## U.S. NATIONAL SECURITY AND MILITARY/COMMERCIAL CONCERNS WITH THE PEOPLE'S REPUBLIC OF CHINA

**VOLUME II** 



SELECT COMMITTEE
UNITED STATES HOUSE OF REPRESENTATIVES

## **REPORT**

OF THE

# SELECT COMMITTEE ON U.S. NATIONAL SECURITY AND MILITARY/COMMERCIAL CONCERNS WITH THE PEOPLE'S REPUBLIC OF CHINA

SUBMITTED BY MR. COX OF CALIFORNIA, CHAIRMAN

January 3, 1999 — Committed to the Committee of the Whole House on the State of the Union and ordered to be printed (subject to declassification review)

May 25, 1999 — Declassified, in part, pursuant to House Resolution 5, as amended, 106th Congress, 1st Session

U.S. GOVERNMENT PRINTING OFFICE WASHINGTON: 1999

#### A NOTE ON REDACTION

The Final Report of the Select Committee on U.S. National Security and Military/Commercial Concerns with the Peoples Republic of China was unanimously approved by the five Republicans and four Democrats who served on the Select Committee.

This three-volume Report is a declassified, redacted version of the Final Report. The Final Report was classified Top Secret when issued on January 3, 1999, and remains so today. Certain source materials included in the Final Report were submitted to the Executive branch during the period August–December 1998 for declassification review in order to facilitate the production of a declassified report. The Select Committee sought declassification review of the entire report on January 3, 1999. The House of Representatives extended the life of the Select Committee for 90 days for the purpose of continuing to work with the Executive Branch to declassify the Final Report. A series of further extensions was voted by the House of Representatives until the final declassification review was completed in May 1999. Following an extended series of negotiations between the House of Representatives and the Executive branch, a number of material deletions have been made to the Final Report.

As a result of these deletions, a number of significant events, facts, and analyses have been omitted from this declassified Report. In several cases, important factual examples substantiating conclusions in the report have been deleted. In other cases, explicit findings of the Select Committee have been suppressed. The Select Committee's classified Final Report, therefore, remains the definitive product of its investigation and analysis.

U.S. Government Printing Office Washington, D.C.

Top Secret Report Date: January 1999 Declassified Report Release Date: May 1999

Additional copies of this report may be obtained from the U.S. Government Printing Office, Washington, D.C. 20402 upon written request and payment of document fees and standard shipping costs.

Printed in the United States of America

## **Members of the Select Committee**



## United States House of Representatives 105th Congress

REP. CHRISTOPHER COX, CHAIRMAN
Chairman, House Policy Committee
Vice Chairman, Committee on Government Reform and Oversight
Vice Chairman, Committee on Commerce,

REP. NORM DICKS, RANKING DEMOCRAT
Ranking Member, Permanent Select Committee on Intelligence
Ranking Member, Committee on Appropriations,
Subcommittee on the Interior

Subcommittee on Oversight and Investigations

REP. PORTER GOSS, VICE CHAIRMAN
Chairman, Permanent Select Committee on Intelligence
Chairman, Committee on Rules,
Subcommittee on Legislative and Budget Process

## REP. DOUG BEREUTER

Vice Chairman, Committee on International Relations Chairman, Subcommittee on Asia and the Pacific Member, Committee on Banking and Financial Services

#### REP. JAMES V. HANSEN

Chairman, Committee on Standards of Official Conduct Member, Committee on National Security Chairman, Committee on Resources, Subcommittee on National Parks and Public Lands

REP. JOHN M. SPRATT, JR. Member, Committee on National Security

Ranking Member, Committee on the Budget

### REP. CURT WELDON

Chairman, Committee on National Security, Subcommittee on Military Research and Development Member, Committee on Science

REP. LUCILLE ROYBAL-ALLARD

Member, Committee on Banking and Financial Services Member, Committee on the Budget

#### REP. BOBBY SCOTT

Ranking Member, Committee on the Judiciary, Subcommittee on the Constitution Member, Committee on Education and the Workforce

## VOLUME I

## All-Volume Overview

## CHAPTER 1

Commercial and Intelligence Operations: PRC Acquisition of U.S. Technology

## **CHAPTER 2**

PRC Theft of U.S. Thermonuclear Weapons Design Information

**CHAPTER 3** 

**High Performance Computers** 

**CHAPTER 4** 

**PRC Missile and Space Forces** 

## **VOLUME II**

**All-Volume Overview** 

**CHAPTER 5** 

Satellite Launches in the PRC: Hughes

**CHAPTER 6** 

Satellite Launches in the PRC: Loral

CHAPTER 7

Protecting Sensitive Information at PRC Launch Sites

## **CHAPTER 8**

# The Role of Commercial Space Insurance in Technology Transfer to the PRC

# **VOLUME III**

**All-Volume Overview** 

## CHAPTER 9

Statutory and Regulatory Controls:
The Export of Our Militarily Sensitive Technology

## CHAPTER 10

Manufacturing Processes:
PRC Efforts to Acquire Machine Tool and
Jet Engine Technologies

**CHAPTER 11** 

Recommendations

**Appendices** 

