communist Party in China, and touches on how these institutes attempt to influence policy. Professor Lieberthal, of the University of Michigan, served from 1997-2000 on President Clinton's NSC staff in charge of Chinese affairs. He does not describe the institutes directly in this excerpt, but provides useful context about how they function in the policy process.

This excerpt is worth reading, as is the whole book, *Governing China*. Professor Lieberthal is not a severe critic of China, so his treatment can be considered less harsh than, say, a human rights activist or someone worried about the China military threat. Yet his account suggests that understanding the Communist Party is crucial to understanding China.

In my view, one of the greatest obstacles to understanding China well is the effort to “mirror image” or to see in China a reflection of our own processes, as typified in the idiomatic expression, “Gee, We have the same thing back home, too!” Sometimes in China, we don’t have the same thing “back home.”

Are Chinese Think Tanks Like American Think Tanks?

For more than 20 years, American scholars from major universities and privately endowed research organizations like the Brookings Institution, Heritage Foundation, American Enterprise Institute, and Council on Foreign Relations have all visited China and have been enthusiastically received by their apparent “counterparts” in Beijing for discussions on foreign policy and defense issues. However, the Chinese research institutions are quite different from their US counterparts. Although their staff produce journals and books, and participate in international conferences, much as their U.S. “counterparts” do, the Chinese institutes have several additional roles, receive government funds and research assignments, and play a direct part in the policy process.

The primary difference between these Chinese institutes and American research institutes is their “ownership.” Research institutes are “owned” by the major institutional players in the national security decision making process in China. Their staffs in many cases have access to what in the US would be considered government classified information such as cables from embassies abroad. Party members at these institutes also enjoy access to Party secret documents on international affairs. Unfortunately, it is difficult to know with precision how these institutes differ from US think tanks. Members of these institutes often decline to discuss in any detail the exact nature of their internal reports, or how they are circulated at the highest levels in Beijing . Their research staff are clearly permitted to innovate within limits and should not be seen as mere puppets. Many research institutions are important in their own right for the creative

ideas they produce. Their leaders carry great prestige and have high rank in the Communist Party. For the reasons Professor Lieberthal describes, however, Party matters are largely secret in China

PART ONE: CIVILIAN INSTITUTES

Five Leading Civilian Think Tanks In Beijing

1. CHINA INSTITUTE OF CONTEMPORARY INTERNATIONAL RELATIONS

China Institute of Contemporary International Relations (CICIR) analysts do not hide their affiliations with the Ministry of State Security, the Chinese leadership, and their access to classified materials, but they like to stress their open source research and publications. They are proud of their openness to foreign visitors, their extensive travel abroad, their foreign language capabilities, and their record of publishing short-term predictions about foreign political events, things that more cautious analysts do not have. CICIR also hosts many U.S. visitors to China.

CICIR employs about 150 professional analysts and another 200 support staff, making it larger than the Academy of Military Science (AMS) and much larger than the Shanghai Institute of International Studies (SIIS), the China Institute of International Strategic Studies (CISS), and the China Institute of International Studies (CIIS), but still dwarfed by the 5,000 staff at the Chinese Academy of Social Science (CASS). CICIR has a campus-like compound in northwest Beijing to which dozens of open-source materials are air mailed daily. In the United States, an equivalent institute might cost \$50 million or more annually to operate. CICIR maintains its own publishing house (Shishi chubanshe) and book store and publishes a monthly journal in Chinese, *Xiandai guoji guanxi* (Contemporary International Relations). One or two articles are selected from the 10 or more in each issue to be translated and distributed free for exchange to foreign counterparts.

CICIR seems to focus on analysis and forecasts based largely on open source publications and interviews with foreign leaders. It has its own training college. Numerous foreign visitors have been

impressed with the quality of CICIR briefings and articles. CICIR analysts can disagree with each other and conduct limited debates, even in the presence of foreign visitors. CICIR is well known for its boldness in making forecasts about political, economic, and military trends.

2. CHINESE ACADEMY OF SOCIAL SCIENCE (CASS-IWEP)

Once a part of the Chinese Academy of Science, the Chinese Academy of Social Science (CASS) was established in 1977. It occupies a 12-story building in downtown Beijing and maintains a professional staff of 5,000 scholars and has its own publishing house for books. The Commission may be interested mainly in the Institute of World Economics and Politics (IWEP), which publishes its own journals.

CASS scholars and institute directors can advocate policies in the national press. CASS is viewed as being highly influential. Li Tieying, who was appointed by the State Council as the president of CASS in March 1998, is also a member of the Political Bureau of the Central Committee of the Communist Party and serves as a State Councillor. An article in the *Hong Kong Ta Kung Pao*, a state-owned newspaper, reported recently, “According to the conference held in Beijing today to discuss information-related affairs of the Chinese Academy of Social Sciences, last year central leaders and other high-ranking officials read and commented on hundreds of CASS research reports, some of which were republished in documents of the Central Committee of the State Council, and research results were studied and applied by relevant departments.”¹

CASS research is oriented toward the future, both in terms of China’s domestic development and the world structure. Currently, CASS is reported to be focused on establishing a new set of research projects that deal with “major historical challenges and opportunities facing China after five or ten years or after even several decades in the next century. . . . At present, a ‘research plan on major issues in 2010’ is being discussed and shaped, including the following aspects: the experiences and lessons of the rise and fall of the Soviet Union, development trends of modern capitalism, the formation of property rights system and public ownership in a market economy, financial globalization and national economic

¹“Central Leadership Attaches Importance to ‘Think Tanks’; Heeds the Views of Experts of the Chinese Academy of Social Sciences Before Making Major Decisions,” *Ta Kung Pao*, March 3,

security, the mechanism for achieving socialist democracy, problems of central and west China, and problems of corruption.”²

Many of China’s most famous human rights activists after the Tiananmen incident in 1989 came from CASS, such as the former director of the Institute for Marxist Leninist Studies and the former director of the Institute of Political Science, Su Shaozhi and Yan Jiaqi, who are well known leaders of the democracy movement in exile.

In the early 1980s, CASS leaders lead the economic reform effort. In the mid-1990s, Liu Ji, as deputy CASS director, has encouraged reform and published books about Jiang Zemin’s reform concepts. It was reported in the Western press in July 1998, that CASS was one of the institutes tasked by Jiang Zemin to study the political systems of other nations. The *Wall Street Journal* quoted a CASS researcher as saying that “the U.S. [system] obviously made an impression” on Jiang. Upon his return from his summit in the U.S. in October 1997, “Jiang asked the academy to draft a manual on democracy for mandatory reading by high-ranking officials. The manual to be passed out with booklets on human rights and the rule of law, will feature sections on the historic development of democracy, Western models of democracy and China’s own democratic path.”³ However, a recent shakeup in the top leadership of CASS, in October 1998, may be moving the institution in a more conservative direction. The *Hong Kong Standard* reported that the retirement of four vice-presidents, including Liu Ji, was, “a move seen by many as consolidating academy president Li Tieying’s power.”⁴

3. CHINESE SOCIETY FOR STRATEGY AND MANAGEMENT

1998, in FBIS-CHI-98-062, March 7, 1998.

²Zhu Huaxin, “Provide Theoretical Support for China in the 21st Century—New Explorations in Reforms at the Chinese Academy of Social Science,” *Renmin ribao* (People’s Daily), September 18, 1998, 5, in FBIS-CHI-98-265, September 24, 1998.

³Kathy Chen, “China to Test Waters of Political Reform,” *Wall Street Journal*, July 27, 1998.

⁴Fong Tak-ho, “Politburo Reshuffles Chinese Academy of Social Sciences,” *Hong Kong Standard*, October 26, 1998, 6; translated FBIS-CHI-98-299. See also, “CPCCC Changes CASS Party

Founded in 1989, the Chinese Society for Strategy and Management (CSSM) occupies a building in the former U. S. Embassy compound, made famous during the 55-day Boxer Siege in Beijing. It publishes a lengthy quarterly journal, *Zhanlue yu guanli* (Strategy and Management), containing articles forecasting the future security environment. According to the brochure describing the institute, “Many famous veteran national leaders, diplomats, and writers who have made great contributions to China’s modernization serve as its senior advisers.” The chairman of the CSSM is former Vice Premier of the State Council Gu Mu, and one of the Vice Chairmen is former Defense Minister Zhang Aiping, who is perhaps best known in China for his successful management of the Chinese nuclear weapons program. Indeed, CSSM articles have been described by some as more nationalistic than the journals of CASS and CICIR.⁵ CSSM journal articles have discussed the rise of Chinese nationalism.⁶ In 1996, the journal announced it would annually publish China’s ranking in the various international indices of competitiveness and Comprehensive National Power. In 1997 and 1998, CSSM issued an annual strategic assessment, written by authors from CICIR, CASS, and the AMS.

4. CHINA INSTITUTE OF INTERNATIONAL STUDIES (CIIS)

CIIS staff are proud of their support role and budgetary links to the top of the Chinese Foreign Ministry. Graduates of China’s Foreign Affairs College and active diplomats may be assigned to the CIIS. It is much smaller than CICIR, never exceeding 100 staff. CIIS publishes journals and uses the Foreign Ministry’s press for publishing books and research reports. The CIIS journal *Guoji wenti yanjiu*

Committee into Party Group,” *Zhongguo xinwen she*, October 26, 1998, in FBIS-CHI-98-300.

⁵The East West Center in Honolulu published a study in 1996 on the rise of Chinese nationalism, the sole references of which were to “nationalistic” articles from this journal.

⁶For example, see Wang Hui and Zhang Tianwei, “Wenhua pipan lilun yu dangdai Zhongguo minzu zhuyi wenti” (Cultural criticism theory and the issue of contemporary Chinese nationalism), *Zhanlue yu guanli* (Strategy and Management) 5, no. 4 (1994): 17-20; Xiao Gongqin, “Minzu zhuyi yu Zhongguo zhuanxing shiqi de yishixingtai” (Nationalism and the ideology of China’s period of change), *Zhanlue yu guanli* (Strategy and Management) 5, no. 4 (1994): 21-25; and Dong Zhenghua, “Minzu zhuyi yu guojia liyi” (Nationalism and national interests), *Zhanlue yu guanli* (Strategy and Management) 5, no. 4 (1994): 26-27.

(International Studies) features articles by its staff, who often are diplomats on rotation. It maintains an impressive headquarters building which once was the Legation of the Austro-Hungarian Empire.

5. CHINA ACADEMY OF INTERNATIONAL TRADE AND ECONOMIC COOPERATION (CAITEC)

The WTO center and many of the other research departments of CAITEC publish studies of interest. CAITEC publishes reports, journals and books, hosts international meetings and conducts consulting research for many clients. It has a staff of 600, which includes some stationed in Chinese embassies overseas. There are research departments for studies of the US, Asia, Multinational Business, Foreign Investment Utilization, and the International Market.

THREE CIVILIAN RESEARCH INSTITUTES IN SHANGHAI

1. SHANGHAI ACADEMY OF SOCIAL SCIENCE

Supported by both the Shanghai City government and by grants and contracts, the SASS has its own large headquarters building. SASS publishes numerous journals and books each year. The Commission may be interested in the three Institutes – the Institute of Strategy, Institute of the World Economy, and Institute of the Asia Pacific. A former President of SASS and many other SASS veteran scholars serve in high level policy positions in Beijing, which facilitates circulation of SASS policy proposals to policy makers. Because Shanghai provides as much as one fourth of China's economic activity, and perhaps even more tax revenues, SASS has a strong local budget base, as well as important channels to the top in Beijing.

2. SHANGHAI INSTITUTE OF INTERNATIONAL STUDIES (SIIS)

The many books, reports and journals published by the 80 staff members of the SIIS focus mainly on great power relations. It also grants Master's degrees for its graduate students. It was set up in 1960, and has maintained exchanges with a hundred foreign universities in more than 30 nations. It can conduct cooperative research projects with other institutions overseas.

3. SHANGHAI WTO AFFAIRS CONSULTATION CENTER

This new center intends to become a profit making company by conducting research for governments, foreign and domestic corporations, and law firms to aid in the process of WTO compliance. Its advisers include many former officials of the WTO and GATT as well as lawyers and economics specialists. It is setting up a web site and other information linkages to establish an "early warning" and consulting service practice with software about dispute resolution from the WTO in Geneva. It will hold an annual Global Forum in Shanghai. Its key goal is linking and netting together Shanghai organizations, associations and companies with the world abroad for the performance of state of the art consulting.

PART TWO — FIVE PLA - AFFILIATED INSTITUTES

1. ACADEMY OF MILITARY SCIENCE

Founded in 1958, the Academy of Military Science (AMS) produces journals, books and classified reports for the Chinese military strategic planning process. Of all the research institutes, AMS is the most secretive and least visited by foreigners. It occupies a large compound northwest of Beijing and employs more than 500 professional military staff (a 10-minute walk from the National Defense

University). AMS has no students (other than a new small graduate student program). It performs analysis for the Central Military Commission and the General Staff Department. It participates in task forces organized by other important organizations such as the Commission on Science, Technology and Industry for National Defense.

The president of the Academy of Military Science is usually a full general, equivalent to a Deputy Chief of Staff. This would translate roughly in American protocol terms to an Under Secretary of Defense combined with a four- star flag officer. The AMS has its own publishing house (Junshi kexue chubanshe) and publishes an estimated 50 books a year. Its open source journal is *Zhongguo junshi kexue* (China military science), published by the AMS editorial board; its restricted journals are *World Military Trends* and *Military Thought*. AMS leaders acknowledge a counterpart relationship with the General Staff Academy in Moscow, and have visited the Pentagon.

The AMS has 10 departments, each of which has 50 or more officers, and a few of which publish their own journals: Planning and Organization Department; Strategic Studies Department; Operations and Tactics Department; Military Systems Department; Military History Department, which publishes the bi-monthly *Military History*; Foreign Military Studies Department, which publishes the monthly *World Military Review*; Military Encyclopedia Department; Center for Mao Zedong Military Thought; Center for Political Education of the People's Liberation Army (PLA); and Center for Operations Research, which publishes the quarterly *Military System Engineering*. According to the introductory brochure describing the institute, AMS is the "national center for military studies; AMS plans and coordinates for the army all the research programs concerning military science. . . . AMS has made good progress in war gaming, command automation, machine translation, and military data bases. It has formed its own operational and tactical simulation systems, military experts systems, and specific research models."

AMS seems to be more closed to foreigners than the National Defense University (NDU)—its staff rarely travel abroad, and no foreign delegations receive permission to visit the AMS Compound without an extensive review by the unit called the General Staff Foreign Affairs Bureau, one mission of which is to control contact between foreigners and sensitive Chinese military organizations. An article in May 1998 commemorating the 40th anniversary of the founding of the AMS mentioned, however, that since it has been under the leadership of Chairman Jiang Zemin, the institute has "gradually improved contacts with foreign institutions and organizations for military scientific research, and enabled a setup of

research open to the outside world to take place.” The article, however, praised the institute for “having completed more than 1,000 research projects” in its 40 years of existence, especially those written of late:

In recent years, aiming at the forward positions of military reforms in the world, the Academy of Military Sciences presented more than 200 research reports on such major realistic issues as strategies for border security, guidance for strategies and battles under high-technology conditions, and the regularization of our army under the new situation.⁷

The strategy department of AMS publishes books on military doctrine and strategy with a focus on the military thinking of Chairman Mao. In the past decade, it added books on the strategic thinking of Deng Xiaoping. A recent book by the former president of the Chinese Academy of Military Science, *The Categories of Military Science* by General Zheng Wenhan, offers numerous footnotes to Soviet works on the same subjects and employs the categories established in Soviet military science publications. Chinese authors never explicitly acknowledge their debt to Soviet military science and to Soviet military terminology. Readers are not made aware of the Soviet tutorial role in China in the early 1950s because there were political penalties paid by senior Chinese general officers in the 1950s for assuming policies civilian Communist leaders deemed to be pro-Soviet. Perhaps this is one reason Chinese military authors still do not refer to their deep Soviet roots in some matters of doctrine and terminology.

Although the AMS does not have regular classes, in 1988 six of China’s most important military strategists created a doctoral program in military science at the AMS, authorized by the State Council. It is significant that one of the two major fields for doctoral degrees is “Future Warfare.” The program director is General Li Jijun, who has had a long association with the Academy. Significantly, General Li supervised the 38th Group Army near Beijing from 1983 to 1988, when it was the test bed for the new Chinese concept of the mechanized group army (corps). Prior to that experimental work, General Li had

⁷Xiao Pu and Jiang Wenming, “Be A Good Forerunner of Great Military Reform—Military Scientific Research Undertakings Advance in a Pioneering Spirit Thanks to the Concern of Three Generations of the Party’s Core Leadership,” Beijing Xinhua Domestic Service, May 19, 1998, in FBIS-CHI-98-139, May 21, 1998. The article provides a history of AMS research under Mao Zedong, Deng Xiaoping, and Jiang Zemin.

been with Academy of Military Science for many years, particularly in the field of foreign army studies. He compared strategic concepts in the Soviet Army with U.S. joint force doctrine.

2. NATIONAL DEFENSE UNIVERSITY

China's National Defense University (NDU) was formed in 1985 by combining three colleges, one for logistics instruction, one for political/commissar instruction, and a more general military academy. Unlike AMS, the NDU trains hundreds of students annually. It also has its own publishing house (Guofang daxue chubanshe) that produces 50 or more books annually, including textbooks. Much more open than the AMS, NDU has in the past decade hosted hundreds of foreign military delegations. NDU staff travel widely abroad. An exchange of letters between the U.S. NDU in Washington and the Chinese NDU in Beijing established an exchange program between the two institutions on the premise that they are roughly counterparts.

Operating under the Central Military Commission, NDU has two main functions: to train military commanders, officers, and government officials and, as described by the brochure handed out to visiting foreigners, to "conduct research into the modernization of national defense in order to advise the Central Military Commission and other military headquarters in making decisions." Its 13 teaching divisions "specialize in: strategic studies; operational art of war; command and management; arms and services; foreign military studies; Marxist theories; political work; international economics and politics; logistics studies; science and technology; foreign languages; foreign training; and audiovisual teaching."

In the past decade, a Scientific Research Department at NDU and its subordinate Institute of National Security Studies (INSS) have been increasingly involved in efforts to redefine Chinese military strategy and doctrine. A comparison of the two major journals produced by NDU and the Academy of Military Science shows they have different perspectives and methodologies. The *Guofang daxue xuebao* (NDU Journal) seems more interested in local war issues and has published very little on the potential RMA compared to the AMS journal. Perhaps to correct the NDU near-term focus, it announced in 1996 the formation of a center for military research on future warfare issues, including the RMA as well as traditional statecraft. In the 1990s, General Pan Zhenqiang and Colonel Zhu Chenghu, were the director and deputy of the NDU INSS and they published frequently many articles on the security environment in

national newspapers and frequently attended foreign conferences, demonstrating fluent English skills.

3. FOUNDATION FOR INTERNATIONAL STRATEGIC STUDIES

The Foundation for International Strategic Studies (FISS) was founded in the last few years by English-speaking Chinese diplomats and military officers who were on leave or retired from active duty. FISS is authorized to engage in business as well as strategic studies. It publishes a few books a year and a journal and actively seeks “counterparts” overseas with whom to co-host conferences on political/military issues, including the future of the security environment. As a result of its close connection with both the Foreign Ministry and Chinese Military Intelligence, FISS can sometimes take more controversial positions than other better known research institutions. For example, in 1995 FISS published *Can Taiwan Become Independent?*, a book other research institutions and publishing houses had declined to print because it was too controversial in concluding that a major danger existed in Taiwan’s movement toward independence.

4. CHINA INSTITUTE OF INTERNATIONAL STRATEGIC STUDIES

The China Institute of International Strategic Studies (CISS) is an important public research institution subordinate to the General Staff’s Second Department. CISS publishes a quarterly in Chinese and English, *Guoji zhanlue yanjiu* (International strategic studies). However, CISS is located in its own building in Beijing, despite its connection to the secretive General Staff Department of the PLA. Its chairman is Deputy Chief of the General Staff for Intelligence General Xiong Guangkai whose speeches are often published in the CIIS journal. CIIS is important because of China’s traditional secrecy about military matters. Few foreigners are granted access to PLA leaders. Thus, the retired military attachés and civilians at the CIIS can provide a “window” on PLA general staff and military intelligence assessments.

It is unfortunate that foreign visitors are not permitted to visit the PLA General Staff Department. The GLD, several blocks from the Zhongnanhai Compound facing the lake at Beihai Park, may have over 2,000 officers. In the 1950s the GLD had Soviet advisors resident for several years. Its internal structure probably resembles the former Soviet General Staff. The First Department manages operations and probably is the national command center for all PLA forces. The Second Department is the military

intelligence service and has its own headquarters building. Its chief is usually a deputy chief of staff of the PLA and is a prominent representative sent abroad on public diplomacy missions. The Second Department (the Chinese equivalent of the Soviet intelligence agency, GRU) is apparently also quite large, with some estimates as high as 2000 analysts and professional staff, according to one interview. According to interviews, the Second Department's leader, as a Deputy Chief of the General Staff, apparently serves as the PLA representative in foreign policy discussions below the Politburo level. Thus, the CIIS and its English language quarterly journal merit attention.

5. INSTITUTES OF THE COMMISSION ON SCIENCE, TECHNOLOGY, AND INDUSTRY FOR NATIONAL DEFENSE

The Commission on Science, Technology, and Industry for National Defense (COSTIND) coordinates at least six ministry-level defense industrial complexes, which seem to be responsible for both production and research and development for future defense weapons and equipment. They publish magazines and books with assessments of the future. COSTIND has its own publishing house, newspaper, and series of journals, most of which are not released publicly. Some Chinese interviewed complained that COSTIND shrouds itself in secrecy not so much to prevent foreign observation but to maintain its autonomy from the Chinese military services and the General Staff.

There is apparently resentment that hundreds or thousands of COSTIND employees wear military uniforms and are assigned military ranks even though they have never participated in military units or received formal training. One General Staff officer said COSTIND officials can be spotted on the street by their nonuniform socks, coats, sweaters and general nonmilitary appearance even while wearing PLA uniforms. The COSTIND headquarters building in Beijing is a long distance from the rest of the military compound and General Staff buildings. Another example of the COSTIND little concealed autonomous style can be seen in the two books it has released about its history since the 1950s that clearly distinguish

between COSTIND and the Chinese military, for whom it produces weapons and equipment.⁸

COSTIND oversees a vast conglomerate of research institutions, factories, and government organizations that may employ more than 3 million people. COSTIND has published a series of books on the history of China's defense science and technology since the 1950s. In addition to the central research institutes of COSTIND, assessments are also prepared by a number of other large research institutes in the complex, which publish journals (such as *Military Digest*) and books.

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October 18, 2001

⁸COSTIND is being restructured. See Harlan Jencks, "COSTIND is Dead, Long Live COSTIND! Restructuring China's Defense Scientific, Technical, and Industrial Sector," in *The People's Liberation Army in the Information Age*, eds. James C. Mulvenon and Richard H. Yang (Santa Monica, CA: The RAND Corporation, 1999), 59-77.