



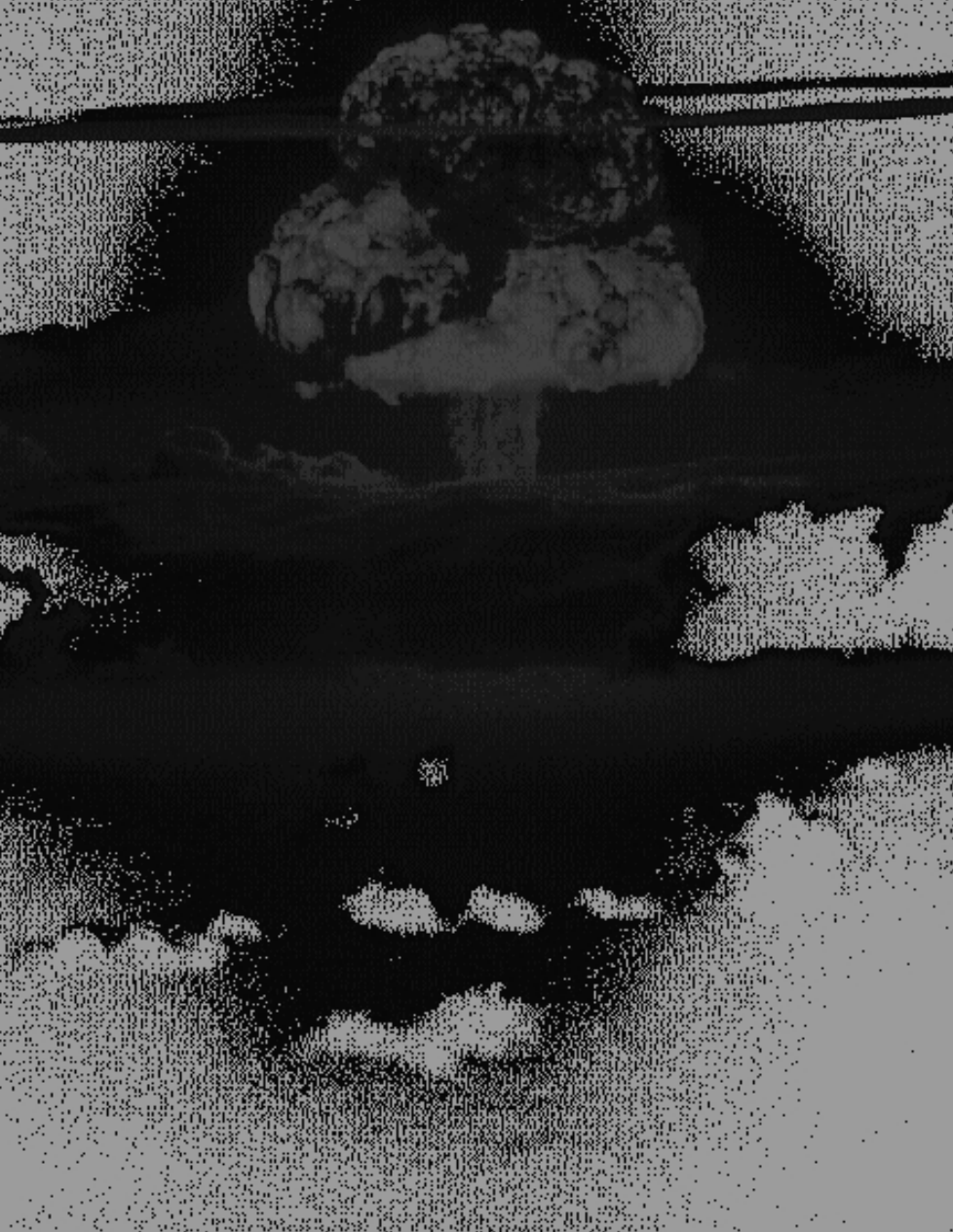
CONFIDENTIAL INTELLIGENCE DOCUMENT

# Communist China's Threat to American National Security



Excerpted from **The Cox Report** and other sources





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On January 3, 1999,  
a Select Committee of the  
U.S. House of Representatives chaired  
by Rep. Christopher Cox (R-CA)  
concluded its investigation  
into the illegal transfer of  
American technology to  
Communist China.  
This document contains  
excerpts from  
the Cox Report and  
other authoritative sources.

## INTRODUCTION

The success achieved by the United States through the use of high-technology weapons in the 1990 Gulf War led the communist People's Republic of China to emphasize military development. According to the Cox Committee, Communist China's military leaders immediately "began to call for military preparedness to fight 'limited war under high-tech conditions.'"

Such preparedness would support Red China's long-run geopolitical goals. The Cox Report states that mainland China "has not ruled out using force against Taiwan, and its thefts of U.S. technology have enhanced its military capabilities for any such use of force." Communist China has also asserted territorial claims against other Southeast Asian nations and Japan, and has used its military forces to back up these claims.

As a result, the Cox Committee believes the possibility of a U.S.-China confrontation "cannot be dismissed," and determined that Red China "seeks advanced U.S. military technology to achieve its long-term goals."

Communist China's drive to steal American technology accelerated in 1996 when the communist leadership announced the "Super 863 Program" to acquire and develop science and technology through the year 2010. The program calls for the acquisition and development of technology in a number of areas of military concern: machine tools, electronics, petrochemicals, electronic information, bioengineering, exotic materials, nuclear research, aviation, space, and marine technology.



Li Peng  
Chairman, National People's Congress

In 1996 Li Peng, the second-ranking member of the Politburo and chairman of the National People's Congress, proclaimed "We should attach great importance to strengthening the army through technology, enhance research in defense-related science, ...give priority to developing arms needed for defense under high-tech conditions, and lay stress on developing new types of weapons."

A year later Red China formally codified the "16-Character Policy." This policy provides the overall direction that blurs the lines between government, commercial and military entities. The sixteen characters literally mean:

- Jun-min jiehe (*Combine the military and civil*)
- Ping-zhan jiehe (*Combine peace and war*)
- Jun-pin youxian (*Give priority to military products*)
- Yi min yan jun (*Let the civil support the military*)

That year Communist Party Secretary Jiang Zemin called for an "extensive, thorough-going and sustained upsurge" in his country's acquisition of high technology. A Chinese defense document dated 1998 pointedly stated that "no effort will be spared to improve the modernization level of weaponry."

The Cox Report documents numerous cases — previously unknown to the American public and unknown even to many of the highest officials of the U.S. government itself — where Red China's theft of advanced American technology has occurred. Chinese spies have penetrated four U.S. weapons research laboratories and stolen information that threatens American national security.

Paul Redmund, former head of counterintelligence for the Central Intelligence Agency, terms the loss of American secrets to Red China "just as bad as the Rosenbergs."

The Cox Committee warns that Communist China continues "to seek advanced U.S. military technology to achieve its long-term goals."

### Red China's 16-Character Policy

軍民結合  
平戰結合  
軍品優先  
以民養軍

In 1997, Communist China formally codified Deng Xiaoping's "16-Character Policy," which literally means: Combine the military and civil; combine peace and war; give priority to military products; let the civil support the military.

## MAJOR FINDINGS

**#1. Communist China "has stolen classified information on all of the United States' most advanced thermonuclear warheads" as well as information on several reentry vehicles.**

According to the Cox Report, "The stolen U.S. secrets have helped [China] fabricate and successfully test modern strategic thermonuclear weapons." The stolen information includes classified information on seven nuclear warheads — including every currently deployed warhead in America's intercontinental ballistic missile (ICBM) arsenal — as well as classified information on the so-called "neutron" bomb that kills people but leaves physical structures such as factories intact.

Among the most valuable information stolen by Communist China was data on the “W-88,” the United States’ smallest yet most sophisticated nuclear weapon. This warhead is used on America’s Trident submarine-launched ballistic missiles. The United States first obtained evidence concerning the theft of this information, along with the theft of information on other nuclear weapons, during the Clinton/Gore Administration.

## Classified U.S. Nuclear Weapons Information Acquired by Communist China

Designation	Design Laboratory	Weapon Platform
W-88	Los Alamos	Trident D-5 SLBM
W-87	Lawrence Livermore	Peacekeeper/M-X ICBM
W-78	Los Alamos	Minuteman III Mark 12A ICBM
W-76	Los Alamos	Trident C-4 SLBM
W-70	Lawrence Livermore	Lance SRBM
W-62	Lawrence Livermore	Minuteman III ICBM
W-56	Lawrence Livermore	Minuteman II ICBM

## America’s Secrets Will Help Improve, Enlarge China’s Nuclear Forces

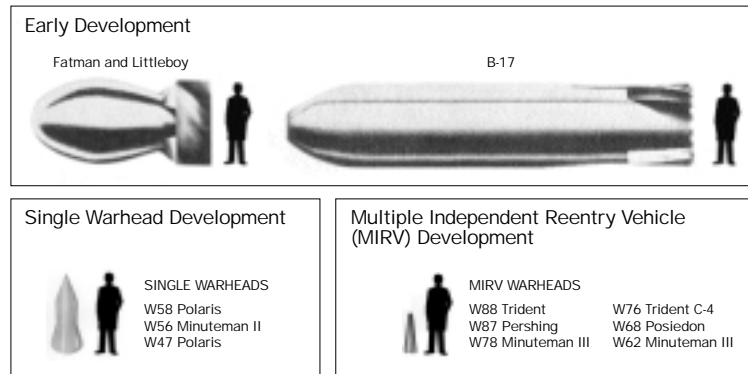
According to the Cox Committee, Red China is likely to use the stolen information in building its next generation of intercontinental ballistic missiles — both road-mobile and submarine-launched ICBMs — “which will be able to strike the United States.” Intelligence experts agree that Communist China could have this capability for its new mobile ICBMs “within a reasonable period of years.”

With other information stolen from the United States, Red China also “now has the capability to develop and deploy silo-based intercontinental ballistic missiles with multiple reentry vehicles (MIRVs or MRVs),” states the Cox Report. MRVs will make China’s ballistic missile force more lethal because a single missile launch will be able to carry — and independently target — 10 different nuclear warheads. MRVs also can help to counter missile defenses such as those being considered for the United States, Japan, South Korea and Taiwan.

The Cox Report states that without the secrets stolen from the United States, it would be “virtually impossible” for Communist China to successfully build such weapons without actually detonating the warheads — tests that cannot be conducted under the Comprehensive Test Ban Treaty.

“The loss of ...information from the Department of Energy’s national weapons laboratories helped [China] in its efforts to fabricate and successfully test its next generation of nuclear weapons...” according to the Cox Report. These warheads now give Red China modern nuclear weapons that are roughly equivalent to those of America.

## Size Comparison of U.S. Nuclear Warheads



The first U.S. nuclear warheads, such as Fatman, Littleboy and the B-17, were very large in size. Over time, as technology became more sophisticated, the warheads shrunk in size.

## Inaction By Clinton/Gore Administration To National Security Threats

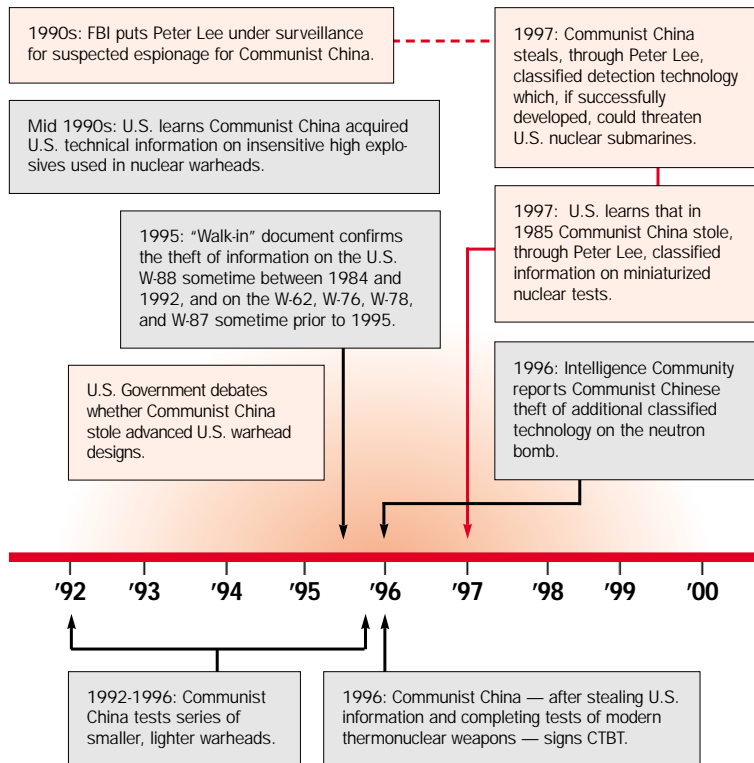
Sandy Berger, at the time President Clinton’s deputy national security advisor, was first formally briefed on the thefts of classified American nuclear information by Communist China in April 1996, although Berger has told reporters the issue came to his attention in 1995. Berger told the Cox Committee he did not brief the President about the issue, however, for nearly two years. Furthermore, neither the Secretaries of State or Commerce in the Clinton/Gore Administration had been briefed despite their legal responsibilities in international affairs.



Samuel (Sandy) R. Berger, National Security Advisor, originally told the Cox Committee that he briefed President Clinton about the theft of U.S. nuclear information in early 1998. Later, in May 1999, as part of the declassification process to make this report publicly available, Berger advised the Cox Committee that the President was briefed in July 1997, although no written record of this meeting exists.

A report on the security of America’s nuclear weapons program issued by a special investigative panel chaired by former U.S. Senator Warren Rudman concluded that the Clinton/Gore Administration “did not give the security and counterintelligence problems at the labs the priority and attention they warranted.” There is, according to the Rudman Report, “evidence to raise questions about” the lateness of attention the Clinton/Gore White House gave to the matter.

## Clinton/Gore Administration Knowledge of Communist Chinese Weapons Thefts



In fact, a secret report to the Clinton/Gore Administration in November, 1998 warned that Red China posed an "acute intelligence threat" to America's national weapons laboratories and that computers systems at the labs were being constantly penetrated by unknown outsiders as recently as June, 1998. Yet President Clinton, on March 19, 1999 claimed during a nationally televised news conference that he had no knowledge of any national security breaches during his term of office.

NOTE: *The Cox Report also noted that in the mid-1990s Communist China stole from a U.S. national weapons laboratory classified nuclear weapons information that cannot be identified. In addition, the Cox Committee reported it is aware of other thefts of U.S. secrets by China. Citing reasons of national security, the Clinton/Gore Administration has determined that further information on these thefts cannot be revealed to the American public at this time.*

### #2. Communist China "also acquired classified U.S. nuclear weapons computer codes from U.S. national weapons laboratories."

Since signing the Comprehensive Test Ban Treaty in 1996, Red China faces new challenges in building modern nuclear warheads without physical testing. The ban on testing has "increased [China's] interest in high performance computing and access to sophisticated computer codes to simulate the explosion of nuclear weapons," according to the Cox Report.

Given the limited number of nuclear tests that it has conducted, Communist China would benefit from the additional information about nuclear weapon performance that it could be obtained by stealing America's "legacy" computer codes — such as those that were used by the Los Alamos National Laboratory to design the W-88 warhead.

Nuclear weapons' codes are important for understanding the workings of nuclear weapons; Red China needs America's nuclear codes if it is to build new weapons based on the information it stole from the United States. In fact, the Cox Committee believes that nuclear weapons computer codes remain a key target for Communist China's espionage. The Department of Energy reports that China has, in fact, already acquired some U.S. computer codes.



As a result of an espionage program going back to at least 1979, Red China has stolen design information on the United States' most advanced thermonuclear warheads from America's National Laboratories like the one at Los Alamos, New Mexico (above). The PRC also rigorously reviews unclassified technical and academic publications, and uses extensive interaction with U.S. scientists at the National Labs. The Select Committee judges that the National Labs almost certainly remain penetrated today.