

INDSR Newsletter



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Containment and Dialogue: Comments on Kishida's China Policy

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Topic: Indo-Pacific Region, International Situation

1. News Highlights

On October 22, China's 20th CCP National Congress came to an end as Xi Jinping inaugurated his third term in office. As Xi strengthens his power and ruling foundation, there has been considerable concern over whether his interaction with the international community will be different. For a long time, China and Japan have had significant differences in their perceptions of territory and history, and in recent years there have been political and economic clashes. In August 2022, China launched a missile into Japan's exclusive economic zone (EEZ) during a military exercise, causing high tension between the two countries. Although strengthening diplomacy and national defense is a top priority for Japan's Kishida administration, its

approval rating has hit new lows due to economic factors. It can be described as bearing enormous pressure from both inside and outside. On this premise, it is worth paying attention to whether Kishida's China policy has taken a turn.

2. Security Implications

2-1. The US and Japan have slightly different views on security, and China is Japan's major concern

On October 12, the US government released a new version of its "National Security Strategy," which directly identifies Russia as a major threat and positions China as its only competitor. It advocates deepening cooperation with allies on military, diplomatic, and economic fronts to strengthen the overall deterrence capabilities.¹

1. "米、対中口で「統合抑止力」," *Nihon Keizai Shimbun*, October 13, 2022, <https://www.nikkei.com/article/DGKKZO65093100T11C22A0EAF000/>.

The Japanese government's position is slightly different from that of the US, which ranks Russia and China together as major threats and competitors. Since the outbreak of the Russia-Ukraine war, the Japanese government's statements about Russia have mostly been condemnation of acts of war or challenges to the international order, rather than positioning Russia as a direct security threat to Japan. The attitude has been evidenced by Japan's continued shift of its defense focus from the north to the southwestern islands even after the outbreak of the Russia-Ukraine war.² In addition, the Japanese government has repeatedly mentioned the military threat of China in its policy documents or high-level speeches.³ These signs show that while the US and Japan are working closely together in diplomacy and military fields, they do not share the same perception of the threat from China and Russia. In other words, the level of

threat from China is far greater than that from Russia from Japan's current strategic perspective.

2-2. The Kishida administration counters the Chinese threats with “multi-level diplomacy” and strengthened defense

Japan's concern about the threat from China has also been reflected in recent talks by Prime Minister Fumio Kishida. On October 3, Kishida said in a speech to the parliament that he would safeguard peace in Asia and the world through “multi-level diplomacy” and strengthening Japan's defense capabilities.⁴ In the past, the phrase “multi-level diplomacy” has been scattered in Japan's government documents and policy articles. In the official views of the Japanese government, the term is similar to the “multi-level security cooperation” revealed by the Ministry of Foreign Affairs, which is

2. “南西諸島に燃料・火薬庫増設 抑止力強化へ防衛相表明,” *Nihon Keizai Shimbun*, October 18, 2022, <https://www.nikkei.com/article/DGXZQOUA01DEP0R00C22A9000000/>.

3. “中国の軍事活動「安保上の強い懸念」3年版外交青書 ウイグル記述も拡充,” *The Sankei News*, April 23, 2021, <https://reurl.cc/9pdg6n>. “中国軍事動向「安保上の強い懸念」 浜田靖一防衛相,” *Nihon Keizai Shimbun*, October 18, 2022, <https://reurl.cc/ke4GM3>.

4. “岸田文雄首相の所信表明演説の全文,” *Nihon Keizai Shimbun*, October 3, 2022, <https://www.nikkei.com/article/DGXZQOUA307920Q2A930C2000000/>.

based on the US-Japan alliance and the expansion of bilateral/multilateral and international cooperation to create a strategic environment favorable to Japan.⁵ In comparison with the previous statements, the current version shows that while the policy direction has remained largely unchanged, Japan has added a number of new cooperative countries and platforms in recent years, suggesting that Japan is making progress in this area.⁶ On the other hand, although there are still differences in the perception of the “counterattack capability” concept in Japan, the relatively dovish Komeito Party has recently shifted to advocate strengthening national defense, indicating that the threat of China has become a common sense in Japanese political circles.⁷

In summary, under the influence of the Chinese threat, Kishida has

determined to strengthen diplomacy and national defense, and the specific policies are being shaped and materialized as well. Regardless of the specific details of the two directions, the ultimate goal is to enhance the ability to contain and deter China to ensure Japan's national security.

3. Trend Observation

3-1. Hidden financial worries prompt Japan to seek dialogue opportunities

It is noteworthy that although diplomacy and strengthened national defense are Kishida's top priorities, the first thing he mentioned in his speech on October 3 was not diplomacy and defense, but a declaration that he would work on high prices and economic recovery, which reflects Japan's current predicament.⁸ According to a *Kyodo News* survey,

5. “二国間及び多国間の安全保障協力,” *Ministry of Foreign Affairs of Japan*, September 20, 2022, <https://reurl.cc/Qb1eNp>.

6. The English website remains the same as the previous version; see “Bilateral and Multilateral Security Cooperation,” *Ministry of Foreign Affairs of Japan*, June 18, 2019, https://www.mofa.go.jp/fp/nsp/page1we_000085.html.

7. “反撃能力、自公に隔たり 敵の「攻撃着手」どう見極め,” *Jiji Press*, October 20, 2022, <https://reurl.cc/nZzQ48>. “公明「防衛力を着実に強化」 参院選公約、自衛隊明記「検討」,” *Kyoto Shimbun*, June 14, 2022, <https://reurl.cc/ymZ5Gy>.

8. See Note 4.

Kishida's approval rate was 40.25% in September but dropped to 35% in October. It's mainly due to the sluggish economy caused by high prices.⁹ In addition, the poll conducted by Jiji Press in the same period even shows that Kishida's approval rate has dropped to 27.4%, a new low since the previous Suga cabinet.¹⁰ In addition to changing public opinion, Kishida may have put economic issues before foreign affairs and national defense for a deeper reason: improving economic development to support his diplomacy and defense policies in the long run.

In terms of diplomacy, the Japanese government has enjoyed a high level of economic growth in the last century that allowed it to expand aid to Southeast Asian countries and establish diplomatic platforms such as the Tokyo International Conference on African Development (TICAD) in Africa. However, due to the economic recession in recent years, it has

become increasingly difficult for Japan to compete with China in such policies.¹¹ As a result, the Japanese government has recently turned its attention to Southeast Asian countries by, for example, providing maritime patrol vessels and radar to Vietnam and the Philippines. This change may be seen as an example of shrinking diplomatic fronts and increasing its commitment to key countries under resource constraints.

On the other hand, although the Kishida administration has repeatedly declared its intention to strengthen national defense, the economic downturn has led to many domestic debates over the sources of defense funds. The Deputy Chief Cabinet Secretary Kihara Seiji had previously said that Japan "would not rule out issuing public bonds as a source of defense financing." Still, Finance Minister Suzuki Shunichi, based on fiscal discipline, took a more conservative

9. "岸田内閣支持率 5 ポイント減 35% 共同通信世論調査," *Nihon Keizai Shimbun*, October 9, 2022, <https://www.nikkei.com/article/DGXZQOUA0920Z0Z01C22A0000000/>.

10. "内閣支持続落 2 7 % 初の 3 割割れ、不支持 4 3 % 一時事世論調査," *Jiji Press*, October 13, 2022, <https://reurl.cc/jGX5aL>.

11. "共同社：日本非洲新戦略 可能與陸苦戦," *Central News Agency*, August 28, 2016, <https://reurl.cc/V1Gy1Q>; "冷めた TICAD—アフリカは日本の「300 億ドル抛出」に期待していない," *Foresight*, September 22, 2022, <https://reurl.cc/xQYzQb>.

stance.¹² In Japanese civil business and industrial organizations, the increase in corporate tax to cover national defense expenses was strongly opposed by the members.¹³ Due to insufficient financial resources, it is difficult for the Kishida government to expand defense spending at this stage; the dilemma can only be resolved by utilizing funds drawn from various ministries, research and development, and public construction.¹⁴

In other words, although the Kishida administration wishes to achieve more about diplomatic and defense policies in the face of the threat from China, it is unlikely to increase government spending significantly for now due to financial difficulties. If diplomatic and defense policies cannot generate sufficient deterrence due to financial constraints, it is imperative to rebuild the conflict prevention mechanism between Japan and China as soon as possible, which is also the main reason for Japan's recent calls for dialogue with China.

3-2. The development of Japan-China relations after the 20th CCP National Congress is still affected by Chinese policymakers

Although several Chinese missiles fell into Japan's claimed exclusive economic waters on August 4, 2022, Japan's Cabinet Secretary Hirokazu Matsuno still said, "the door is open for dialogue with China." On August 10, after a cabinet reshuffle, Prime Minister Kishida reiterated his intention to engage in dialogue with China. On September 2, Masakazu Tokura, president of the Japan Economic Federation (JEF, or "Keidanren"), urged high-level dialogue between Japan and China at a symposium on the 50th anniversary of the establishment of diplomatic relations between the two countries. On October 21, Foreign Minister Hayashi Yoshimasa said at a press conference that he was "willing to engage in dialogue with China to build a stable relationship between Japan and China." On October 22, Hayashi further

12. "財務相、防衛費増額に「安定財源を」 国債頼みに慎重," *Nihon Keizai Shimbun*, September 12, 2022, <https://www.nikkei.com/article/DGXZQOUA132S20T10C22A9000000/>.

13. "防衛費財源、法人税引き上げ案をけん制 経団連会長," *Nihon Keizai Shimbun*, October 3, 2022, <https://reurl.cc/rRzagb>; "防衛費財源に法人増税、「筋が通らない」 同友会代表幹事," *Nihon Keizai Shimbun*, October 4, 2022, <https://reurl.cc/gMg8WV>.

14. "防衛力強化へ「研究・インフラ予算活用を」 首相が指示," *Nihon Keizai Shimbun*, October 20, 2022, <https://www.nikkei.com/article/DGXZQOUA200UJ0Q2A021C2000000/>.

called for a “frank communication” with the Chinese authorities at the 9th “Fujiyama Dialogue.”¹⁵

Observing these speeches of Japanese politicians, no matter how the relationship evolves, Japan is always open to dialogue, but China seems to have no intention to respond positively. Earlier, although Japanese National Security Agency Director General Takeo Akiba met with Yang Jiechi, the two sides took group photos with a background without national flags after the meeting, reflecting China's desire to downplay the event's intention. In addition, the meeting held in China was attended by the visiting Japanese representatives, but Japan has not yet received a return visit from the Chinese side. On the other hand, Xi Jinping's visit to Central Asia shows that Chinese officials can still visit other countries on the eve of the 20th CCP National Congress. It also reflects that China feels no urgency in reopening dialogue with the Western camp members such as Europe, the US, and Japan in the eyes of the high-level

Chinese policymakers.

Since Japan has established solid diplomatic and national defense policy directions, it's seeking to rebuild the dialogue mechanism with China to reduce the risk of conflict. Against this backdrop, the Japanese government has once again signaled its intention to engage in dialogue after the 20th CCP National Congress. Still, the senior Chinese policymakers have not yet responded positively, and their direction is unclear. That is, the development trend of Japan-China relations is still affected by Chinese policymakers.

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(The contents and views in the assessments are the personal opinions of the author, and do not represent the position of the Institute for National Defense and Security Research.)

15. “中国の軍事訓練、引き続き即刻中止求める 台湾海峡問題で日米緊密に連携＝官房長官,” *Reuters*, August 5, 2022, <https://reurl.cc/dWdx1k>; “岸田内閣総理大臣記者会見,” *Prime Minister's Office of Japan*, August 10, 2022, <https://reurl.cc/Yd76aO>; “「日中国交正常化 50 周年記念シンポジウム」を中国大使館と共催,” *Japan Economic Federation*, October 13, 2022, <https://reurl.cc/D3NZzO>; “林外務大臣会見記録,” *Ministry of Foreign Affairs of Japan*, October 21, 2022, <https://reurl.cc/dWdxY2>; “岸田首相「安保環境は歴史の転換点」第 9 回富士山会合,” *Nihon Keizai Shimbun*, October 22, 2022, <https://reurl.cc/V1GkqA>.

The Pattern and Impact of North Korea's Recent Military Provocation

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1. News Highlights

On October 18, North Korea fired hundreds of artillery shells at the maritime buffer zone near the Northern Limit Line (NLL) on the western front (Jangsan Point of Ryongyeon County, South Hwanghae Province) and the eastern front (Jangjeon-eup of Goseong County, Gangwon Province). The North Korean General Staff claimed that the South Korean army was holding a military exercise called “National Defense 22” in Cheorwon County of Gangwon Province and fired artillery shells near the front line where the 5th North Korean Army Corps

was stationed, which was “clearly an invasion exercise toward the North.” In response, North Korea fired two batches of warning shots in the morning¹ and afternoon² of that day; on the afternoon of the 19th, *North Korean Central Television* released a video of the South Korean army conducting artillery training near the Demilitarized Zone (DMZ).³ On October 24, the North Korean cargo ship “Mu-Pho” crossed the “Northern Limit Line” in the waters off Jangsan Point of Ryongyeon County, South Hwanghae Province. It was suspected of trying to sail toward South Korea’s Baengnyeong Island and therefore given warning shots and dispersed by

1. “조선인민군 총참모부 대변인발표,” 조선중앙통신, October 19, 2022, <http://www.kcna.kp/kp/article/q/d0c66ca4ecab2c540dff5b3381d3ba7.kcmsf>.
2. “조선인민군 참모부 대변인발표,” 조선중앙통신, October 19, 2022, <http://www.kcna.kp/kp/article/q/d0c66ca4ecab2c540dff5b3381d3ba7.kcmsf>.
3. “조선인민군 참모부 대변인발표,” 조선중앙통신, October 19, 2022, <http://www.kcna.kp/kp/article/q/d0c66ca4ecab2c540dff5b3381d3ba7.kcmsf>.

the South Korean Navy frigates.⁴ After the cargo ship returned to North Korean waters, the “Western Front Coastal Defense Force” stationed in Ryongyeon County fired ten artillery shells at the maritime buffer area, citing South Korean military provocations.⁵

2. Security Implications

2-1. North Korea tries to escalate the military crisis in the Peninsula

North Korea's military provocation during the 20th CCP National Congress was a rare choice; during the 19th CCP National Congress, North Korea ceased military activities for nearly two months. However, North Korea had completed its sixth nuclear test and achieved its “becoming a military superpower” political goal at that time; it was also on the eve of the Pyeongchang Winter

Olympics that it needed to change its diplomatic strategy to focus on economic development for a better international image.

But since the return of the USS Ronald Regan to South Korea this year, North Korea has conducted numerous missile tests and military provocations. According to Radio Free Asia, when North Korea issued a “combat mobilization situation” order that called for the entire military force to enter the combat mobilization status when it launched the shelling on October 18.⁶ The last time Kim Jong-un gave an emergency order publicly was in August 2015. It was when an incident called “the wooden-box landmine explosion” occurred in the northern Gyeonggi Province DMZ in South Korea, causing serious injuries to two South Korean soldiers. Soon afterward, Kim Jong-un declared a “state

4. The origin of the North Korean cargo ship remains a matter of debate, as it may have been one of many retired cargo ships purchased in 2020-2022. “NLL 침범 ‘무포호’, 과거 제3국서 등록 취소 ... 최근까지 중국 입항,” 미국의소리, October 25, 2022, <https://www.voakorea.com/a/6803491.html>.

5. “조선인민군 총참모부대변인발표,” 조선중앙통신, October 24, 2022, <http://www.kcna.kp/kp/article/q/caaaa-bb21bc8a74bc97a8d070bf79454.kcmsf>.

6. “북, 전군에 전투동원태세 발령,” 자유아시아방송, October 22, 2022, https://www.rfa.org/korean/in_focus/nk_nuclear_talks-10202022113635.html.

7. “북한, 전방지역 ‘준전시상태’ 선포 ... 과거 사례는,” 연합뉴스, August 21, 2015, <https://www.yna.co.kr/>

of quasi-war” in North Korea⁷ and ordered the coast artillery units and the navy to enter the highest alert status.⁸ Moreover, the direct border crossing by the North Korean cargo ship on October 24 without prior notification should have been a test of the response of the South Korean military as a pretext to counterattack or create a small-scale armed conflict.

2-2. China's Korean Peninsula policy is still unclear

While North Korean media have wide coverage of its relationship with China and Xi Jinping's re-election as general secretary recently, Xing Haiming, the Chinese Ambassador to South Korea, spoke on the current situation in the Peninsula at a discussion session organized by Korean media groups on October 26. He said, “China supports the denuclearization of the Korean Peninsula

and is working to promote four-party and six-party talks.” He also stressed that “China has never acquiesced to North Korea's military provocations,” and China hopes to resolve the dispute through dialogues.⁹ He also believes that “some South Korean media's continued overly negative coverage of China will hurt the feelings of the Korean and Chinese people. I hope there will be mutual respect”.

This should have been China's first specific expression on the situation on the Korean Peninsula since the 20th CCP National Congress, but no specific details have been provided. To avoid a military crisis on the Korean Peninsula due to US-China competition, China should engage in appropriate communication with North Korea in the future. In addition, North Korea's military provocations during this period have drawn the attention of

view/AKR20150821061700014.

8. The “emergency period” as currently defined by North Korea can be divided into five stages in the following order of intensity: Stage 1: wartime status, Stage 2: quasi-wartime status, Stage 3: combat mobilization status, Stage 4: combat mobilization readiness status, and Stage 5: combat alert status. When the supreme commander gives orders for Stage 3 or above, all ruling party, political, and military organizations will shift to the “emergency support system” with the supreme commander as the center; all military personnel will be prohibited from outgoing leaves to man battle stations. Reference: 고재홍, “북한군의 비상시 . 평시 군사 지휘체계 연구,” 통일정책연구, 14 권 2 호, 2005, p.137, <https://reurl.cc/MX1qyW>.

9. 대화 통해 해결해야,” *KBS NEWS*, October 26, 2022, <https://news.kbs.co.kr/news/view.do?ncd=5587313>.

10. “전문가들 시진핑 3기 중국, 북한 더 밀착 ... 핵실험 눈 감고 대북제재 협조 안할 것,” 미국의 소리,

South Korea and the US to the military crisis in the Korean peninsula and diverted the attention of neighboring countries from China's 20th CCP National Congress, allowing China to complete the conferences and internal power consolidation smoothly. In other words, North Korea's provocation could have been a "potential benefit" to China, which might be one reason China has remained tacit and passive during this period.¹⁰

3. Trend observation

3-1. North Korea's long-range artillery capabilities may need re-evaluation

North Korea fired more than 500 artillery rounds between October 14 and 24, demonstrating an impressive ammunition reserve and long-range artillery combat capabilities. North Korea's enormous supply of shells could have been related to the "Economy and Defense in Parallel" policy promoted by

Kim Il-sung in the 1970s. At that time, Kim hoped that domestic civilian and defense industrial facilities could support each other to increase the arms production scale to achieve the "national self-defense" and ammunition self-sufficiency goals, and the arms could also be exported to support friendly foreign countries. Some of the recent rumors regarding North Korea's sales of artillery shells to Russia were based on the theory that North Korea might hold a large stockpile of artillery shells and that its military industry still maintains a certain level of self-sufficiency.¹¹

North Korea began expanding its long-range artillery establishment in the 1980s when it realized the limits of conventional weapons development and shifted its focus to asymmetric weapons, such as ballistic missiles and nuclear weapons. Its "revolutionary strategy against the South (Korea)" was mainly based on "special warfare behind enemy lines." Still, it was later replaced by "joint

October 25, 2022, <https://www.voakorea.com/a/6804054.html>.

11. "탄약 대량 보유한 북한, 이미 러에 무기 공급 -NK 뉴스," 뉴시스, September 7, 2022, <https://reurl.cc/QWnzk0>.

12. "Joint warfare" (배합전) is a military strategy developed by North Korea in response to the military

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warfare”¹² conducted with long-range artillery and political propaganda.¹³ The powerful long-range artillery with wide coverage poses a military threat that would “plunge Seoul into a sea of fire” and has affected public opinion in South Korea.¹⁴

According to the North Korean doctrine, its “surprise attack, coordination, and end the battle quickly” strategy would be able to launch a regional war by concentrating artillery fire in the shortest period possible. The surprise attacks would paralyze or panic the opponent before they could react before

the artillery units were moved to other firing positions.¹⁵ However, judging from North Korea's deployment at the time of the Yeonpyeong Island bombardment and the subsequent changes in its military provocations over the years, the “Korean People's Strategic Force,” expanded and established in 2013, has gradually replaced the long-range artillery force as the protagonist of military intimidation against South Korea. However, the coastal and long-range artillery units deployed near the DMZ still pose serious military threats to South Korea's border areas and even the City of Seoul.¹⁶

confrontation with the South. In the 1960s, Kim Il-sung proposed the tactical concept referencing the Soviet regular army and Mao Zedong's unorthodox guerrilla strategy. The term means the integration of “regular warfare and guerrilla warfare” and “front-line operations and behind-enemy-line operations” instead of relying solely on the regular army. The concept was later developed into an important part of North Korea's asymmetric warfare, which includes political and cyber warfare. Reference: “[긴급진단] 최신 북한군 戰力 : 核 - 미사일 - 기동軍 - 사이버戰으로 美軍 증원 전에 결판,” 월간조선, May 2005 Issue, <http://monthly.chosun.com/client/news/viw.asp?nNewsNumb=200905100026>.

13. 문광건, “북한의군수산업,” 국방과학기술, Issue 235, 1998, p. 38, <https://reurl.cc/58k39v>.

14. The phrase “plunge Seoul into a sea of fire” began at the 8th North-South Korea Practical Meeting held in Panmunjom on March 19, 1994. The then North Korean Deputy Chief Minister Park Young-soo said, “This place (Panmunjom) is not far from Seoul. If there is a war, Seoul will become a sea of fire,” which was later abbreviated to “Seoul in a sea of fire” (서울 불바다). The term was also used several times in North Korea's later critical and threatening remarks about South Korea. In the most recent incident, when the North-South Liaison Office in Kaesong was bombed in 2020, the North's Korean Central News Agency published a commentary on June 17, 2020, asking South Korea to speak carefully, or there will be “a threat more serious than Seoul in a sea of fire.” Reference: “파렴치의 극치 조선중앙통신사 론평,” 조선중앙통신, June 17, 2020, <http://kcna.kp/kp/article/q/20605bf616fe278b225fb1ccea25155.kcmsf>.

15. 김장현, “평시 북한군 포병위협과 한국군 대응체계 분석,” 국민대학교 석사학위논문, 2013, pp. 22-23.

16. “남북 더 세진 火力... 서해 높아진 긴장 파고,” 동아일보, November 21, 2013, <https://reurl.cc/91oj8O>.

17. In the past, the Moon Jae-in administration agreed with the Chinese government on the “Three-Not Principles”

3-2. China may adjust its relationship with the two Koreas

If Xing's claim is valid, it is likely that China will gradually improve its relations with the two Koreas starting from Xi Jinping's third term. The biggest stumbling block in its relations with South Korea at present is the "Three-No Principle," while China's claim that "THAAD will affect China's mainland security" may not be convincing to South Korea. Moreover, South Korea may not make any further concessions to China's "one limit" proposition.¹⁷ The honeymoon period between China and South Korea has basically come to an end, and Korea can no longer remain aloof from the Taiwan Strait situation. In the economic sphere, as the US begins to restrict high-tech technology exports to China, China may require South Korea's continued assistance as an important partner in

the domestic development of advanced technologies.¹⁸

In terms of the Korea-US military alliance, large-scale exercises are expected to resume in Korea next year. In addition to this year's "Ulchi Freedom Shield" (UFS) and "Vigilant Storm," Korea is planning to conduct a series of joint Korea-US amphibious landing training, similar to the previous exercises such as "Double Dragon Landing," "Max Thunder," or "Vigilant Ace," starting next spring with new air and sea training elements. Judging from North Korea's recent violent response to the South Korean-US joint military exercises, the newly added exercises next year will certainly provoke yet another negative reaction from the North. Although the main purpose of the exercises is to deter the North from making any rash moves, it's still a potential risk to China.

regarding the THAAD issue: "will not add more THAAD anti-missile systems," "will not join the US missile defense system," and "will not join the military alliance among South Korea, the US, and Japan." But China later unilaterally claimed that there was an additional "one limit" that calls for "restricting the use of the existing THAAD anti-missile system." The South Korean government has yet to agree with the "one limit," which could become the "stumbling stone" in its relationship with China. Judging from the current public opinion in South Korea, the current Yoon government may not accept China's "one limit" proposal; this will be one of the key points in the future high-level dialogue between Korea and China.

18. "[시진핑 3기] 파고놓아지는미중경쟁 ... 한중관계에복합도전," October 23, 2022, <https://www.mk.co.kr/news/politics/view/2022/10/937882/>.

19. "Chinese Foreign Minister Wang Yi Proposes 'Dual-track Approach' and 'Dual-moratorium' for Resolving Korean

The Pattern and Impact of North Korea's Recent Military Provocation

On October 25, North Korea and China both openly celebrated the 72nd anniversary of the “Resist US Aggression, Aid Korea” war. The relations between North Korea and China are likely to enter a new phase after the 20th CCP National Congress with joint efforts to counter the US containment strategy and promote the development of the surrounding regions. As China continues to adopt a tacit, passive attitude toward North Korea’s military provocations, this may lead to the accelerated development of the military security alliance among South Korea, the US, and Japan. To avoid the related issues being pushed to the edge and become stagnate, China may once again advocate the “dual-track approach” and “dual moratorium” that Wang Yi once proposed and use them to serve as the main axis of its policy toward North Korea and throw the responsibility of the North’s nuclear issue back to the US.¹⁹

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Peninsula Issue at Security Council,” *UN News*, April 28, 2017, http://www.mod.gov.cn/big5/topnews/2022-10/27/content_4924410.htm.



The Pattern and Impact of North Korea's Recent Military Provocation



From the 20th National Congress of the CCP to see the world power competition between China and the United States

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Topic: U.S.-China Strategy, Indo-Pacific Region -China Strategy, Indo-Pacific Region

1. News Highlights

The CCP 20th National Party Congress was held in Beijing from October 16 to 22, 2022. Xi Jinping, General Secretary of the CCP Central Committee, delivered a political report on behalf of the 19th Central Committee members and confirmed his third term as the CCP General Secretary at the end of the Congress. Xi's re-election and control of the Politburo Standing Committee mean that he will remain in power for the next five years and that there will be no drastic changes in China's development direction or foreign policy. In other words, the competition scope between China and the US will still be difficult to mitigate. On November 15, 2022, Xi and US President Joe Biden held bilateral talks at

the G20, stating their respective positions on Taiwan Strait stability in a tit-for-tat manner. But while the bilateral dialogue appeared to be ice-breaking, they failed to reach a clear consensus. This article takes the CCP's 20th National Congress as the key point to observe the competition for power between China and the US in the East Asian region and even in the global arena and have a deeper look at the relevant development trend.

2. Security Implications

The "Power Transition Theory" uses economic, demographic, and political capability as criteria to measure the strength of power and categorizes the power of the states into four levels: super, strong, secondary, and weak

powers.¹ The Theory suggests that in the governance model of world politics, the most stable model is the alliance formed by superpowers joined by weaker ones that share interests and are satisfied with the status quo. In contrast, when the “challengers” (were lower in power) are dissatisfied with the current distribution of power and become uncooperative with the “defender” (was higher in power), the opportunity to overtake the defender in terms of relative power is most likely to lead to a conflict or war. Based on this Theory, this article analyzes the current competitive situation between China and the US from the Chinese perspective.

2-1. China’s dissatisfaction with the international situation has caused turbulence

The political report of CCP’s 20th National Congress revealed its dissatisfaction with the current

international situation and proposed to “proclaim the practice of genuine multilateralism, clearly oppose all hegemonism and power politics, and unwaveringly oppose any unilateralism, protectionism, and bullying.”³ Although “United States” is not mentioned throughout the report, it is reasonable to interpret the passage as targeting the US from the events or behaviors corresponding to the keywords in the sentences. For example, “hegemonism” has been used to refer to the US and Soviet superpower since the Cold War; “unilateralism” and “protectionism” have also been used to criticize the US for initiating trade sanctions against China after the trade war between the two countries started.

Observing from the 20th National Congress report, apart from the dissatisfaction with the US, the Chinese side does not want to concede defeat

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1. Ronald L. Tammen, Jacek Kugler, et al., translated by Xiang Jun, *Power Transitions: Strategies for the 21st Century*(Taipei: Ministry of National Defense, History and Politics Editorial Office, 2003) pp. 5-27.
 2. Ronald L. Tammen, Jacek Kugler, et al., translated by Xiang Jun, *Power Transitions: Strategies for the 21st Century*, pp. 28-48.
 3. Xi Jinping, “Upholding the Great Banner of Socialism with Chinese Characteristics, Uniting for the Comprehensive Construction of A Modernized Socialist Country: Report at the 20th CCP National Congress(October 16, 2022),” *People’s Daily Online*, October 26, 2022, [http:// politics.people.com.cn/n1/2022/1026/c1024-32551597.html](http://politics.people.com.cn/n1/2022/1026/c1024-32551597.html).

either. Due to the legacy influence of internal political struggle in China, Xi Jinping, as a leader with a high degree of centralized power, has no room to back down, or he may be attacked by the hawks or other potential political factions within the party. Even though the new Politburo Standing Committee at the top of the CCP has been completely cleared of the Jiang Zemin and Communist Youth League factions by the Xi faction, which is the only one in charge, since there are still a large number of middle-ranking cadres from other factions, it is difficult for Xi to clean up every organization from the root to rest easy. Therefore, as Xi cannot retreat from the internal contest or see an opportunity for external reconciliation, he can only maintain a hardline stance. In an irreversible state of competition, the contest between these two powers will only lead to a more volatile world situation.

2-2. China's image reshaping and competition with the US for international discourse

In the 20th National Congress report,

Xi Jinping mentioned that “(we are) promoting the construction of a common future of humanity and firmly upholding international justice and fairness... We are demonstrating our responsibility as a major power, actively participating in the global governance system reform and construction, and have fully embarked on international combat against the COVID-19 epidemic to win widespread acclaim from the global society. We have significantly elevated our international influence, appeal, and the power to shape.”⁴ First of all, China has been emphasizing the term “responsible major power” many times since the Asian financial crisis in 1997, and its three leaders, Jiang Zemin, Hu Jintao, and Xi Jinping, have never let go of their insistence on this international image. During his tenure, Xi accelerated China's infiltration into global organizations, taking advantage of former US President Donald Trump's temporal withdrawal, with the obvious intention of replacing the US in control of the global governance system. This is coupled with moral arguments such as the construction of a

4. Ditto.

“common future of humanity,” which is an attempt to seize the moral high ground in international politics.

And Xi Jinping, who has continued to stress the move towards “the great revival of the Chinese people” since the 19th National Party Congress in 2017, intends to quickly strengthen China’s international image to satisfy the domestic needs of nationalist confidence. However, before the 20th National Congress in 2022, China faced the most serious national image blow dealing with the COVID-19 outbreak in 2020. Since China’s suppression of COVID-19 information and the global outbreak could have been caused by the virus leakage from its Wuhan laboratory, China has become the source to blame, which also caused Chinese and other Asian people to be prejudiced as “virus spreaders” by the rest of the world. In response, China has repeatedly countered that the US is the source of the virus through “wolf diplomacy” and highlighted its contribution to international cooperation against the epidemic through “vaccine diplomacy,” which allowed them to boast a “significant increase” in international influence in the report as a result. But these boasting and attempts to boost their image are fruitless as the

Chinese vaccines lack effective protection and have been gradually phased out by the international community.

3. Trend Observation

3-1. The US continues blocking power transferred to China

China and the US have gradually moved towards competition instead of cooperation from economic to strategic security aspects. The siege of China has become a cross-party consensus in the US since President Trump proposed the Indo-Pacific strategy and is continued by the Biden administration. The war between Russia and Ukraine that broke out in 2022 is an affirmation of the long-standing Western suspicion of authoritarian states such as China and Russia, especially as a security threat to democracies. Before the war, China and Russia had bilateral leaders’ summit talks during the Beijing Winter Olympics. After the war started, China repeatedly refused to join in condemnation of Russia and opposed sanctions, so there was no room for cooperation between China and the US on the Russia-Ukraine issue. Back to the “Power Transition Theory.” The current situation between the US and China is

indeed in the fundamental conditions of the Theory that are most likely to lead to future conflicts. Therefore, the US cannot give China another chance to overtake US hegemony, lest it really triggers a war that leads to a “transition of power.” In addition to the political and military development, the US is retarding China in terms of economic power. For example, on August 9, 2022, President Joe Biden signed the “Chips and Science Act 2022,” which establishes a 10-year ban on all semiconductor products, technology, and talent exports to China to isolate the country’s semiconductor supply chain.⁵ With these actions, the US attempts to prevent China from surpassing it in critical semiconductor technology, which is also related to the ability to manufacture chips essential to weapons. The blockade is not only about the economy but also about national defense and security.

3-2. The alliance trend forces small countries to choose sides

In 2022, the US and China keep forming their respective alliances. Aside from the progress in China-Russia relations, the US continues to organize the Quadrilateral Security Dialogue (QUAD) with Japan, Australia, and India. Biden also confirmed the establishment of AUKUS, a trilateral security partnership among the US, UK, and Australia, in a call on October 25 after the election of new British Prime Minister Rishi Sunak, and that AUKUS will jointly support Ukraine and contend with China.⁶ In addition, the horizontal ties between the US and its allies are also being strengthened. On October 22, the closing day of the 20th Communist Party Congress, Japan and Australia signed the Joint Declaration on Security Cooperation, the first agreement that allowed foreign troops other than the US to present on Japanese soil. The two countries also announced that they would strengthen military cooperation and cooperate in strategic resource areas such as energy.⁷ During the November

5. Pei-Chen Liu, “The US Chip Act and Related Measures Shake the US-China-Taiwan Semiconductor Development Trend,” *Straits Exchange Foundation*, September 7, 2022, <https://www.seftb.org/cp-4-1749-07cd7-1.html>.

6. “British Politics: Prime Minister Rishi Sunak Took Office, ‘Pragmatic to China’ or Continue the Hawkish Diplomacy?” *Radio Free Asia*, October 27, 2022, <https://www.rfa.org/cantonese/news/uk-sunak-10272022092745.html>.

7. “Japan and Australia Collaborate Against China after 15 Years: New Joint Declaration on Security Cooperation Signed,” *Central News Agency*, October 22, 2022, <https://www.cna.com.tw/news/aopl/202210220222.aspx>.

2022 ASEAN Summit, the Japanese and South Korean leaders attended the ASEAN+3 (China/Japan/Korea) Summit, and both expressed the same opinion and stance on the stability of the Taiwan Strait.⁸ This is also the first time President Biden participated in the ASEAN Summit during his term of office, which elevated the relationship between ASEAN and the US to a “comprehensive strategic partnership.” So even though China established a “comprehensive strategic partnership” with ASEAN in November 2021 before the US did, the US caught up immediately after a year, which underscored ASEAN’s desire not to take sides to bet on either US or China.

With China and the US each taking the lead in forming alliances and competing on an unforeseeable future development, the world will become increasingly confrontational, further squeezing the space of small countries caught in between. The most direct victims are the ASEAN and the Pacific Island countries, which have repeatedly expressed their unwillingness to choose

sides between China and the US. However, the world’s power landscape is an external constraint on individual countries, and each involved country must respond intelligently to maintain its diplomatic independence and room for maneuvering. However, it is still difficult to remain neutral and watchful for a long time.

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8. “China Was There! Fumio Kishida Stresses the Importance of Peace and Stability in the Taiwan Strait in ASEAN+3 Summit,” *FTVnews.com*, November 12, 2022, <https://www.ftvnews.com.tw/news/detail/2022B12W0141>.

No Time to Lose: Promoting CMMC for Taiwan's Defense Industrial Base

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Keyword: supply chain security, CMMC, cybersecurity in the defense industry

Given the success story of foreign aid to Ukraine during the Russo-Ukrainian War, and the shock brought forth by China's military exercises surrounding Taiwan in August 2022, the democratic coalition led by the US has started discussing various preventive coping strategies. Among them military weapon assistance is one issue that has invited heated debates. As there is no D-Day, the idea of starting military weapon transportation N days before D-Day is impossible. Furthermore, proposals ranging from stockpiling weapons and ammunition by countries around Taiwan to advancing loans, to Taiwan for military defense, were met with many obstacles and suspicion.

Until recently, certain like-minded friend proposed the initiative of setting up weapons production lines in Taiwan.¹ The initiative is practical and uplifting, but it's also a mixed blessing. The good news is Taiwan would be well-equipped if the war breaks out, can become part of the U.S. military weapon supply chain, and thereby establish a large-scale military defense industry ecology. On the other hand, the U.S. military defense industry ecology has been implementing the U.S. Department of Defense (DoD) Cybersecurity Maturity Model Certification (CMMC). If Taiwan wants to become part of the U.S. military weapon supply chain and keep up with the upcoming change, it is imperative to introduce and brace for the CMMC

1. "U.S. Considering Joint Weapons Production with Taiwan," *Reuters*, October 19, 2022, <https://www.reuters.com/world/asia-pacific/us-government-considering-joint-production-weapons-with-taiwan-nikkei-2022-10-19/>.

practices.

What is CMMC?

Cybersecurity Maturity Model Certification (CMMC) requires protection for Federal Contract Information (FCI) and Controlled Unclassified Information (CUI) in non-federal systems to ensure all contractors meet certain cybersecurity standards when they bid for military defense contracts. The U.S. Department of Defense (DoD) stressed CMMC is still a developing program. The CMMC Model is notional until rulemaking is completed. CMMC 1.0 was officially released on November 30, 2020, consisting of five levels. CMMC 2.0 was released on November 17, 2021. It trims the number of CMMC levels from five to three. As shown in the figure, since October 25, 2022, the three levels are no longer classified as Foundational, Advanced, and Expert.² According to the Defense Federal Acquisition Regulation Supplement

(DFARS), the controls of Controlled Unclassified Information, published by the National Institute of Standards and Technology (NIST), are required to comply with NIST Special Publication 800-171 for the protection of Controlled Unclassified Information in non-federal systems and organizations, and NIST SP 800-172 if Level 3 Certification is required.³ The CMMC revolves around the defense acquisition contract system, and the recognition of defense acquisition contract certification levels is issued by the Defense Contract Management Agency (DCMA) of the U.S. Department of Defense. Except for the defense supply chain manufacturers who define their own output information, the scope of the CUI is defined by the buyer of the procurement contract, which is the defense procurement contracting authority.⁴

Why is the U.S. promoting CMMC?

Before the SolarWinds software

2. Please refer to the official website of the Chief Information Officer U.S. Department of Defense for more information on CMMC: <https://www.acq.osd.mil/cmmc/about-us.html>.

3. Please refer to the official website of the CMMC Accreditation Body (Cyber AB) for more information: <https://cyberab.org/CMMC-Ecosystem/Ecosystem-roles/DIB-Companies-OSCs>.

4. Jim Goepel, "Are Contractors Authorized to Mark Legacy Information or Unmarked Information as CUI?" *CMMC Information Institute*, October 10, 2022, <https://cmmcinfo.org/2022/10/10/are-contractors-authorized-to-mark-legacy-information-or-unmarked-information-as-cui/>.

supply chain hacking was revealed in December 2020, the U.S. Department of Defense had already started promoting CMMC strongly since the end of November of that year. If we examine the root cause, the major contractors and subcontractors in the U.S. military supply chain have been suffering from foreign cyber-attacks and theft of business secrets for over a decade. Seeing that the Chinese Communist Party (CCP) is not shy to show off their newly-copied American-style weapons, the U.S. government has not only strengthened the protection of physical and cyber confidential information, but also the control of Controlled Unclassified Information, non-confidential information produced, handled, stored, and processed by federal organizations and defense contractors, as such information has become the high-value target of the CCP and other hostile forces, to counter CCP's piecemeal approach intelligence gathering.⁵

On November 4, 2010, the Obama

administration issued *Executive Order 13556*, which requires contractors working for the federal government to strengthen physical security and cybersecurity protections for Controlled Unclassified Information per NIST SP 800-171. However, in the face of ineffective implementation, the Obama administration and the CCP reached an agreement in 2015 on not using the Internet for espionage, which was proved futile later.⁶ With the complexity of NIST SP 800-171 and absence of the helping hand from significant contractors, it is quite challenging for small and medium enterprises in the defense industry supply chain to comply with the regulations. After the Trump administration embarked on a high-tech decoupling from the CCP, and continued to tighten controls over Controlled Unclassified Information of the defense industry after the Clean Network initiative, the DoD therefore launched CMMC 1.0 to strengthen the security of defense industrial networks. However, there was still a big gap between CMMC

5. "Controlled Unclassified Information," *U.S. DoD CUI Program*, <https://www.dodcui.mil/>.

6. Ellen Nakashima and Steven Mufson, "U.S., China Vow Not to Engage in Economic Cyberespionage," *The Washington Post*, September 25, 2015, https://www.washingtonpost.com/national/us-china-vow-not-to-engage-in-economic-cyberespionage/2015/09/25/90e74b6a-63b9-11e5-8e9e-dce8a2a2a679_story.html.

1.0 and Defense Federal Acquisition Supplement and NIST SP 800-171. By the end of 2021, the Biden Administration collected feedback from all parties and continued to update and launch CMMC 2.0. The ultimate goal is to ensure that CMMC remains part of the national security strategy to keep up with the bipartisan consensus between Democrats and Republicans in countering the pacing challenge from the CCP, allowing the U.S. to maintain a leading edge in technology and warfighting capabilities.

Conclusion: What does CMMC have to do with Taiwan?

Since its launch at the end of 2020, such Five Eyes members as the UK, Canada, and Australia, together with NATO countries and non-NATO allies such as Japan and Korea, have joined the CMMC one after the other and are actively preparing to keep track with the U.S. defense industry. As the levels and scope of CMMC are decided by defense procurement projects owners, defense procurers in each country play the role

of the initiator to enable the introduction and implementation of the CMMC. South Korea has done the most thorough job of copying the U.S. system per its national conditions. The kind of endeavor renders non-NATO allies to single out their position among CMMC-applicable countries and a green light for the export of military weapons embedded with U.S. supported defense technology to Poland during the Russo-Ukrainian War.⁷

Taiwan has been emphasizing “information security is national security” since 2014 and has been actively developing its information security industry. In recent years, various advanced indigenous armaments have been made and entered the test and evaluation stage. After the successful F-16 restructuring and upgrading project, something performed by Hanxiang Aerospace Industrial Development Corporation in Taiwan, Taiwan's defense industry has not only been recognized for its capability but also met the information security and counter-intelligence standards. In that light, the U.S. finally agreed to test-fire

7. Soo-Hyang Choi, “Poland Buy S. Korean Rocket Launchers after Tank, Howitzer Sales,” *Reuters*, October 19, 2022, <https://www.reuters.com/world/europe/poland-expected-buy-skorean-rocket-launchers-after-tank-howitzer-sales-2022-10-19/>.

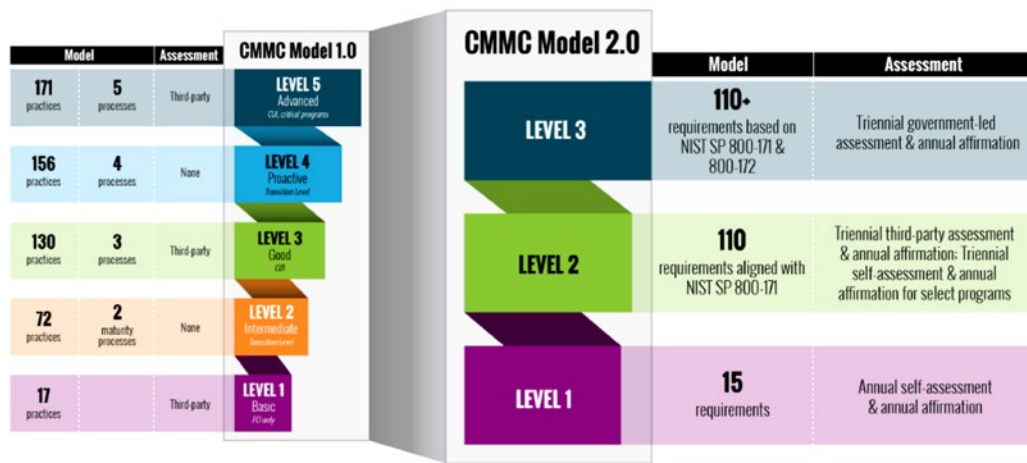
the U.S. Army’s operational Patriot Pac-3 missiles in Taiwan.⁸ After all, joining the U.S. defense industry supply chain can help Taiwanese defense manufacturers to expand their market scale and increase profits. Before the CMMC completes its full rulemaking process in May 2023 and

full implementation in 2026, Taiwanese defense manufacturers must accelerate their pace to meet the CMMC threshold.⁹ To keep in line with “information security is national security,” Taiwan may consider to follow the example of South Korea under the leadership of the relevant units

Fig. Compare CMMC2.0 vs. CMMC1.0

KEY FEATURES OF CMMC 2.0

*** Comparison between CMMC Models 1.0 and the planned CMMC Model 2.0. The CMMC Model 2.0 is notional until rulemaking is completed. ***



Source: “About CMMC,” *Office of the Under Secretary of Defense for Acquisition & Sustainment*, <https://www.acq.osd.mil/cmmc/about-us.html>.

8. Zhu Ming, “Taiwan-US Military Breakthrough: The U.S. Agrees to Test-fire Patriot Pac-3 Missiles in Taiwan for the First Time; Procurement of Extended-range MSE Missiles to be Completed in Batches in 2025 and 2026,” *Up Media*, November 2, 2022, https://www.upmedia.mg/news_info.php?Type=24&SerialNo=158005.

9. Zheng-Han Luo, “U.S. Department of Defense Launched CMMC 2.0 to Establish New Cybersecurity Maturity Standard for Defense Supply Chain Networks,” *iThome*, March 3, 2022, <https://www.ithome.com.tw/news/149664>.

of the Ministry of National Defense to work seamlessly under the framework of CMMC. Doing so will accelerate the U.S. decision-making to install weapons production lines in Taiwan, given the lesson learned from the Russo-Ukrainian war. With all the emerging thoughts and a pretty tight schedule, Taiwan should step up preparation without delay while taking discrete, solid steps in the right direction.

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