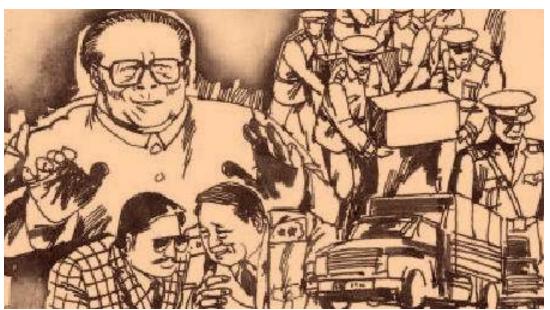
Five: Fatuous And Cruel

4: The Mercenary Officers



The military's entrepreneur activities started in the mid of 1980s. The initial objective was to offset the military's expenditures. Senior officials of the CCP were optimistic about the endeavor's potential to sustain the military within the military. After Jiang Zemin became Chairman of the Military Commission, he took the advantage of his authority, and loopholes in the military enterprises, to gain full control of the military. Jiang gave many undue benefits to the army, allowing the military to wantonly indulge in trading, and fostering corruptions within its ranks. As a result, the military madly involved in smuggling, and the problem spiraled out of control.



The military was the largest player amongst all the contingents involved in smuggling. Taxes and duties were invaded by hundreds of billions yuan, and none of the money was used to offset the military's expenditures. Most of it, instead, went into the officers' pocketbook. Never before was the military so corrupted. Incredibly, all of these matters were covered up upon being brought to Jiang's attention.

The problems China faced in the forms of pirates, gangs and corrupted local officials, now paled in comparison to the activities of the military.



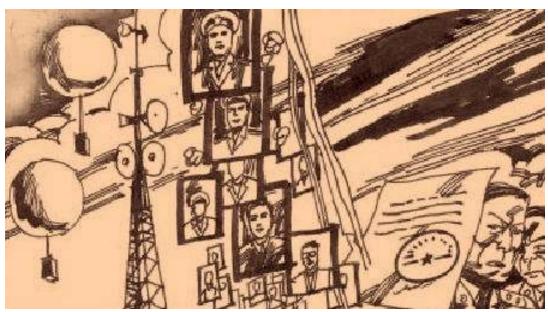
According to March 28, 2001, BBC News account: The National Security Advisor of the Philippine, Roilo Golez said that the Chinese military personnel, were running operations supplying 1.2 billion dollars worth methyl-amphetamine to the Philippine every year. The government of the Philippine repeatedly sent representatives to Beijing, to discuss and protest

the ongoing drug smuggling operation, by China's military, led by Jiang Zemin.



On July 6, 1998, the North Sea Fleet of the PLA Navy, escorted 4 oil tankers smuggling oil from Northern Europe, and encountered Smuggling Patrol Boat in the Yellow Sea.

The navy fired at the patrol boat, which resulted in 87 death and injuries. Ironically, among the 13 death, was one surnamed Deng. He was the fifth generation descendant of Deng Shi-chang, a national hero in the Qing Dynasty Navy, who fought the Japanese and died in the same area of the sea.



The military used its meteorological observatory for its private purposes, forged the Premier's signature, and stamped documents with the seal of the Military Commission's Vice Chairman to fraudulently withdraw some 2

billion yuan.

In just the first 6 months of 1998, the military's guns and artilleries had killed 450 custom staff, police and other law enforcement personnel, while injuring another 2200.



Smuggling by the military was a short cut for the military officials to get rich. Another short cut was profiteering from the military enterprises. Eighty percent of the assets and profits generated by the military-economic entities had been embezzled, and divided among senior and middle-level officials. Every year senior and middle-level officials had spent 50% of the entire expenses of the military on food, drinks, overseas tours, luxury homes, and luxury cars.

The total amount squandered by the military officials in 1998 was shockingly 2 times the military budget of 84 billion yuan.



Under the leadership of the CMC Chairman Jiang Zemin, generals of all levels busied themselves, jockeying for promotions, and laundering money. However, money and rank didn't buy their heart, and didn't make them feel secure either.

In 1998 alone, 24 major generals or senior officials fled overseas, bringing with them enormous amounts of embezzled public funds.



With time, Jiang grew afraid, however, that the military business operation would make it more independent, something detrimental to Jiang's exertion of control over it.

Besides, the military business operations were disrupting the normal economic order of things. Finally at the insisting of Zhu Rongji, in July 1998, Jiang Zemin decided to severe the source of its income, so that the military had no choice but to depend on him for allocating funds, and would have to, in turn, obey his orders.



Just to play it safe, however, Jiang Zemin resorted to his usual tactics. He asked Hu Jintao, who was fifth in the run in the Standing Committee of the Politburo, to handle the thorny issue. This would allow Jiang to hide out behind the scenes, in case anything went wrong Hu would be the scapegoat.

Along with that, Jiang could potentially strip Hu's successor title.



After the military, para-military police, and public security bureau were in principle disengaged from business operation, the properties held by these economic entities were divided up within the military. The greed of the military and para-military police had, by then, already been roused, so they frequently resorted to violence to resolve disputes over the sharing of the liquidated properties. Frequently fights erupted. Those involved employed guns, artilleries, and even armored vehicles, as they fight each other.



An official was punished for embezzling money that his supervisor had wished to snare for himself. The official was bitter over the punishment he received. On Sunday, April 5, 1998, when no one was in the camp, he set the storage room on fire in retaliation, and resulting in explosion that occurred at 656 airbase radar station in Xian Ning city, Hubei Province, where more than one hundred twenty people were killed or injured. The economic loss were immeasurable.



On Aug 3, 1996, in the China Air Force hangers, two officers quarreled over the uneven division of the illegally obtained funds. The heated exchange ended up in the use of firearms, which set off a chain reaction of explosions and fires.

Eighty-one airplanes had been destroyed in the explosions, and 90 servicemen were killed or injured. The directed economic loss was put at

1.1 billion yuan. The incident cost China one-sixtieth of its entire 5000 aircraft fleet.



In Eastern China, the Anhui Provincial Military Region, The Hefei City Garrison Command and The Anhui Province Para-Military Police Unit were under the domain of the East China Military Region. The three parties formed a partnership for business purposes. When they could not reach an agreement to divide the funds, the 3 parties scuffled at the Assembly Hall of the Anhui Military Region, resulting in the death or injury of over 30 military officers.



And so it came to be that, under the leadership and direction of CMC Chairman Jiang Zemin, officers of the people's military died not on the battlefield defending their country, but instead in the throes of the internal warfare, over illegally acquired wealth. Incidents such as those described

here, had occurred in all of China's provinces, and regions. It's impossible to narrate them all.