

Implications of Recent and Planned Changes in Taiwan's Defense Posture

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Mr. Chairman, Mr. Vice Chairman, Commissioners, I thank you for inviting me to appear before you to discuss issues related to important recent and planned changes in Taiwan's defense posture. It is an honor for me to be able to testify here today.

With the publication of two key documents last year, the Quadrennial Defense Review (QDR) and the 2009 National Defense Report, Taiwan has formally laid out an ambitious agenda of change to its defense posture during the next few years. In its efforts to respond to the emerging strategic environment, meet political guidelines, and adjust to domestic considerations, defense officials are seeking to make the Taiwan military more streamlined, efficient and responsive to the people it defends. For budgetary, political and bureaucratic reasons, however, many of the proposed changes are unlikely to take place exactly as planned. My testimony today will focus on major areas of change introduced and lay out some of the key challenges and implications for Taiwan government, the people and its defense establishment.

Taiwan Quadrennial Defense Review – Changes and Challenges

Taiwan's first QDR, published in March 2009, is the result of a mandate by the Legislative Yuan (LY) for the Ministry of National Defense (MND) to produce a defense assessment and plan for the next four years in part to help understand where the current administration is going and to facilitate resource planning efforts. Perhaps just as importantly, the QDR process also allows the President and the LY to reinforce civilian control over the military and enables the LY to further exercise its legislative prerogative with the executive branch, both important elements of Taiwan's continuing democratization.² The QDR's four sections lay out core defense challenges, the national defense strategy guidance, defense transformation and joint warfighting capability development plans.

In the QDR, MND demonstrates its commitment to supporting President Ma Ying-jeou's "Hard ROC" policy through the implementation of a national defense strategy composed of five key

¹The views expressed are solely the author, and not those of any organization with which he is affiliated.

² Quadrennial Defense Review Editing Group, Ministry of National Defense, *Quadrennial Defense Review 2009* [hereafter QDR 2009] (Taipei: Ministry of National Defense, 2009), 6.

elements: war prevention, homeland defense, contingency response, conflict avoidance and regional stability. Its supporting military strategy restates “resolute defense and credible deterrence” as its continuing core concepts. The military strategy is focused on maintaining security of Taiwan’s national territories and the warfighting capabilities of the armed forces, and restates a joint counter blockade and joint interdiction war plan ultimately aimed at denying an enemy the ability to land and gain a foothold on Taiwan.³ The proposed defense transformation effort and emerging defense posture is designed to credibly support these national defense and military strategies.

The defense transformation plan consists of several important proposals. The first is to streamline Taiwan’s defense organization by consolidating MND policy staff, Joint Staff and military services to improve accountability and focus on service specialties. Under the reorganization, Ministry departments and work units were to be consolidated and the Army, Navy, Air Force, Combined Logistics, Reserve and Military Police headquarters merged into three: Army, Navy and Air Force. As expected, much debate and bargaining has already taken place as MND and the services sorted out where consolidations and cuts would take place.

For instance, there was significant controversy over resistance by the Military Police to being placed under one of the service headquarters. Veterans groups and local constituencies working with LY representatives eventually made their case and, with Ma’s support, the Military Police was placed directly under the control of the MND General Staff rather than under the Army Command as proposed in the QDR. It is important to note that public interest, constituent groups and their representatives all played an important role in reversing this decision, reflecting the democratic influences at work in Taiwan and a defense establishment that must respond.

The second QDR proposal aimed at reducing the total statutory armed force structure 275,000 to 215,000 by late 2014 will be accomplished by streamlining the defense organization discussed above and making additional cuts within the services especially as they transition to a volunteer force. This force reduction plan is a carryover from the previous Chen administration efforts although the timeline to completion has been extended. The plan is for the Army to have its total strength cut by about 30,000 with the Navy and Air Force scheduled to lose 5,000 personnel each. The remaining cuts are to come from the stand down of the Marine Corps base garrison brigade and other limited consolidations. As one recent report pointed out however, Taiwan currently actually has only 235,000 personnel on active duty⁴ and active billets filled may be less, so the number of troops actually to be cut to get to the 215,000 end state will likely be fewer in number, at only about 10% of the current force. One implication is that the savings may be far less than expected because fewer cuts will actually be realized.

In response to political and public pressure, the force reduction will include a push to reduce the number of senior level general/flag officers. With 387 general officer billets spread out through MND, the service, the National Security Bureau, the National Security Council and the Presidential Office, Taiwan has an extremely high senior officer to personnel ratio. The goal is to make cuts to get this number to a total of 200 plus, and the ratio down from almost 2% to .7%.

³ Ibid., 70-73.

⁴ US-Taiwan Business Council, *Defense and Security Report, Second Quarter 2009* (Arlington, VA: US-Taiwan Business Council, 2009), 12.

These senior level cuts have also led to infighting among the services and with MND as decisions are made on which general/flag officer slots should go and what the impact will be.⁵

The QDR comments on the need to increase the ratio of civilian officials in MND, in part to reduce the number of officers and non-commissioned officers assigned and get those currently in those positions back to the field force.⁶ Ramping up the numbers of civilian officials with defense expertise would not only help move some military back to the force but open up additional opportunities to build civil-military expertise. Building a broader base of civilian defense experts allows Taiwan to improve continuity in MND between administrations, creates greater depth in a host of defense related areas and allows Taiwan more opportunities to develop relationships with civilian defense counterparts elsewhere.

The force reductions proposed are critical to the transition of what the QDR calls the All-Volunteer Force (AVF). The conscript service commitment period, which has been coming down since Chen Shui-bian first proposed it in 2004, now is only one year. MND has recognized that there are significant budgetary implications for recruitment and retention of a volunteer force, especially tied to living facilities, benefits, retirement assistance and insurance coverage which is probably why these areas received much more attention in the subsequent 2009 NDR document. Indeed, recognizing that the transition will be much more expensive and difficult, Taiwan defense officials in recent speeches and conversations are no longer using AVF terminology, instead referring to the future active component simply as a Volunteer Force.

Additional transformation objectives in the QDR focus on improving force planning and armaments development mechanisms, in an effort to promote an improved foreign and domestic analysis and acquisition process. In addition, joint operations are expected to receive more attention, particularly in the areas of command, control, communications, computer, intelligence, survey and reconnaissance (C4ISR), integration, information operations and electronic warfare (IO&EW), mobilization, training, logistics and psychological operations capabilities. Human resources will be revamped to improve professional officer training, deemed especially important with the advent of a volunteer force. Part of this effort is to evaluate whether to reestablish a Reserve Officer Training Corps, to improve advanced officer education, NCO development and help grow a civilian defense force. Finally, the QDR puts forward proposals to improve MND's ability to manage defense expenditures in a fiscally constrained environment and commits the defense establishment to finding new ways to work with civilian industry and local governments on land use issues.

Taiwan's 2009 National Defense Report – Building On and Revising QDR Objectives

The 2009 NDR, released in October 2009, expands on the QDR's proposed defense posture, addresses current MND challenges and makes some important revisions. The NDR's subtitle,

⁵ Ibid.; Fu Mei, "Taiwan's Defense Transition: Beyond Q.D.R." (paper presented at annual US-Taiwan Defense Industry Conference, Charlottesville, Virginia, September 28, 2009).

⁶ QDR 2009, 82.

“Building an Elite Armed Forces – Voluntaryism [*sic*],”⁷ indicates the dominant focus of the document and the plan. The “all volunteer force” label, as mentioned earlier, has been dropped in favor of an active-duty volunteer/ reserve conscript force mix. The goal is “100% active volunteer force by 2014,”⁸ but there is an expectation that all young males will still be required to undergo minimal military training and go into the reserve force in order to support the active force and Taiwan’s defense plans. MND identifies areas needing attention by the civilian and military authorities in its Volunteer Force Buildup Plan including “...organization, manning and equipping; military service remuneration; reserve mobilization; human resource system; operational training and preparation; legislative amendments; logistics preparation; military armaments production; defense financial resources; dispensary; dependents benefits; and integrated assessment.”⁹

The cost of transitioning to the active force within five years will require funding and resources as yet not provided by the LY in the defense budget. In fact, it is increasingly likely that cutbacks in the defense budget will require a significant readjustment to the current plan including an extension to completion or lowering of expectations as to what can be accomplished by 2014. Part of challenge is that there will likely be a significant initial spike in costs as soldiers departing receive drawdown pay and allowances and as new programs are stood up and incentives put into place. The details of these plans have yet to be announced. A broader personnel welfare act to take care of troops and their families is also introduced in the NDR, recognizing that any successful retention strategy will require significant attention and money. Significant demographic changes underway will impact as well as Taiwan’s population is declining and with it, young men available to serve.

Disaster prevention and relief also have been introduced in the NDR as a new core Armed Forces mission. Although the shift to take on this mission was begun earlier by the military, the NDR change is due in no small measure to the turmoil surrounding the slow response of the Taiwan government to the August 2009 Typhoon Morakot. Besides making multiple proposals in the document to support President Ma’s directive of this area as a primary focus, MND also notes that it will “observe the guidance of the ‘central disaster response center’ of the government,”¹⁰ alluding to the interagency struggle that took place and subordinating its efforts to a civilian central authority. The costs of taking on this new mission and its support requirements have yet to be adequately addressed.

Of ongoing concern and in particular reaction to the recent corruption scandals, an intangible core value, discipline, receives attention. Perhaps in an effort to take back the reins from civilian agencies rooting out corruption in the military, MND notes that “For corruption, legal violations, and relevant security crises, the MND has been capable of engaging the problems, identifying key difficulties, and formulating concrete measures for improvement... so that the Armed Forces may be ashamed of greed and proud of incorruptibility.”¹¹ The recent spate of corruption

⁷ Ministry of National Defense, R.O.C., *2009 National Defense Report: Building an Elite Armed Forces – Voluntaryism* [hereafter 2009 NDR] (Taipei: Ministry of National Defense, 2009).

⁸ *Ibid.*, 75.

⁹ *Ibid.*, 121.

¹⁰ *Ibid.*, 78.

¹¹ *Ibid.*, 75-76.

accusations and pay for promotion convictions have had a negative effect on the reputation of the military and internal morale, and have diverted attention from other critical areas.

Finally, the NDR makes note of the efforts of Taiwan to initiate peace and to seek out confidence-building measures (CBMs) to support the government's cross Strait efforts at seeking compromise and keeping the peace. Under the defense strategy objective of war prevention, specifically under the section on establishing cross Strait military CBMs, the QDR notes that the goal is "lowering the probability of war."¹² The later document NDR changes the goal to "lowering the probability of accidental provocation of war."¹³ How this change will actually affect Taiwan's defense posture and strategy still remains to be seen.

Challenges and Implications

The ongoing and planned QDR and NDR changes have important challenges and implications for Taiwan, its military and affected parties beyond its shores. First, there is the question of whether the political will and funding exist to see these changes through. President Ma's initiatives across the Strait are changing the security environment which is likely to have a corresponding effect on the defense posture. Multiple domestic political challenges to Ma within his party, with the LY and by the public could well weaken his commitment to see the changes through. A change in threat perceptions could lead to a commensurate change in the willingness of the public or their representatives to support defense spending needed to see QDR and NDR changes through.

Second, continued reductions in defense spending will clearly affect full implementation of the proposed changes. LY internal debates, externally with the executive branch, and positioning in the lead up to elections beginning this year are sure to impact as well. In particular, the spike in cost of transitioning to a volunteer force requires not only a solid plan but support by the government to see each phase through.

A third challenge with significant implications for military readiness and the defense posture is the significant downturn in the civil-military relations. Multiple discussions with Taiwan and U.S. officials indicate that MND is not being kept in the loop about ongoing cross Strait dialogue and security impacts, that National Security Council and MND relations are strained, and that Ma and his advisors have been dismissive of MND advice and perspectives. This situation was further exacerbated during the Typhoon Morakot response when civilian and military officials traded blame for the slowness of the government to react. Some see Ma's decision to accede to the Military Police headquarters change due to resistance by veterans and other groups as another sign that the President is unwilling to stand up and fight for proposals he has approved. Outside observers almost unanimously agree that the military remains strongly committed to civilian rule and Taiwan's democratic values. At issue is not obedience to civilian control but the negative impact that civil-military tensions are likely having in addressing critical defense reforms and, even more significantly, ensuring good and reliable communications, coordination, and control especially in time of crisis.

¹² QDR 2009, 66.

¹³ 2009 NDR, 80.

Recent pay for promotion scandals, independent prosecutor investigations of Taiwan defense contractors, military accidents, charges of Taiwan Navy personnel involvement in the murder of a prostitute and the attempted suicide of Taiwan's former top Marine have all further stressed the military's relationship with the President and others, affected morale and diverted attention of senior officials from the day to day business of running the military and working new defense initiatives. As the MND leadership works to respond to these investigations and fix the problems, QDR and NDR priorities and readiness may not receive the attention needed.

While the military appears committed to the QDR and NDR proposals, it is also emblematic that large bureaucracies are resistant and slow to change, resulting in a fourth significant implication. Some government officials in Taipei feel that with a potentially major shift underway between Taiwan and China across the Strait, the military is not adapting quickly enough to keep up with those changes. MND defenders, some of whom agree that the military may not be changing quickly enough in some areas, nonetheless believe that the military's obligation is to plan and prepare for worst case scenarios. Some outside of government see the defense establishment trapped in a culture of victimization, often played out for example, in its testy reactions to negative media reports and increasing frustration over dealing with the President's Office and changing government interagency realities. To its credit, the military recognizes the need to adapt to changing realities and is developing new means to help tell its story and make its case.

A fifth implication in transitioning to a volunteer military is one familiar to most democracies. Fundamental choices will have to be made about how to develop a new culture with incentives designed to bring on board the right kind of soldiers and keep them in for the long term. Recruitment and retention efforts will have to address service to nation, a challenge particularly among many young people who see little incentive or significant security threats requiring their commitment. Soldiers who are trained up and remain for only one year are not around long enough to put their training to any real use. An additional problem is that many conscripts do not have a positive view of their short time in service. Enlisted conscript duties are often seen as menial, irrelevant to life plans, and offering little authority and influence while in the service. Creating opportunities and incentives in and beyond the military would be important to ensuring future success in recruiting and retention.

Family support is important especially in deciding to make the military a career. Parents and spouses need to see the military as a respectable way of life, something they want their children, husbands or wives to join. New plans that look at family housing, exchange, medical and pay support are sure to attract supportive families leading to greater retention. Financial support for these initiatives and changing the perceptions of military social status could prove critical in the coming transition.

Sixth, the consolidation of service headquarters and reduction in senior general/flag officer numbers brings with it the promise of greater cooperation and communication but also the challenge of debilitating infighting, some of which has already taken place. The Army, Navy and Air Force are expected to assume some of the logistics and reserve missions in a way that may assist in peacetime and wartime preparation and transition. There are important opportunities with this move that will further promote a joint mindset and community. However,

if the services do not see the need to join forces and commit to moving towards a mutually beneficial goal, especially in a severely resource-constrained environment, real and lasting success as proposed in the QDR and NDR may not be achieved.

A seventh identified area of reform, the need to develop civilian defense expertise, has potentially far reaching implications. In part, as mentioned, this is to allow officers currently in MND headquarters positions the opportunity to go back to the force. But it is also based on recognition that the continuity and experience that comes with civilians who understand and have a long term commitment to working defense issues is important to seeing through crucial defense reforms. Part of the requirement will be for military and civilian entities develop mechanisms and opportunities to increase trust and understanding in order to overcome vast cultural differences. Although this will take years, movement in establishing a civilian defense bureaucracy is critical to enhancing influence and understanding the defense challenges facing Taiwan.

Finally, in order to be successful, the defense posture changes will need to be augmented by a vigorous and persuasive campaign to continue to inform the public about continued threats to Taiwan. A mainstay should be continuing to highlight in multiple venues the perceived threat that generated the new QDR and NDR in the first place making the case for why change is needed. Even as cross Strait improvements are taking place, it is important that the Taiwan government articulates why a credible defense posture remains paramount.

Taiwan has already taken a significant step by outlining in its QDR and NDR what needs to be done to stay relevant, successfully adapt to the changing domestic situation and meet the emerging regional environment. In doing so, it has outlined out important changes that will help the government, its military and its people to transition to meet new realities. Hard choices will have to be made and resources applied. If those commitments are made and seen through, Taiwan's defense posture and its critical role in helping keep the peace and stability will be well served.

Thank you very much. I look forward to your questions.