

Background

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Blair Could Make a Strategic Error on China

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British Prime Minister Tony Blair is reportedly on the verge of supporting the French proposal to lift the European Union's (EU) arms ban on the People's Republic of China (PRC).¹ If true, Mr. Blair would be making a major strategic error that could harm the Anglo–U.S. special relationship. Ultimately, the issue is whether weapons made by America's European allies—including Britain—would ever be used to kill Americans if the United States became involved in a conflict in the Taiwan Strait. British support for European weapon sales to China would likely cause considerable tension between Washington and London—at a time when the United States and Great Britain are jointly leading the war on terrorism and preparing Iraq for the transfer of power on June 30.

The EU's imminent decision to lift the arms ban on China is being strongly opposed by the Pentagon and the U.S. Department of State, and could ultimately hurt European (including British) defense manufacturers, who risk being denied access to U.S. military technology.²

The Bush Administration should move firmly at the upcoming G-8, U.S.–EU, and NATO summits to ensure that the European Union takes seriously this very real challenge to America's security concerns. Congress should support the Administration by passing legislation that sanctions firms that provide advanced weaponry, technology, and components to China.

Talking Points

- Prime Minister Tony Blair's imminent decision on supporting EU plans to sell advanced weapons to China could harm the U.S.–U.K. "special relationship" as Taiwan Strait frictions heighten worries in Washington.
- China's use of European weapons to kill American forces in a future confrontation in the Western Pacific would seriously damage the transatlantic alliance.
- Existing European cooperation with China in military and dual-use technologies is already straining relations between the U.S. and EU.
- Chinese pressures on the EU to lift its 1989 Tiananmen Square-era arms embargo are proving successful despite Beijing's persistently abysmal human rights record.
- The President and Congress should communicate grave U.S. concerns to Prime Minister Blair at the upcoming G-8, U.S.–EU, and NATO summits.

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China and the Franco–German Axis

Any decision by Prime Minister Blair to side with France and Germany against the United States regarding China would be greeted with pleasure by America's critics in Paris and Berlin—and is being already welcomed in Beijing.³ The two largest nations in continental Europe are increasingly acting in concert on the world stage, and a key goal of French and German strategic thinkers is to rein in American and British global power and the highly successful Anglo–U.S. alliance. In particular, the French are keen to advance the European Union as a counterweight to what Paris sees as U.S. global “hegemony.” The creation of a centralized federal Europe with a common foreign and security policy is also one of France's key strategic objectives.

Increasingly, France and Germany are coordinating diplomatic efforts with China and Russia in the U.N. Security Council. Last week's draft resolution by Beijing—which calls for watering down the Coalition's military power in Iraq after the June 30 handover—was strongly backed by Paris, Moscow, and Berlin. The Quai d'Orsay could not have drafted a more skillfully worded text. China increasingly sees itself as a major world player and views an alliance with France as an effective way of increasing its leverage in the U.N. Security Council and with the EU.

Blair's Choice

The British Prime Minister has until now navigated a “third way” course between Europe and the United States, believing that he can place Brit-

ain at the heart of Europe—while maintaining the special relationship between the U.K. and the U.S. that balances France's influence within the Atlantic Community. He has stood shoulder-to-shoulder with Washington over Iraq, while at the same time placating Franco–German demands that he be a “good European.”

Despite widespread public opposition in Britain, Blair has supported French plans for a European defense identity; backed British membership of the European single currency; and called for Britain to sign the European constitution. None of these is in the British national interest. Ultimately, Blair (or his successor) will have to choose whether Britain's future lies buried in a federal Europe or positioned as the keystone of the transatlantic alliance with the United States. It is in Britain's vital national interest to remain America's key ally in the 21st century.

Why the China Arms Ban Should Remain in Place

Senior U.S. Cabinet officials are on record warning that Beijing's ability to use European arms is far more advanced in 2004 than when the EU embargo was imposed following the 1989 Tiananmen Square crackdown. Richard Lawless, Deputy Undersecretary of Defense for international security affairs in the Asia–Pacific region, flatly states that “What the EU may have to offer now may make a lot more sense in the context of where China needs to go than it ever has in the past.” Deputy Assistant Secretary of State for East Asian and Pacific Affairs Randall G. Schriver explains that

1. The report first surfaced in James Kirkup, “Blair's Backing for China Trade Angers Activists,” *The Scotsman*, May 11, 2004, at news.scotsman.com/archive.cfm?id=536302004 (June 4, 2004), and a well-sourced story in *The Times* confirmed that Downing Street is close to a decision on lifting the embargo. Philip Webster, Roland Watson, and Charles Bremner, “Britain Aims to Lift Arms Ban on China,” *The Times* (London), May 31, 2004, at www.timesonline.co.uk/article/0,,3-1130144,00.html (June 1, 2004). However, as late as June 2, a spokesman for Blair said, “That is for the European Union as a whole to decide,” and added “We haven't expressed a view. We await the outcome of the review.” Bloomberg News Service, “Arms Embargo on China Must Be Maintained, State Department Says,” June 2, 2004, at quote.bloomberg.com/apps/news?pid=10000080&sid=aqtj9147253E&refer=asia (June 3, 2004).
2. See Webster *et al.*, “Britain Aims to Lift Arms Ban on China.”
3. Chinese Foreign Ministry spokesman Liu Jianchao said in a news briefing, “We welcome the efforts made by the leaders and men of vision in European countries to urge the European Union to lift the ban at an early date.” Liu Jianchao, Press Briefing, Ministry of Foreign Affairs of the People's Republic of China, June 1, 2004, at www.fmprc.gov.cn/chn/xwfw/fyrth/t126468.htm (June 4, 2004).

as long as China still threatens Taiwan with war, the United States has obligations under law to help Taiwan defend itself.⁴ The Administration is mandated by the Taiwan Relations Act to “maintain the capacity of the United States to resist any resort to force or other forms of coercion that would jeopardize the security, or the social or economic system, of the people on Taiwan.”⁵ If the Europeans are not concerned about Taiwan, they should at least understand that the military forces of their ally—the U.S.—would have to face China’s European weaponry in a Taiwan conflict. China’s acquisition of European arms should, therefore, be a matter of the gravest national concern in Washington.

China’s \$50 billion to \$70 billion defense budget is the third largest in the world (after the U.S. and Russia) and China is aggressively modernizing its combat capabilities. It seeks the most modern military technology available, including French Mirage fighter jets and German stealth diesel-electric submarines.

Fortunately, the Europeans balked at selling China full weapon systems during the 1990s. However, their arms embargo generally turned a blind eye to non-lethal defense system components such as engines, radars, and satellite technology. France sold over \$122 million in defense articles to China between 1993 and 2002. Great Britain sold China Racal/Thales Skymaster airborne early warning radars and Spey jet engines for the Chinese JH-7 fighter-bombers (a MiG-21 derivative), and the University of Surrey cooperated with China micro-satellite development—a technology that the Chinese acknowledge will be used in “parasitic” anti-satellite weapons that could

attach themselves to larger communications or global positioning satellites (GPS) and await ground signals to self-destruct.⁶ Germany sold diesel marine propulsion systems for the Chinese Song-class submarine. In the past few years, both the French and the Italians sold helicopter technology to Chinese aircraft firms. In November, the European defense giant EADS purchased a large share of a Chinese aerospace firm at its initial public offering. In the fall of 2003, the European Union revised its scientific security rules to permit scientists from China’s military-run space program to have free access to Europe’s basic space science research.⁷

One of the most distressing events in EU defense cooperation with China was China’s September 2003 membership in the Galileo global positioning satellite project. China announced that it would contribute 230 million euros (\$259 million, or £160 million), roughly one-fifth of the expected cost of building the 1.1 billion euro network of 30 satellites in a project expected to cost over 3 billion euros. Although designed primarily for civilian applications, Galileo will also give the EU a military capability. Galileo’s plans for encrypted signals reserved for government use leave U.S. defense officials in “no doubt that European politicians are planning for a military dimension to Galileo.” China also emphasizes both civilian and military applications of the system. Access to Galileo would give China a significant military boost and complete independence from the U.S. GPS system.⁸

Chinese technical and scientific penetration of European defense firms already offers the People’s Liberation Army an intelligence backdoor to trans-

4. For the text of the Lawless and Schriver testimony, see Federal News Service, “Hearing of the U.S.–China Economic and Security Review Commission Re: Administration Views on U.S.–China-Taiwan Relations,” transcript, February 6, 2004.
5. *Taiwan Relations Act*, 22 USC 48, Section 3301(b)(6), at www.access.gpo.gov/uscode/title22/chapter48_.html (June 4, 2004).
6. Chinese advances in anti-satellite technology are covered in U.S. Department of Defense, “FY04 Report to Congress on PRC Military Power Pursuant to the FY2000 National Defense Authorization Act,” issued May 28, 2004, pp. 41–42, at www.defenselink.mil/pubs/d20040528PRC.pdf (June 4, 2004).
7. For a comprehensive look at the impact of European defense technology on Chinese weapons development, see Richard D. Fisher, Jr., “The Impact of Foreign Weapons and Technology on the Modernization of China’s People’s Liberation Army,” draft report for the U.S.–China Economic and Security Review Commission, January 2004.
8. The Bruges Group, “Galileo: The Military and Political Dimensions,” draft research paper to be co-published with The Heritage Foundation in Summer 2004.

atlantic alliances in the defense industry.⁹ The European Union is pressing the United States to permit China to participate in the International Space Station, and reports indicate that the White House welcomes this prospect.¹⁰

There are also powerful moral and ethical reasons for the West to continue to refuse to sell arms to China. The European arms embargo on China—and most of the American embargoes—were levied in reaction to the brutal crackdown on the pro-democracy demonstrations in Tiananmen Square in 1989. However, China has failed to improve its human rights record significantly. In the 15 years of State Department human rights reports since then, none have shown concrete and substantive progress in the PRC's treatment of its own citizens. Reportedly, the EU will not require that China improve its behavior before lifting the arms embargo. The EU will merely hint to the Chinese government that “more assurances from Beijing on human rights would make it easier for EU governments to explain any decision to lift the embargo.”¹¹

Why, then, should a government that cannot act responsibly within its borders be rewarded with weapons that will allow it to impose its will outside those borders?

More to the point, the PRC's growing military power—and its continuing and credible threats to use that power to subjugate democratic Taiwan—create an alarming new security concern for U.S. forces in the Pacific that did not exist in 1989. Yet, in 2004, America's European allies contemplate providing China, not just with components for its own homegrown weapons, but with complete weapons systems containing some of the most advanced military technology on earth.

Recommendations for U.S. Policy

Both the Administration and Congress should make the possibility of advanced arms transactions by EU members and China a top priority.

- The President should convey to Prime Minister Blair the gravity of the proposed EU action and warn that the move could create tension between Washington and European capitals.
- The EU arms embargo on China should be a key issue on the agendas of any future NATO ministerial meetings, and the Secretaries of State and Defense should stress that since the Alliance is based on “collective self-defense,” NATO partners must recognize that America's security concerns are real.
- Congress should pass language—similar to the Hostettler amendment¹² to the 2005 National Defense Authorization Act—prohibiting (for a period of five years) the Defense Department from procuring “any goods or services” from foreign defense companies that sell China items similar to those found on the U.S. Munitions List.

Conclusion

Although a war in the Taiwan Strait might never occur, nothing could damage the Atlantic Alliance more than Chinese forces using European weapons to kill American forces in a confrontation in the Western Pacific. As the unpredictable forces of democracy take hold in Taiwan and as China's military modernizes and grows self-assured, Washington has very real concerns that efforts to deter Chinese coercion might fail when Beijing ultimately declares that Taiwan is on a course toward permanent separation from China.

9. See particularly Mr. Fisher's statement in U.S.–China Economic and Security Review Commission, “Hearing on Military Modernization and Cross-Strait Balance,” February 6, 2004, p. 82.
10. Jim Yardley and William J. Broad, “The Next Space Race: China Heads to the Stars,” *The New York Times*, January 22, 2004, p. 1, at www.nytimes.com/2004/01/22/international/asia/22SPAC.html (June 4, 2004).
11. Associated Press, “Chinese, EU Officials Meet to Discuss Lifting Arms Ban,” reprinted in *Taipei Times*, March 10, 2004, p. 5, at www.taipetimes.com/News/world/archives/2004/03/10/2003101885 (June 4, 2004).
12. See “Procurement Sanctions Against Foreign Persons That Transfer Certain Defense Articles and Services to the People's Republic of China,” Section 1214, in *National Defense Authorization Act for Fiscal Year 2005*, H.R. 4200 EH.

The Bush Administration must urge the British government to reconsider its support for French-driven plans to lift the EU arms embargo on China. It should convey the message that lifting the ban will harm U.S. strategic goals in Asia and will weaken the international campaign to advance human rights in China.

The Anglo-U.S. alliance must remain the cornerstone of strategic thinking in both London and Washington—as it has been since World War II. In his meetings with British Prime Minister Blair at the G-8, U.S.-EU, and NATO summits this month, President George W. Bush should call for Anglo-U.S. unity on China policy. He should call on Blair

to resist efforts by France and Germany to split the U.S.-British alliance.

Ultimately, whether France and Germany will succeed in realigning the European Union with Russia and China on Asia policy and away from the United States and its traditional defense of democracies in the continent will depend on where Britain stands on the embargo.

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