EU Eyes Lifting China Arms Embargo

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Despite adamant U.S. opposition, France and Germany are pushing to repeal a 15-year-old European Union arms embargo on China.

Last December, Paris successfully prodded the EU leadership to reconsider the ban. Now, expectations are high both on the Chinese and much of the European side that the ban will be lifted by Dec. 8, when EU and Chinese leaders will hold an annual summit in The Hague.

Arms embargoes against China were put in place by the United States and the European Union after the 1989 Tiananmen Square crackdown. Although sanctions imposed on China by the United States involve concrete prohibitions on the export of any item on the U.S. Munitions List, the European embargo lacks such specificity, resulting in different interpretations of the ban by different EU member states. In some member states, virtually any military sales are banned, whereas in others, such as the United Kingdom, nonlethal military items are not seen as restricted by the embargo.

Moreover, since 1989, both the United States and members of the European Union continued to engage in military transfers to China. According to a 1998 General Accounting Office report, presidential waivers of the U.S. ban between 1989 and 1998 resulted in defense transactions to China worth approximately $350 million. Three EU members—France, Italy, and the United Kingdom—also have delivered military items to China, although no new agreement on the delivery of lethal articles has been negotiated since 1989.

Because sales of some military items have continued, the embargo is seen by many European countries as largely symbolic. Additionally, at a time when the European Union is on the verge of becoming China’s largest trade partner, China has pushed hard for the ban’s removal.

China has become the world’s largest arms importer, with a defense budget estimated at $50-70 billion. Russia is currently China’s leading supplier, providing as much as $2.1 billion worth of arms annually. But Chinese officials claim that many of the Russian items are of inferior quality and that they want to diversify suppliers.

With European defense budgets dropping precipitously, European defense companies have been pushing for entry into China’s market. But critics maintain that lifting the ban will accelerate the modernization of China’s defense, thereby endangering regional security and human rights.

Proponents contend that other safeguards will remain in place, such as the EU Code of Conduct on Arms Exports, a set of principles to which EU members are politically bound. Numerous EU member states have enacted this into their domestic legislation. The code requires EU members to restrict exports to countries with serious human rights violations and to countries where there is a clear risk that weapons could be used for internal repression or external aggression. In addition to strengthening the Code of Conduct, the European Union also is planning to strengthen export controls on dual-use technologies and similarly ambiguous items. Proponents, therefore, argue that with such safeguards in place, repeal of the ban will have a negligible effect on arms sales to China.

That argument appears to have swayed Dutch officials. The Netherlands, which currently holds the rotating EU presidency, had strongly supported maintaining the ban, as has Denmark and Sweden. The Dutch leadership declared the issue of the embargo against China to be one of the most difficult issues it will face during its presidency but divulged that it will not resist if the remaining EU states
Support lifting the ban.

Support for the ban within the European Union seems to be faltering under French and German pressure, but there remain some advocates for preserving the ban. British European Parliament member Graham Watson, the leader of the Alliance of Liberals and Democrats for Europe, in an Aug. 3 editorial in the International Herald Tribune called the pressure to lift the ban “commercial, pure and simple,” which goes against the ethical “guiding logic of the ban.”

The United States also has ramped up efforts to convince the European Union to maintain the embargo, which is seen as an essential strategic device to slow China’s defense modernization. Secretary of State Colin Powell has used numerous opportunities this year to emphasize the importance of maintaining the ban, stressing that the reasons for the initial imposition of the ban remain valid today. The United States also is wary of the European Union’s promised safeguards, which it sees as tenuous at best once the embargo is lifted and economic pressures weigh in.

Members of Congress have introduced legislation that will both restrict transfers of U.S. military technology to European countries selling arms to China and forbid purchases by the Pentagon from such countries. This bill could affect current U.S. efforts aimed at making U.S. forces interoperable with the forces of its European allies.

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