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Quotes Of The Month

"During the past six months we have become concerned about the intervention of the (Chinese) central authorities regarding the pace and scope of constitutional development, ... This has seemed inconsistent with the high degree of autonomy guaranteed to Hong Kong under the Joint Declaration." ~ British Foreign Secretary **Jack Straw**, expressing concern over Beijing's moves to curtail direct elections in Hong Kong. Source: "Straw uneasy over Beijing HK policy" *Reuters*, July 20, 2004 (cont. pg 3)

Trivia

Who claims that the Chinese invented soccer? (cont. pg 3)

FEATURE ESSAY

The Coming "Second Wave": HIV/AIDS in Asia

BY BATES GILL

The following are excerpts from Bates Gill's testimony before the Subcommittee on Asia and the Pacific, Committee on International Relations, United States House of Representatives, July 21, 2004. [Click here for the complete testimony.](#)

Incredible as it seems, each and every day, more than 8,000 persons die of HIV/AIDS. More astonishingly, every day some 13,000 new infections occur. Nearly half of these infections will be in the world's future – its young people, aged 15 to 24. More people became infected with HIV in 2003 – 5 million new infections – than in any year since the disease surfaced more than 20 years ago. With resources for prevention, treatment and care coming well short of what is needed globally, the world is falling behind in its effort to reverse the deadly and destabilizing course of the epidemic.

The United States and the world now face an even greater challenge as a looming "second wave" of HIV/AIDS in Asia gathers on the near horizon. The center of gravity of the global epidemic is shifting perceptibly eastward from Africa and increasingly affects Eurasia. Unlike in the past, the devastating consequences of HIV/AIDS will increasingly envelop very large, highly populated, and geostrategically critical countries and regions in Asia, including China, India, Indonesia, and Russia.

HIV/AIDS is now recognized clearly as a growing threat to China

According to official Chinese estimates, China now has approximately 840,000 persons living with the HIV virus. As of the end of 2003, only 62,159 persons had been tested and officially confirmed to be HIV-positive. The remaining HIV-positive persons in China – estimated at 780,000 persons or more – are not known to public health authorities, and the individuals themselves probably do not know their status, posing significant risks for the further spread of HIV.

Moreover, outside observers continue to believe that the number of HIV-positive persons in China is higher than China is prepared to acknowledge—perhaps 1 to 1.5 million. Doubt persists, despite improvements in estimating techniques, because China's HIV surveillance system remains inadequate, and indeed is a major obstacle to successfully confronting the spread of HIV in the country.

(cont pg. 2)

In The News

BEIJING

At a recent military conference, **Jiang Zemin**, the Chairman of the Central Military Commission (CMC), discussed a timetable for using force to achieve Taiwan's reunification. According to a front-page report carried by Hong Kong's *Wen Wei Po*, Jiang warned that the period 'before or after 2020 is the time to resolve the Taiwan issue'. The People's Liberation Army staged a mock invasion of Taiwan on Dongshan island in July, putting special emphasis on PLA combat pilots flying Soviet SU-27 fighters securing air dominance over the Taiwan Strait.

BEIJING

Last year, China recorded the first increase of people living in absolute poverty since the start of the reforms in 1979. In 1992 the average rural income was about 2.45 times higher than China's poverty line of 1,000 yuan (US\$102) a year, while in 2003 it was 4.12 times. This has been attributed to the government's decreasing effectiveness in reducing poverty, natural disasters that swept through major provinces like Henan, Anhui, Shaanxi, and Heilongjiang and growing migration of rural workers to the cities.

HIV today is apparently concentrated among injecting drug users (IDUs) and persons infected in the 1990s through blood donations. It is present in all 31 provinces, autonomous regions, and municipalities of China, although the greatest numbers are found in eight hardest-hit provinces and autonomous regions: Yunnan, Xinjiang, Guangxi, Sichuan, Henan, Guangdong, Anhui, and Hubei. However, senior Chinese officials, as well as international experts operational in China, now assert that HIV is steadily moving from source populations such as injecting drug users and commercial sex workers into the general population.

China has made important advances in outlook, policy, and resource commitments at the central government level

New leaders have emerged in China with a stronger commitment to improving social welfare and to addressing HIV/AIDS in particular. China has initiated a more proactive response to the HIV/AIDS challenge, including a national treatment and care program known as the China Comprehensive AIDS Response, or China CARES. China CARES aims to provide free antiretroviral (ARV) treatment to 10,000–15,000 persons by 2004 and 40,000 persons by 2005. As of the end of 2003, China CARES had initiated treatment for 7,011 patients, though the dropout rate stands at about 20 percent, largely owing to poor counseling, monitoring and drug side-effects and toxicities.

Also, in February 2004, China established the State Council Working Committee on HIV/AIDS. This move revamped and upgraded the former National Coordinating Committee on HIV/AIDS and Sexually Transmitted Diseases, which had met only four times between 1996 and 2003, and was operated out of a low-level office within the Ministry of Health. The new Working Committee is chaired by Vice Premier Wu Yi, comprises 23 ministries and seven provinces, and meets on an annual basis, with more regular meetings and consultations carried out at the working level. Importantly, the executive office of the new Working Committee is housed in the office of a Vice Minister of Health (currently the office of Vice Minister Wang Longde).

Importantly, in 2003–2004, significant new lines of funding became available to combat HIV/AIDS in China. After being rejected twice, China's application to the Global Fund in 2003 was accepted, promising \$32 million during 2004 and 2005. Chinese central government funding has also substantially increased. For the fiscal year beginning April 1, 2004, the Ministry of Health is expected to receive some 400 million renminbi (approximately \$50 million at current exchange rates) in funding to combat HIV/AIDS, a quadrupling of funding over 2002–2003 levels.

Formidable challenges lie ahead

In spite of these many important changes in tone and policy, daunting challenges—political, technical, and normative—lie ahead for China to successfully meet the goals it has set to combat HIV/AIDS. It is difficult to overstate the scale of the challenge and the impediments confronting the implementation of an effective strategy in terms of planning, costs, logistics, human resources, technical capacity, and tackling the pervasive problems posed by stigma and misunderstanding about the disease.

The political will and policy structure has turned in a more positive direction at the central level, but the challenge of combating HIV/AIDS in China must now move into a far more difficult “phase two” of policy and technical implementation at a national, strategic level, and on the ground at the provincial, county, township, and village levels. Key challenges include, but are not limited to weak and incomplete national HIV testing and surveillance system, debilitated and dysfunctional public health system, particularly in rural areas where HIV is hitting hardest, undermining an effective response to HIV/AIDS. Further more, there remains a serious lack of qualified personnel and the necessary equipment and technologies to properly diagnose, counsel, treat, monitor, and care for HIV/AIDS patients.

Conclusions and recommendations

In the past year, China has undergone a dramatic shift of focus, will, and consciousness vis-à-vis HIV/AIDS and public health. These promising changes have driven upward the priority attached to HIV/AIDS, empowered the Ministry of Health, energized senior political leaders at many levels, changed the national discourse around HIV/AIDS, and opened the way for the first time in China to address HIV/AIDS and other related infectious diseases seriously on a national scale. However, at this juncture, China and its international partners can ill afford a “business as usual” approach or incremental, reactive adjustments to dealing with HIV in China. The United States should seize upon this moment to build new, far more robust partnerships around public health in China. The following steps are warranted on the basis of U.S. national interests, and hold the promise of attaining substantial results.

- ***Sustaining strong leadership:*** Success in addressing HIV/AIDS in China will require continued high-level leadership, both in China and internationally.
- ***Enhancing strategic planning and prioritization:*** China's formidable structural and organizational weaknesses must be addressed systematically. Failure to implement a more strategically coordinated plan risks the loss of international support over time.
- ***Accelerating institutional restructuring and reform:*** High priority should be given to addressing prevention and treatment more strenuously, especially within key at-risk groups.

Innovative U.S. policies and support to China on HIV/AIDS will contribute significantly to the formulation of a “Second Wave” strategy for such major states as China, India, and Russia which stand at risk of a generalized epidemic but which are presently not a priority focus of U.S. global HIV/AIDS efforts.

Dr. Bates Gill is the Freeman Chair in China Studies at CSIS.

PUBLICATIONS

"Defusing China's Time Bomb: Sustaining the Momentum of China's HIV/AIDS Response" is the latest CSIS report authored by **Bates Gill**, the Freeman Chair in China Studies, **J. Stephen Morrison**, Director of the Africa program, and **Drew Thompson**, Research Associate at the Freeman Chair. Co-chaired by Ambassadors **Louis W. Sullivan** and **J. Stapleton Roy**, the report details the findings and recommendations of a CSIS HIV/AIDS Delegation to China (Beijing, Wuhan and Suzhou) in April 13-18, 2004. [Click here for the report: \(English version\) \(Chinese version\)](#)

Audra Bielke, Research Intern at the Freeman Chair, recently published an article in *In the National Interest*. *"Illegal Migration in China and Implications for Governance"* examines the security threat illegal migration poses to China and its regional neighbors; in particular the large number of women trafficked within and out of China. [Click here for the article.](#)

Drew Thompson, Research Associate at the Freeman Chair and **Zhu Feng**, Visiting Fellow at the Freeman Chair, recently co-authored an article entitled, *"When All Else Fails: Beijing's Conservative Stance on Taiwan"*, published in *The China Brief* of the Jamestown Foundation. The article analyzes how the current tense political climates dominating Beijing, Washington and Taipei are constraining policy makers in each capital in their abilities to propose or implement policies that would contribute toward peaceful resolution of the cross-straits crisis. [Click here for the article.](#)

CONFERENCES AND EVENTS

Recent events -

June 30 *"Sustaining Momentum in China's HIV/AIDS Response: New Directions in Treatment, Prevention and Education"* The Freeman Chair in China Studies and the National Committee on U.S.-China Relations, with the support of New York Life Insurance Company, recently hosted a conference in New York. The two panel discussions and keynote speech by **David Ho**, Director and Chief Executive Officer of the Aaron Diamond Center for AIDS Research, allowed participants to gauge new thinking at the national level in China to take its HIV/AIDS challenge more seriously, and consider innovative means of treatment, prevention and education that may be suitable for application in China.

July 21 *"The Coming 'Second Wave': HIV/AIDS in Asia"* **Bates Gill** testified before the House Committee on International Relations' Subcommittee on Asia and the Pacific, giving his assessment of the risk HIV/AIDS poses to China, the HIV/AIDS strategy adopted by the government, and steps taken to prevent the escalation of the epidemic into a public health and developmental disaster in China.

July 22 *"An Introduction to China's People's Liberation Army."* **Ken Allen**, a Senior Analyst with CNA Corporation, presented a briefing that examined the myriad challenges analysts of the Chinese military face on a daily basis. Comprising of three parts, the briefing first examined the Chinese language as an analytical tool, Chinese source material, and the levels of war. The second part looked at the strategic setting, including the history and organization of the PLA, the military-defense industry relationship, doctrine, the military rank and grade structure, officer and enlisted troop training and education, and Communist Party control of the PLA. The final part discussed analytical tools for understanding the PLA's modernization, organizational structure, and ballistic missile force.

Upcoming events -

July 26 The Freeman Chair will host a delegation of eleven Chinese legal scholars participating in Temple University's Rule of Law Project. Discussions during the meeting will focus on health care reform and legislation.

August 18 *"Differences and Divergence: U.S. and Chinese Views Toward the North Korea Crisis"* **Zhu Feng**, Visiting Fellow with the Freeman Chair, will be presenting findings and conclusions of his research conducted during his tenure at the Freeman Chair in China Studies. The discussion will involve questions about the potential for cooperative engagement with North Korea, and room for cooperation and disagreement between other participants, including the United States and China. He will also analyze the implications of the current American policy of Complete and Verifiable Inspection and Disarmament (CVID) as a negotiating posture and its impact for peace on the Korean peninsula.

TRIVIA ANSWER

Sepp Blatter. The most powerful man in world football has claimed that historical records in China show that the world's most popular game existed in the country long before it was first played in Europe. According to soccer's governing body, Federation International Football Association, FIFA's historians discovered an ancient painting that shows a strikingly modern-looking ball being fought over by Chinese players, in a game so popular that it was played in the audience of Emperors. **Source:** "China invented football, not Britain" July 20, 2004. iTV.com, United Kingdom

Quotes of the Month

"The Taiwanese media have made all kinds of speculations about my visit. Their reports cannot be taken at face value. I did not speak to any of them. ... The speculation that we have offered ourselves as an intermediary is also untrue. Singapore has no intention of doing that, because the two sides do not need any intermediary, and Singapore is not in a position to play an intermediary role." ~ Singapore Deputy Prime Minister **Lee Hsien Loong**, responding to speculations of Singapore's potential role in cross-Strait relations emerging from his visit to Taiwan. Chinese authorities were visibly upset and referred to Singapore's visit as having "infringed (upon) China's core interest" *Source: Straits Times* interview with DPM Lee Hsien Loong, July 17, 2004

FREEMAN FACTS:

China's Imbalanced Sex Ratio

World average newborn sex ratio	107 boys for every 100 girls
China's national avg. newborn sex ratio	117 boys for every 100 girls
Hainan island's newborn sex ratio	134 boys for every 100 girls
Number of men in China seeking brides by 2020	40 million
Average market price for a Chinese bride	5000 Yuan (US\$604)
Number of people trafficked across international borders	800,000
Number of women and children trafficked in China (2003)	250,000
Number of women missing in China (2001)	40.6 million*

* Calculations based on assumed Coale ratio further explained in Andrea Den Boer and Valerie Hudson's paper (see Sources).

Sources: "China Bans Selective Abortion to Fix Gender Imbalance" *Reuters*, July 16, 2004. "China Fears Bachelor Future" *BBC News*, April 5, 2004. "The Factbook on Global Sexual Exploitation." Coalition Against Trafficking in Women, June 6, 2004. U.S. Department of State, *Trafficking in Persons Report 2004*. Andrea Den Boer and Valerie Hudson, "A Surplus of Men, A Deficit of Peace: Security and Sex Ratio in Asia's Largest States." *International Security* (Spring 2002).

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THE FREEMAN CHAIR IN CHINA STUDIES

Bates Gill, Freeman Chair in China Studies

Savina Rupani, Special Assistant and Program Coordinator

Zhu Feng, Visiting Research Fellow

Andrew Thompson, Research Associate

Sue Anne Tay, Research Assistant

Andrew Yang, Research Assistant

Audra Bielke & Zhezhen Chen, Research Interns

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About the FREEMAN CHAIR IN CHINA STUDIES

The *Freeman Chair in China Studies* was established at the Center for Strategic and International Studies in 1994 to advance the study of China and to promote understanding between the United States and the countries of the Asia Pacific region. The Freeman Family—Luther Freeman as a clergyman, Mansfield Freeman as a scholar-business leader, and Houghton Freeman as a corporate executive in a global enterprise—have established a tradition of contributing to international understanding through practical experience in East Asia and China.

The United States has a long-standing relationship with China and the countries of East Asia, which play increasingly important roles in future international economics, politics, culture, and security. In the diplomatic, public policy, business, and government fields, the peoples of both China and the United States will benefit from greater mutual appreciation and understanding through broadly based international exchange.

The Freeman Chair's active policy-oriented agenda is dedicated to delivering informed public policy debates, expert briefings, and strategic policy recommendations on Greater China and East Asia to the diplomatic, policymaking, business, and government arenas.

Current research projects

- China's domestic challenges and their consequences for U.S.-China relations and U.S. strategic interests
- The evolving U.S.-China strategic nuclear dynamic
- China's HIV/AIDS crisis and its implications for U.S.-China relations
- Examining the economic, trade, and financial tensions in U.S.-China relations
- China's emergence in Central Asia and its implications for the United States.
- China's military modernization and its impact on regional security
- U.S.-China-Taiwan relations

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