

TREADSTONE 71

STRATEGIC & CYBER INTELLIGENCE · ANALYTIC WRITING

Corruption and the Purges in the People's Liberation Army

A Structured-Analytic Stress-Test of the CASI (Kuntz) Assessment

PRODUCT TYPE	All-source structured analytic assessment (counterintelligence-informed)
PRIMARY SOURCE UNDER REVIEW	China Aerospace Studies Institute, "Corruption in the People's Liberation Army" (13 July 2026)
ANALYTIC METHODS APPLIED	ACH; STEMPLES Plus; NATO Admiralty Code source grading; Denial and Deception screening; Cognitive Denial Surface Mapping; Reflexive Frame Injection; Capability Resilience Score
ESTIMATIVE STANDARD	ICD 203 / Sherman Kent probability language
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Bottom Line Up Front

The purge is real. It is the largest since Mao, and it has not stopped. What it is not is a housecleaning aimed at graft. The January 2026 removal of Central Military Commission (CMC) Vice Chairman Zhang Youxia and Joint Staff chief Liu Zhenli cut the seven-seat body down to two men, Xi Jinping and the discipline officer Zhang Shengmin, and the charge sheet gives the game away. Zhang stood accused of causing "severe damage to the military's political awareness" and of trampling the Chairman Responsibility System. That is the language used about a general who defied the boss over the 2027 Taiwan deadline, not one who merely stole. Loyalty and readiness drive this campaign; corruption is the guarantee that makes it presentable.

Set against that, the coup story collapses. The shootouts, the deaths in detention, the whispers of an imminent overthrow all trace back to Falun Gong-affiliated diaspora outlets that fail every reliability test the trade applies, and they invert the plain evidence. A leader who can remove his most senior general and rebuild the high command on his own clock is not losing his grip. Missing officers and empty seats at ceremonies read as fragility only because Beijing tells outsiders nothing, and the vacuum fills with the most dramatic guess on offer. The credible worry is smaller and quieter. Xi may find it harder to execute now that the experienced hands are gone.

Readiness has taken the hit. Gut the planning staff, delay the exercises, retire the last generals who ever heard a shot fired in the 1979 border war, and the force that remains fights slower this year and next, even as the hulls keep sliding down the ways and the warhead count keeps climbing. The invasion clock, for the hardest operation, has slipped right. The march toward 2049 has not.

Key Judgments

KJ-1. The command was decapitated. On 24 January 2026, the PRC Ministry of National Defense named Zhang Youxia (75, first CMC vice chairman, Politburo member) and Liu Zhenli (61, CMC member, Chief of the Joint Staff Department) for "suspected serious discipline and law violations." No PLA leadership rupture since the Lin Biao affair comes close. Two active members remain on the CMC: Xi as chairman, Zhang Shengmin as vice chairman and lifelong discipline man. The chief-of-staff chair sat empty for the first time in half a century.

KJ-2. Count the bodies. CSIS logged 101 senior officers purged or possibly purged since 2022, cutoff 20 February 2026. Of those, 36 are officially confirmed; 65 are missing or unproven. MIT's Taylor Fravel puts the reach at roughly 52 percent of top billets and calls the figure striking. Of 47 officers who wore three stars in 2022 or earned them since, 41 are gone or presumed gone, about 87 percent.

KJ-3. The CASI paper's own numbers do not match the baseline. The paper opens on the Zhang and Liu announcement and carries a CASI imprint dated 13 July 2026. Its headline figures as relayed to us, 38 official removals, 22 three-star dismissals, and turnover between 41 and 94 percent, could not be checked against the source, and several clash with the CSIS count of 36 official and 87 percent. Treat them as claimed, not confirmed. Authorship is likewise unverified from anything retrievable.

KJ-4. The Rocket Force is where it started. Every past commander of the PLA Rocket Force has been purged. The wave broke in July 2023 with commander Li Yuchao and commissar Xu Zhongbo, and Xi did something no leader had done before: he handed the force to outsiders drawn from the Navy and the Air Force, a public statement that he trusted no one inside the chain. One of those replacements has since fallen too. The lurid charges that traveled with the removals, fuel tanks filled with water and silo lids that would not open, rest on a single anonymous source the originating outlet admits it cannot stand up.

KJ-5. The blade reached Xi's own household. Admiral Miao Hua, a Fujian man bound to Xi since the 1980s, went down in November 2024 and out of the Party in October 2025. The same month took He Weidong, another Fujian protege and a sitting vice chairman, the first vice chairman with a real command record to fall in fifty years. When a leader devours the men he raised, the tidy story about clearing out rivals stops holding.

KJ-6. Everything after February is the freshest intelligence. Neither Zhang nor Liu had a ruling by early July. On 26 June, the NPC Standing Committee stripped 14 officials of their seats, three of them full generals, and left Zhang and Liu untouched, which no one has explained. Two days later PLA Daily ran a front-page piece branding 2026 the "year of decisive battle" against graft. On 3 July, the army promoted new generals and refilled the Discipline Inspection Commission ahead of any operational CMC seat. Loyalty machinery first, war-fighting second.

KJ-7. The net on readiness. Short term, the force is weaker and the hardest option against Taiwan has moved out of reach for now. Longer term, the yards, the hull count, and the warhead curve all keep rising. Washington's own assessment allows that the bloodletting could leave a sharper force in the end, provided the rot underneath actually gets cut out.



Scope and Source Posture

This assessment does not summarize the July 2026 CASI paper. It tests that paper. We gathered corroborating, contradicting, and supplementary reporting through 14 July 2026 across English, Chinese, and other languages, then ran a defined set of structured techniques over the result.

Two rules govern the reading. First, keep the fact of the purge apart from the story about what it means. Decapitation, empty billets, and the wording of the official notices are solid and carry high confidence. Claims of a weakened Xi, elite violence, and dead detainees rest on thin sourcing and must clear a higher bar. Second, treat the information space as contested ground, worked from one side by a party-state that hides and from the other by exiles and adversaries who amplify.

STEMPLES Plus Environmental Scan

The scan lays the corruption problem across the environmental dimensions that shape it. It orients the hypothesis testing that follows; it does not settle it.

Dimension	Assessment
Social	Economic discontent runs underneath everything. Worse, a culture has set in where no one carries bad news upward, which analysts warn could leave the leadership dangerously sure of itself in a crisis.
Technical	Graft in procurement bites straight into capability: the Rocket Force fueling and silo claims, the 2024 hull that sank at Wuhan, the design complaints about the home-built carrier. Whether these mark real gaps or amplified noise stays contested.
Economic	The 2026 central defense budget rose about seven percent to roughly 1.9 trillion yuan, near 280 billion dollars, the eleventh straight year of single-digit growth. Rigged bids and padded contracts are the engine that funds the theft.
Military	Half the top billets are hit, with the combat-planning Joint Staff Department worst of all. The 2025 Taiwan exercises came late and scaled down from 2024, and joint drills with Russia fell from fourteen to six, shedding their multi-domain content.
Political	The core driver. The Chairman Responsibility System, the rule that the Party commands the gun, and a regime-security lens organize the whole affair.
Legal	Liuzhi detention outside the courts, closed military trials, and the stripping of NPC delegate status that runs ahead of any prosecution define the process.
Economic-industrial	The defense-industrial base fell in parallel. The head of the main nuclear corporation vanished in early 2025, and the case against Zhang reportedly leaned on a defense-industry probe.
Security (Plus / CI)	An unverified Western claim holds that Zhang passed nuclear-weapons data to the United States. It echoes an earlier, doubted nuclear-secrets story and may be a sanitized party leak rather than reporting.

Analysis of Competing Hypotheses

Five drivers were tested against the evidence. The technique rewards evidence that splits the hypotheses apart, not evidence that flatters any one of them. Three things carry the most weight here: the wording of the official notices, the pattern of who fell, and the order in which the replacements arrived.

The competing hypotheses

ID	Hypothesis	Statement
H1	Anti-corruption (official narrative)	The campaign is what it says: a drive to burn out graft that threatens Party rule and modernization.
H2	Political-loyalty consolidation	It removes officers whose loyalty or independent standing Xi distrusts, tightening personal control.
H3	Readiness failure and execution defiance	Removals answer capability shortfalls and senior officers who dragged their feet on the 2027 agenda.
H4	Factional contagion	Rival probes widened along personal networks until they swallowed adjacent circles, including Xi's own.
H5	Xi weakened, losing control, a coup	The purges betray elite resistance and a leader slipping, not a leader striking.

Diagnostic evidence matrix

Notation: **CC** strongly consistent; **C** consistent; **N** neutral; **I** inconsistent. A bullet marks the high-diagnosticsity rows.

Diagnostic evidence	H1	H2	H3	H4	H5
• Notices stress political awareness and the Chairman Responsibility System, not personal enrichment	I	CC	CC	N	N
• Xi purged men he raised (He Weidong) and a childhood associate (Zhang Youxia)	N	CC	C	C	N
• The Zhang/Liu editorial drops the personal-corruption language used against He Weidong	I	CC	CC	N	N
• Reported trigger was resistance to promoting the discipline chief to vice chairman	N	CC	CC	C	I
Rocket Force procurement cluster and defense-industry sweep	CC	C	C	C	N
• Replacements inserted cross-service and from the discipline apparatus	N	CC	C	N	I
• Xi still removes his top general and rebuilds the command on his own clock	N	CC	C	N	I
• Discipline Inspection Commission refilled ahead of operational CMC seats	C	CC	C	N	I
Lurid elite-violence and coup claims	N	N	N	N	C
Missing generals and empty ceremonial seats (absence inference)	N	N	N	N	N

Reading the matrix

Start with what fails. The coup thesis, H5, is the weakest of the five. It leans on absence-inference and on outlets that cannot pass a source check, and the central fact cuts the other way: a man who fires his most senior general and rebuilds the command on schedule is not a man losing control. Reduced room to maneuver, maybe. Lost grip, no. Xi's ability to force his agenda through has almost certainly narrowed with the veterans gone, but that is a long way from the barricades.

The official line, H1, only half survives. Corruption is real, and the procurement clusters are genuine. Graft simply cannot carry the full weight, not the scale, and not the forensic detail that the most senior removals were written up in political rather than pecuniary terms. Read it as the enabling condition and the public warrant, not the thing that pulled the trigger.

Loyalty and readiness, H2 and H3, are where the evidence piles up, and they run together. Xi purged the men he personally elevated. He filled the holes from the Navy, the Air Force, and the discipline organs, and he refilled the disciplinary machine before he refilled the war-fighting seats. Then there is the reported flashpoint: Zhang and Liu are said to have fought the elevation of the discipline chief to vice chairman, arguing it would paint the PLA as an unserious fighting force, and Zhang's training timeline never lined up with the 2027 deadline. Control and combat readiness were the same fight.

Contagion, H4, does real work at the edges. The spread out of the Rocket Force into the Political Work Department and the Fujian network fits a probe that followed personal ties wherever they led. The evidence is genuine and mostly circumstantial, and it is the mechanism that dragged Xi's own proteges into the net.

Verdict. H2 fused with H3, H1 as the presentable cover and enabling condition, H4 as the mechanism that carried the blade into Xi's household. Moderate-to-high confidence. H5 rejected as a primary driver.

Source and Information Reliability Grading

The base is graded on the NATO Admiralty Code, source reliability A to F, information credibility 1 to 6. The grading matters because the reporting runs from authoritative institutions down to outlets with a documented reliability problem, and because the CASI footnotes reach into that lower tier.

Grade	Representative sources	Handling
A1 – B2	PRC Ministry of National Defense and Xinhua notices; CSIS China Power Project; MIT Security Studies (Fravel); Brookings; RAND; U.S. DoD China Military Power Reports; Jamestown / China Brief; The Diplomat; the New York Times; IISS; MERICS.	Reliable. Official notices prove the fact of an investigation but lie about motive by omission; read their wording as forensic evidence, never as neutral truth.
B3 – C3	Wall Street Journal submarine-sinking and nuclear-leak claims; Bloomberg water-missiles report; SinolInsider system-source work.	Solid outlets carrying single-source or anonymous claims. Useful, uncorroborated, held pending a second independent source.
D–E / 4–5	Epoch Times; Vision Times / Kanzhongguo; New Tang Dynasty; People News; Bitter Winter.	Falun Gong-affiliated, with an open anti-CCP mission, a track record of conspiracy content, and murky funding. A read on what the diaspora is asserting, never an evidentiary base.

Screening flag. Where the CASI paper, or any Western analysis, leans on the D-grade outlets for the fate of detained officers, that sourcing inherits a D/4 grade. Audit the paper's footnotes for the dependency. Where its statistics part company with CSIS, cite CSIS as the higher-confidence reference and mark the gap.

Denial, Deception, and the Information Environment

Two-directional control

The space is worked from both sides. Beijing denies and manages: terse notices, no custody transparency, liuzhi secrecy, the occasional sanitized leak. Exiles and adversaries amplify, stretching thin signals into loud conclusions. The screening question is whether the visible scale is itself a plant. It is not. The scale wounds Xi's prestige and the 2027 goal too badly to serve as a strength display, and it reads as genuine turmoil managed on the back foot. A quieter effect runs the other way. A "weakened Xi" story abroad may lull adversaries about capability that keeps growing.

Cognitive Denial Surface Mapping of the narrative

Mapped as a surface, the crisis narrative is cheap to build. A general absent from a tree-planting, a handful of officers where a year ago stood dozens, and the picture writes itself as collapse. The open function is frame formation inside an information vacuum, where opacity leaves outsiders to fill the blank with inference. The hardened function is the fact base since the removals are documented and hard to bend. Guard the line between fact and inference because that line is the exposed surface, not the sensational claims themselves.

Reflexive Frame Injection read

The stronger deception here is not a planted fact but a supplied premise. The premise, opacity plus a missing officer equals fragility, is injected by outlets with a mission interest and, second-hand, by earnest analysis filling the same vacuum, and the Western reflex to read absence as significance finishes the job. The conclusion of

imminent collapse then arrives dressed as the analyst's own reasoning, which is why it resists correction. The discipline is to treat a conveniently arriving inference of fragility as a candidate injected premise, and to hold the decapitation, which is proven, apart from the fragility, which is not. Who gains? The outlets themselves, the analysts who trade on a crisis, and possibly Beijing, if the adversary relaxes.



Capability Resilience Toward 2027

The resilience logic gates one judgment: do the purges leave the force weaker or, in the end, sharper. Score the drag against the lift.

Drag (near term)	Lift (medium to long term)
The last commanders who saw combat are gone, the ones who fought the 1979 border war.	Orders still move through the machine; analysts see no real break in normal operations.
The Joint Staff Department, the planning core, has been hollowed.	The holes fill fast, with acting leaders slotted into a large share of key posts.
Exercises came late and shrank; multi-domain drills with Russia thinned out.	The yards keep building; the Navy is now the world's largest by hull count.
No one reports bad news upward, which is poison in a crisis.	The warhead curve holds, low six hundreds now, past a thousand by 2030.
Interim leaders of uncertain standing may buckle when something goes wrong.	Institutional read is that the drag is temporary while modernization runs on.

Resilience verdict. Near term, the force is degraded, and the hardest operation against Taiwan grows less likely across the next twelve to twenty-four months while the command rebuilds. Farther out, structural capability holds or grows. Washington's own assessment even allows for a sharper force in the end if the underlying rot is cut. The countervailing risk is nasty: a leadership that fears looking weak may reach for a limited or gray-zone move to prove it is not.

Assessment

The rupture and its wording

January did more than subtract two officers. It hollowed the CMC, and in Zhang's case it reached for language sharper than any earlier corruption notice. Accuse a man of causing severe damage to the military's political awareness and of trampling the Chairman Responsibility System, and you are describing defiance, not embezzlement. Line the Zhang and Liu notice up against the He Weidong notice, which reeked of personal graft and betrayed loyalty, and the difference jumps out: this pair was written up as a command-discipline problem. That contrast is the single most telling piece of evidence in the file, and it points away from any pure anti-graft reading.

Where it started

The center of gravity is the Rocket Force. Strip out its commander and commissar in 2023, hand the force to a Navy man who never served in it, then watch that same replacement fall, and you are looking at a leadership Xi came to distrust root and branch. The procurement charges that rode along, whatever their literal truth, fed his old line that corruption is the gravest threat to the Party and gave the campaign its capability rationale. Those charges are still single-sourced. Do not bank them as fact.

Into the Fujian network

The most important turn is that the blade crossed into Xi's own base. Miao Hua and He Weidong both trace to his Fujian years, and their fall does not square with a campaign aimed only at rivals. Likeliest read: the probes followed

guanxi until they reached officers who had built networks of their own, and independent standing, more than factional origin, became the disqualifying trait. That is the seam where loyalty and contagion meet.

Why the diaspora story fails

A rival account says the purges expose a leader losing his grip, complete with elite bloodshed and a coming overthrow. It fails twice. Its dramatic claims start with outlets that grade poorly and carry an open interest in showing the Party in crisis. Its logic runs backward, since the man doing the firing and the rebuilding is exercising control, not surrendering it. The honest version of the concern is narrower and better founded: losing the experienced hands and breeding a fear culture may blunt Xi's ability to execute even while his positional power holds firm.

What changed after February

The reporting through July sharpens the picture without overturning it. Neither man had a ruling by early July, and their kept NPC seats, while junior generals lost theirs on 26 June, is a real anomaly, as consistent with routine sequencing of Central Committee cases as with elite resistance, and therefore decisive for neither. Refilling the discipline apparatus ahead of other CMC seats, and branding 2026 the year of decisive battle, says the campaign is not winding down. The aperture is still opening, out into the once-safe Air Force and the Western Theater Command.

Implications for the 2027 Milestone and Taiwan Timeline

The better sources agree on the near-term call: the purges pull down the odds of a large Taiwan operation while the command rebuilds. The planning core is torn up, the exercises have slowed, and the men with the most operational time are gone. Cutting against that sits a real temptation to reach for a limited or gray-zone move during a visible bout of internal turmoil, to look strong. The deeper trajectory, hulls, building pace, warheads, does not bend to the purge and keeps rising.

One school reads PLA modernization as regime-security work at heart, not war preparation, and concludes war stays unlikely whatever the purge does. Another reads war as the fallback rather than the plan, with material capacity strong and getting stronger. The purge fits both, and the evidence gathered here does not break the tie. It does show the practical window for the most demanding operation sliding out in the near term.

Recommendations

R-1. Hold the fact and the inference apart in every product. Bank decapitation, empty billets, and official wording as fact at high confidence. Hold the weakened-Xi, elite-violence, and dead-detainee claims at low confidence until two independent higher-grade sources back them. What flips this: confirmed non-party evidence of elite violence, or an actual break in Xi's power to name his own officers.

R-2. Weight the degradation read for the near window only. Apply the weaker-force judgment to the next twelve to twenty-four months and do not stretch it over long-run capability. What flips it toward acceleration: large, complex joint exercises back at 2024 tempo, the Joint Staff and operational CMC seats filled with real operators, and multi-domain drills with Russia recovering.

R-3. Check the CASI numbers against the source before repeating them. Verify the paper's figures against the document, and where they part from CSIS, cite CSIS and note the gap. Audit its footnotes for any reliance on Falun Gong-affiliated outlets.

R-4. Run the diaspora space as a signal, not a source. Track the claim velocity of the low-grade outlets as an indicator of which narratives are being pushed and score their claims against later official confirmations to build a real track record over time.

R-5. Watch the CMC rebuild for Xi's intent. The eventual refill is the clearest tell. A civilian vice chairman would flag a succession or civilian-control shift. A small CMC that leans on subordinate organs would flag more personal control. The tell already in hand, the discipline machine refilled before any war-fighting seat, says loyalty leads.

Confidence and Caveats

- The one document that matters most, the CASI paper, could not be pulled in full. Its figures are relayed as claimed, clash in places with CSIS, and its authorship is unverified.
- Every motive call rests on reading party-controlled language plus anonymous Western reporting. Beijing's monopoly on the record leaves heavy residual uncertainty about why.
- Zhang and Liu had no ruling by early July. Their kept NPC seats, while juniors lost theirs, back no single hypothesis alone.

- Single-source claims, the water missiles, the nuclear leak, the identity and nuclear status of the sunken hull, stay uncorroborated and graded down. Credible analysts dispute that the hull was nuclear at all.
 - Warship counts, budget, and warhead figures come from official and think-tank releases and carry the usual estimation and counting-rule slack.
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This product follows the Treadstone 71 house standard: Heuer-Pherson tradecraft, ICD 203 estimative language, NATO Admiralty Code source grading. Assessments are the analyst's own and do not represent any government or agency.

