

Arms Exports and Arms Control in Mainland China: The Manufacture and Trade of Major Weapons Systems, 1989-92

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The United States has repeatedly accused the Chinese of failing to meet their arms control commitments. This paper examines the export trends of China's major weapons systems (naval, air, land, missile technology) between 1989 and 1992 by analyzing recorded arms sales, domestic licensed and nonlicensed manufacturing, and formal agreements for arms control. The possibility that the Chinese have met the letter, rather than the spirit, of their obligations is specifically examined by looking at the stabilizing and destabilizing impacts of technological exports.

Keywords: PRC; arms trade; arms control; destabilization

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News of arms sales by the People's Republic of China (PRC) is usually greeted with suspicion, as it has allegedly been selling prohibited weapons to countries with a precarious political or military balance. The United States has specifically accused the PRC of supplying missiles, missile components, or missile technology to Pakistan, and of shipping chemical weapons to Iran.¹ Other observers have also accused the PRC of paying lip service to arms control while actively marketing its major weapons. The aim of this paper is to examine whether the PRC is selling arms in contravention of its arms control obligations. In order to do so it will look at the following two questions:

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¹Nayan Chanda, "Red Rockets' Glare," *Far Eastern Economic Review*, September 9, 1993, 10-11.

1. What does the PRC produce and what does it sell? The first section of this paper examines the PRC's production capabilities in terms of manufacturing bases as well as expenditures related to arms production. Despite the lack of transparency, it is possible to draw some conclusions about trends and motivation from reported sales.
2. Are the PRC's arm sales destabilizing? Here, the measuring stick is crude: is the PRC selling to countries or governments involved in armed conflict? As we shall see, the PRC fails even this basic test.

Production Capabilities and Sales

The PRC's production capabilities cannot be assessed directly because it does not release information on its military capabilities. China is the last major country which still refuses to release that information. However, there are a number of indirect methods of assessing its ability to produce major weapons systems.² The most basic is to look for trends in expenditures.

On that score, this past decade's picture has been mixed. On the one hand, there was a definite slowing of growth in the military budget until the late 1980s, and its share of the national income slipped. On the other hand, the 1989 Tiananmen incident was good for the military budget, as it has increased since then, although its share of national expenditures has stabilized (see table 1).

Military expenditures are the first indicator analysts turn to when assessing the country's manufacturing base, but there has never been much certainty about the PRC's expenditures, given the lack of disclosure. The known figures for the period covered in this paper are given in the national currency, the *yuan*, whose exchange rate has been fixed by the Bank of China; its actual purchasing power is therefore not known. Since Deng Xiaoping's economic reforms, the picture has become even more muddled: the People's Liberation Army (PLA) is now required to produce up to half of its own budget through entre-

²It does not examine marketing efforts because these were out of proportion with sales actually concluded.

Table 1
The PRC's Official Military Expenditures, 1983-92

| Year | Current Values (billion <i>yuan</i>) | Constant 1988 Prices (US\$ billion) | Share of National Income (%) |
|------|--|--|---------------------------------|
| 1983 | 17.7 | 7.7 | 3.7 |
| 1984 | 18.1 | 7.6 | 3.2 |
| 1985 | 19.1 | 7.2 | 2.7 |
| 1986 | 20.1 | 7.1 | 2.6 |
| 1987 | 21 | 6.8 | 2.5 |
| 1988 | 21.8 | 5.9 | 1.9 |
| 1989 | 25.2 | 5.8 | 1.9 |
| 1990 | 29.0 | 6.6 | 2.0 |
| 1991 | 32.5 | 7.2 | 2.0 |
| 1992 | 37.0 | 7.8 | 2.0 |

Source: *SIPRI Yearbook: World Arms Trade and Disarmament* (London: Nicolson and Weidenfeld, 1993), 387.

preneurship. Nazir Kamal summarizes the various pressures on the PRC's military budget in the following way:

The recent increase in defence spending by China, after a decade of steady reduction, may have some connection to the Tiananmen crisis of 1989, but the drop in arms exports and the perception of a declining trend could be another factor, forcing reduced reliance on arms exports to finance R and D, and essential procurement spending. . . . [D]efence budget allocations should see further increases or at least an end to the cutbacks witnessed in the 1980s.³

For these reasons, figures for military expenditures give only a general indication about production capabilities. Manufacturing capability as compared to sales is therefore an important second indicator.

Arms Sales

Nazir Kamal notes that "the drive to promote arms exports became evident in the spate of defence exhibitions hosted by China in the early and mid-1980s, with the major ones being held in January and November 1986."⁴ That push becomes obvious if we review the values of major conventional weapons as a first indicator of the

³Nazir Kamal, "China's Arms Export Policy and Responses to Multilateral Restraints," *Contemporary Southeast Asia* 14, no. 2 (September 1992): 112-31, 134.

⁴Ibid., 113.

Table 2
The PRC's Exports of Major Weapons

| Year | Yearly Figure | (US\$ Million) |
|------|---------------|--------------------------|
| | | Five-Year Moving Average |
| 1970 | 13.4 | 23.1 |
| 1971 | 35.8 | 24.5 |
| 1972 | 41.7 | 30.1 |
| 1973 | 22.9 | 34.2 |
| 1974 | 36.8 | 31.7 |
| 1975 | 33.8 | 25.8 |
| 1976 | 23.3 | 30.5 |
| 1977 | 12.0 | 31.5 |
| 1978 | 46.5 | 37.2 |
| 1979 | 41.8 | 39.3 |
| 1980 | 62.5 | 50.9 |
| 1981 | 33.4 | 59.3 |
| 1982 | 70 | 75.2 |
| 1983 | 89 | 83 |
| 1984 | 121 | 100.2 |
| 1985 | 101.7 | 125.4 |
| 1986 | 119.3 | 143.2 |
| 1987 | 196.0 | 133.4 |
| 1988 | 216.1 | 150.8 |
| 1989 | 100.9 | 146.8 |
| 1990 | 124.9 | 141.5 |
| 1991 | 170.5 | 161.7 |
| 1992 | 153.5 | 153.2 |

Sources: *SIPRI Yearbook* (London: Taylor and Francis, various years).

volume of arms sold. These figures are, as always, relative. The PRC posted sales of US\$153 million in 1992, compared to Russia's US\$497 million, the United States' US\$113 million, and France's US\$163 million. It should be mentioned that sales are reported in the year the deal is signed, so yearly totals for arms sales can vary a great deal from year to year. For that reason, a five-year "moving" average is usually a better indication of overall sales volume. In 1992, the PRC's moving average was US\$153.2 million, Russia's US\$84 million, the United States' US\$1.3 billion, and France's US\$130 million. The total dollar values of the PRC's major weapons exports are given in table 2.

Although there was a dramatic increase in the PRC's exports during the 1980s, according to Richard Grimett this was "largely a result of purchases by Iran and Iraq, which accounted for nearly 50

percent of Chinese sales during the 1983-90 period.”⁵ To gain a clearer picture of the situation, it is important to consider the PRC’s arms trade outside the Iran-Iraq market. In 1992, the PRC accounted for 8 percent of all arms deliveries and had come to occupy a more important position in the global market. As Ian Anthony and others comment, “This reflects the fact that Chinese sales are not declining in a market which is shrinking.”⁶

From this comparison, the PRC’s arms trade can be characterized in the following way:⁷ (1) the clientele is broadening; (2) the types and quality of weapons transferred have improved: before Deng’s influence was felt, the PRC primarily sold aging and second-rate weapons (usually land armament or aircraft), but more recently, top-of-the-line weapons, some reportedly retrofitted with advanced Western technologies, have been on the market; and (3) the PRC has expanded its traditional stocks to include naval vessels and most significantly, missiles and missile technology.

The PRC’s arms trade was originally utilized to serve its foreign policy objectives and promote its national interests in pursuing power, prestige, and prosperity. However, the PRC has now distanced itself from its earlier anti-Soviet quasi-alliance with the United States. Sales on credit extended for ideological reasons are a thing of the past. The arms trade now provides commercial profits to finance government activities, including up to half of the army’s budget, and earns badly-needed foreign exchange. It is difficult to analyze the costs of producing these weapons with any accuracy, but wages are low, as are the costs of resources, and it is clear from the PRC’s defense trade corporations’ vigorous marketing that they have been able to make enough profits to have an incentive to continue.

Although arms traders faced problems when Third World countries started reducing spending on arms procurement during the 1980s, i.e., when the lucrative market was largely made up of ten importing countries (Saudi Arabia, Iraq, India, Iran, Afghanistan, Syria, Cuba,

⁵Richard Grimett, “Arms Trade with the Third World: General Trends 1982-90,” *International Defence Review* 1992:57.

⁶Ian Anthony et al., “Arms Production and Arms Trade,” in *SIPRI Yearbook 1993: World Armaments and Disarmament* (London: Taylor and Francis, 1993), 417.

⁷Jing-dong Yuan, “Nonproliferation Regimes and China’s Arms Transfers: Problems and Prospects in International Cooperation” (Unpublished conference paper, October 1993).

Vietnam, Egypt, and Libya) whose principal suppliers were either the former Soviet Union or the United States,⁸ the Chinese have successfully met the challenge thus far. The most important elements of Chinese arms exports have been fighter aircraft, armored vehicles, and naval vessels. South and Southeast Asia have been the most important markets for its A-5 ground attack aircraft and F-6 and F-7 fighter aircraft, with Bangladesh, Myanmar (Burma), and Pakistan as the most important customers. Sales of armored vehicles have been concentrated in Pakistan and Thailand. Bangladesh and Thailand have been the most important customers for Chinese naval vessels. Efforts to market Chinese weapons in Africa and Latin America in the 1980s have not led to any significant market penetration outside Asia. In addition, Chinese sales to Middle Eastern countries appear to reflect the inability of these countries to buy weapons from other sources rather than a preference for Chinese systems.⁹

Despite explanations which place the PRC's arms exports in the context of securing hard currency, in many cases Chinese weapons are transferred on concessional terms. For instance, transfers to Myanmar and Thailand have largely been paid for through commodity exchanges. Moreover, arms transfers have helped build better political relations with countries that were previously suspicious of or hostile toward the PRC either because of anticommunist sentiments (i.e., Iran, Thailand, and Saudi Arabia) or because of past Chinese support for domestic insurgencies (i.e., Myanmar and Thailand).¹⁰

Nevertheless, it seems unlikely that the PRC will preserve the status it enjoyed as a major arms supplier in the 1980s for several reasons. First of all, China's technology is still playing catch-up; even though certain vessels and aircraft have been fitted with Western technology, this is an expensive proposition, and the availability of Western technologies is in question, given the PRC's alleged violations of the Missile Technology Control Regime (MTCR) and the consequent possibility of trade sanctions.

Second, Third World countries are slowing down their defense spending, and will probably continue to do so in the new international

⁸Grimmet, "Arms Trade with the Third World," 56.

⁹The pattern of the PRC's arms transfers is described in R. Bates Gill, "Curbing Beijing's Arms Sales," *Orbis* 36, no. 3 (Summer 1992): 379-96; R. A. Bitzinger, "Arms to Go: Chinese Arms Sales to the Third World," *International Security* 17, no. 2 (Fall 1992): 84-111.

¹⁰Anthony et al., "Arms Production and Arms Trade," 452-53.

climate. In addition, these countries are modernizing their armed forces and favor Western models; thus, they have tended to purchase weapons that match Western trends.

Third, the PRC is experiencing increasing pressure to restrain its arms sales, and has announced it will abide by the MTCR. As Kamal notes, "Observance of MTCR guidelines has perhaps hurt China's arms export prospects the most (compared to other multilateral restraint regimes) since China's technological backwardness would have had much less bearing on the prospect of missile sales."¹¹

Fourth, whereas the PRC once offered prospective clients free loans, its capacity to offer import credits is now limited. Finally, competition from the West is on the rise, as Western defense industries have been affected by declining domestic demand. In this vein, there is a good chance that exports from Russia will increase. In any event, Kamal predicts, "for the foreseeable future, China's arms export potential will remain limited and could decline further once its principal customers exhaust their finite requirement for unsophisticated armaments."¹² In addition to these factors, there are the historic limitations of Chinese weapons: obsolescence, poor materials, and poor workmanship (although they have been compensated for by relatively low price and speedy delivery).

Exports to Specific Countries

In looking at export figures, a caveat is in order. As Kamal observes, "Given the lack of transparency, published data on Chinese arms exports are essentially indicative figures of sales or delivery agreements involving major armaments reliably known to have taken place. Published figures exclude the value of clandestine missile technology transfers and other undisclosed technical services."¹³

Table 3 supplies the full figures of the PRC's arms trade. Its major clients are Afghanistan, Bangladesh, Myanmar, Iran, Iraq, Pakistan, Sri Lanka, and Thailand, and it occasionally sells significant amounts to Indonesia, Laos, Cambodia, and the Philippines. Considering the figures in general, it is clear that the PRC is a small arms exporter compared with the United States, Russia, or Western Europe.

¹¹Kamal, "China's Arms Export Policy," 133.

¹²*Ibid.*

¹³*Ibid.*, 155.

Table 3
Arms Trade from the PRC (1990 US\$ Million)

| Recipient | 1988-92 | 1987-91 |
|-----------------|---------|---------|
| Afghanistan | 47 | — |
| Algeria | 112 | — |
| Bangladesh | 900 | — |
| Myanmar (Burma) | 407 | — |
| Chile | 14 | — |
| Iran | 976 | 1,390 |
| Iraq | 234 | 703 |
| Cambodia | 20 | 20 |
| North Korea | 307 | 414 |
| Laos | — | 2 |
| Nepal | — | 2 |
| Pakistan | 1,935 | 1,027 |
| Peru | 7 | 7 |
| Saudi Arabia | 858 | 1,715 |
| Sierra Leone | — | 10 |
| Sri Lanka | 96 | 158 |
| Sudan | 16 | 67 |
| Thailand | 1,482 | 1,290 |
| United States | 128 | 128 |
| North Yemen | 42 | 42 |
| Zaire | — | 10 |
| Zimbabwe | 70 | 182 |
| Total | 7,660 | 7,857 |

Sources: *SIPRI Yearbook* (London: Taylor and Francis, various years).

In this context, “Beijing’s ability to deliver weapons quickly . . . [is] a selling point.”¹⁴

Two types of technology have understandably received an amount of attention disproportionate to their sales value: missile technology and nuclear technology.

Two Sensitive Technologies: Missiles and Nuclear Power

Of great interest to neighboring countries is the PRC’s missile program, as it has attracted much attention due to its controversial sales of missiles and missile components. During the period studied,

¹⁴Ibid., 118.

the PRC had two intercontinental-range ballistic missiles in service or development: the CSS-3, a single reentry vehicle with a maximum range of 7,000 km, and the CSS-4, also a single reentry vehicle with a range of 11,000-km.¹⁵ For intermediate ranges, the CSS-1 (DF-2), with a warhead payload of 1,000 kg and a maximum range of 1,200 km, the CSS-N-3 (SLBM), with a 1,000 kg warhead payload and a maximum range of 2,700 km, and the CSS-2 (DF-3), with a warhead payload of 1,100 kg and a maximum range of 3,000 km, are currently in service in the PRC. The CSS-2 is also thought to be in service in Saudi Arabia. Another intermediate-range missile being developed is the CSS-X-5, with a warhead payload of 1,000 kg and a maximum range of 2,500 km. Currently, there are no short-range missiles in service, but some are in development: the SS-300, with a warhead payload of 1,000 kg and a maximum range of 300 km. There are also several programs under which cruise missiles could be developed, namely the XW-41, the YJ-2, the CK-1, and the HY-2 Silkworm.¹⁶ There is also the possibility that a theater missile defense system, the MIM-23 Hawk, will be perfected.

The PRC, along with North Korea, has become the central focus for governments interested in preventing the transfer of medium- and long-range ballistic missiles. Recent reports have alleged Chinese sales of both ballistic missiles and the production technologies needed to develop and produce them to Iran, Pakistan, and Syria. The PRC has denied selling missiles to any of these countries except Pakistan, to which it acknowledged the sale of "a very small number of short-range tactical missiles" in 1991.¹⁷ In early 1993, reports from Beijing suggested that Chinese officials were prepared to acknowledge the transfers of missiles widely known as the M-11 type, while in Pakistan, former Army Chief of Staff General Mirza Aslam Beg apparently confirmed that these deliveries had taken place.¹⁸ At the official level, none of these three countries has acknowledged the transfers.

¹⁵Duncan Lennox and Roger Beardsley, eds., *Jane's Strategic Weapons Systems* (London: Jane's Information Group, 1993).

¹⁶Designations of weapons systems given are either Chinese transliterations or NATO designations.

¹⁷S. A. Kan, Congressional Research Service (CRS), *Chinese Missile and Nuclear Proliferation*, CRS Issue Brief (Washington, D.C.: U.S. Library of Congress, November 16, 1992); T. V. McCarthy, *A Chronology of PRC Missile Trade and Developments* (Monterey, Calif.: Monterey Institute of International Studies, February 1992), *passim*.

¹⁸*Interavia Air Letter* (London), December 9, 1992; *Far Eastern Economic Review*, January 7, 1993, 6.

One reason that missile transfers attract so much international attention is that they would, if confirmed, require U.S. sanctions against the PRC unless the President rules that waiving sanctions was essential to U.S. national security. However, such transfers represent a small proportion of Chinese exports.

Nuclear technology transfers are another area in which the PRC has attempted to boost its export potential (at least partly to underwrite costs in its domestic nuclear power program) and in which its sales and intended transfers have touched off U.S. sensitivities about the dangers of nuclear weapons proliferation. Suspicions about the PRC's nuclear export policy were aroused in part by unconfirmed reports that Beijing had transferred the complete design of a 25-kiloton nuclear weapon to Pakistan as well as unspecified quantities of 20 percent-enriched uranium to help run a Pakistani research reactor.¹⁹ The PRC is also suspected of supplying 220 kg of enriched uranium to Brazil for the latter's naval laboratory at Iperó, which is engaged in developing nuclear-powered submarine technology.²⁰ In addition, the PRC is widely believed to have sold unsafeguarded heavy water to India and promised to supply a 300 MW power reactor to Pakistan before its own first power reactor had been tested out. In June 1990, the PRC agreed to sell Iran a micro-nuclear reactor and train Iranian nuclear engineers.²¹ Finally, it will also give Syria a 30 KW research reactor to be covered by the International Atomic Energy Agency (IAEA) safeguards.²²

Despite the above incidents, the PRC claims to be fulfilling its obligations in terms of the major multilateral arms control agreements. But is it doing more than paying lip service to them?

Destabilization and Arms Sales

The PRC adheres to most multilateral arms control agreements, as shown in table 4. It has also pledged to join the MTCR or at least

¹⁹*Eye on Supply* (Quarterly Review of the Monterey Institute of International Studies) 56 (Spring 1992): 44.

²⁰*Ibid.*, 46.

²¹"U.S. Thinks Iran Is Trying to Make A-Bomb," *International Herald Tribune*, October 31, 1991.

²²*Newsbrief* (Washington, D.C.), Spring 1992, 2.

abide by its guidelines. As Jing-dong Yuan notes, "The MTCR . . . initially sought to control the export of items for missile systems that could deliver a 500 kg warhead up to 300 km. The focus was originally on nuclear-capable missile delivery systems but members have since agreed to include all missile systems that could deliver weapons of mass destruction."²³

What is of interest to us, however, is what the effect of these arms sales on those client countries involved in conflict.

In order to establish if the spirit of the major multilateral agreements is being respected, it would be necessary for the PRC to sell only when it is stabilizing to do so.²⁴ The most basic test, therefore, would be not to sell to countries involved in armed conflict—a test which the PRC fails. Clients can be divided into two categories: major and occasional. The PRC's major clients are Afghanistan, Bangladesh, Myanmar, Iran, Iraq, Pakistan, Sri Lanka, and Thailand, and during the period 1987-92, several of these countries were involved in armed conflicts.²⁵

The Afghan government's militia factions were involved in armed conflict with the Mujahideen; Iraq was fighting both Kurds and Communists at last reports and was also involved as late as 1992 in an insurgency dispute with the Kurdistan Front. In Bangladesh, Parbatya Chattagram Jana Sanghati Samiti and its military wing, the Sahnti Bahini, were formed in 1971. Guerrilla warfare began in 1974-75. In 1989, Parliament passed four bills designed to provide limited autonomy to the region and elections to new district councils were held, but violence prior to the election increased the number of refugees in India to about 65,000. New laws have also split tribal groups, and in 1990, both the Sahnti Bahini and the army stepped up their activities. One-third of Bangladesh's total armed forces are reportedly deployed in Chattagram Jana Sanghati Samiti-controlled areas, and estimates on the number of dead vary from 1,200 to 3,000. The government of Bangladesh was continuing the battle against rebels in 1992, with less than 100 deaths that year bringing the war's total to over 2,000.

²³See note 7 above.

²⁴Although neutral outcomes would also be acceptable in theory, in practice these almost never occur, as the prolonged search for nuclear equivalence between the United States and the Soviet Union during the recent Cold War shows.

²⁵The source of information for these conflicts is the reference *Keesing's Record of World Events* (London: Longman's, various years).

Table 4
Adherence to Major Multilateral Agreements

| Treaty | Year of Adherence | Obligations |
|-----------------------------|---------------------------|--|
| Geneva Protocol | 1952 | Prohibition of use in war of asphyxiating, poisonous, or other gases, bacteriological methods of war |
| Antarctic Treaty | 1983 | Entitlement to participation in consultative meetings; treaty declares Antarctica a demilitarized peace zone |
| Partial Test Ban Treaty | — | Prohibition of nuclear explosions in the atmosphere, outer space, under water |
| Outer Space Treaty | 1983 | Prohibition of placing or building weapon of mass destruction, military installation, maneuvers, or tests in outer space |
| Treaty of Tlatelolco | 1974 | Protocol II: support/adopt military denuclearization and of IAEA safeguards |
| Non-Proliferation Treaty | 1992 | Prohibition of transfer, assistance of manufacture or acquisition of nuclear weapons by a nonnuclear state |
| Seabed Treaty | 1991 | Prohibition of placing, storing, testing or using weapons of mass destruction on seabed |
| BW Convention | 1984 | Prohibition of development, production, stockpiling, acquisition or retention of biological agents |
| Inhumane Weapons Convention | 1982 | Prohibition of weapons not detectable by X-ray, mines, booby-traps, incendiary weapons and similar devices |
| Treaty of Rarotonga | P II: 1989 P III: 1989 | Prohibition of use, possession, construction, supply of nuclear material unless under safeguards. Protocol II: not to use, or threaten nuclear devices. Protocol III: no test. |

Table 4 (Continued)

| Treaty | Year of Adherence | Obligations |
|---------------------|-------------------|--|
| Enmod Convention | 1978 | Prohibition of military use of environmental modification techniques |

Source: Ian Anthony et al., "Arms Production and Arms Trade," in *SIPRI Yearbook 1993: World Armaments and Disarmament* (London: Taylor and Francis, 1993).

In Myanmar, at least fourteen separatist and revolutionary armed groups have been fighting against the central government since it gained independence in 1948. Government control in many areas is weak. The Burma Communist Party is generally regarded as the largest opposition force, though most activities have lessened in recent years as support from the PRC has decreased. The heaviest fighting currently involves the Karen National Liberation Army, which seeks an autonomous state for 2-3 million ethnic Karens. Significant rebellions have also occurred in Kachin and Shan states, in addition to many engagements with smaller ethnic-minority armed opposition groups. A government offensive in 1987 pushed Karen forces over the border into Thailand, though they later regrouped in Myanmar. In 1992, the Burmese government was involved in counterinsurgency operations against the All-Burma Students' Democratic Front, the Kachin Independence Organization/Army, Karenni National Progressive Party, Karen National Union/Karen National Liberation Army, with an annual death count of between 500-3,000 people since 1988.

The Kurds are seeking greater autonomy or independence from Iran in the northwest, and have become very active militarily since the overthrow of the Shah in 1979. The establishment of liberated zones led to an 1983-84 campaign by Iranian forces to regain control. During the Iran-Iraq War, Kurdish groups received aid from the Iraqi government. In late 1989, the leader of the Kurdish Democratic Party of Iran (KDPI) was assassinated in Austria and a member of the central command of the Komala was assassinated in Cyprus. The KDPI reportedly split into two factions in 1989, and in 1990, it claimed responsibility for an attack on security forces, killing fifteen. Iran also faces opposition from the National Liberation Army, the armed wing of the Mujahideen E-Kalq.

Pakistan has been involved in a territorial dispute with India since its partition in 1948, including wars over Kashmir and longstanding mistrust has been increased by trouble in Punjab, as India claims

Pakistan supports Sikh militants in India. Tensions rose as a result of India's large-scale military exercises close to the border in the early part of 1987. Ongoing discussions over Jammu and Kashmir have been hampered by strong domestic political pressure in both countries not to make concessions, and international concerns over use of nuclear weapons in a conflict between the two states have arisen. Tensions dissipated in the final months of 1987, though in 1992 a dispute resulted in over 700 deaths of military personnel alone.

There have been low-level separatist guerrilla campaigns since the early 1970s in Pakistan's three provinces of Pathan, Baluch, and Sinhi, which are dominated by the Punjab ethnic minority (about 40 percent of the population). Armed clashes in Baluchistan left thousands dead in the 1970s and continue today, as well as terrorist bombings by Pathans in the northwest border regions. There is also unrest in the Sind province, as Sindhis resent Punjab domination of the central government; fighting between ethnic groups in Sind in 1986 left about 200 dead. In 1987, there was a decrease in separatist violence, but violence against Afghan refugee villages that was alleged to be the work of Afghan agents rose. Some opposition groups have also used terrorist methods.

Sri Lanka has been involved in counterinsurgency operations against the Liberation Tigers of Tamil Eelam, with over 4,000 deaths of military personnel in 1996 alone. Sri Lanka has also been in conflict with the India-supported Tamil opposition; the clash between Buddhist Sinhalese (74 percent of the population) and Hindu Tamils (18 percent) erupted into sustained civil war in 1983. Certain Tamil groups want a separate nation: the Liberation Tigers of Tamil Eelam is the largest to six Tamil armed groups.

Thai and Malaysian armed forces have conducted joint operations against the Communist Party of Malaysia. Communist and separatist armed opposition to the Thai government reached a peak in the 1970s; today, Communist Party armed forces are estimated to have decreased to fewer than 1,000. Thai forces have also battled Muslim separatists in the south (the Patani United Liberation Organizations and others), and there have been frequent border clashes between the Vietnamese and Thai.

Among the PRC's occasional clients are Indonesia, Laos, Cambodia, and the Philippines. Indonesia has been conducting operations against the Free Papua Movement, and its 1975 invasion of East Timor, a former Portuguese colony seeking independence through the political organization Fretilin, resulted in over 10,000 deaths by

1979. Indonesian troops still currently occupy East Timor. Other armed separatist movements include those in West Irian (the Free Papua Movement) and Northern Sumatra (the Free Aceh Movement).

The Cambodian government has been involved in counterinsurgency against several groups (currently the Khmer Rouge). The Philippines are fighting the New People's Army and continued military opposition, then favoring the return of Marcos, including a series of military coups, attempted against President Corazon Aquino. Armed conflict between the government and the Moro National Liberation Front since the 1970s has led to more than 50,000 casualties, and the Muslim Islamic Liberation Front has also fought the government since January 1987.

The Laotian government is currently fighting the Free Democratic Lao National Salvation Force. Four opposition groups formed a coalition (the National Liberation Front) in 1981 aimed at ousting the Pathet Lao government and Vietnamese General Van Paop. Today, opposition is largely based in Thailand, and clashes with government troops over disputed frontiers have recently increased.

The PRC's claim that it ceased selling missile technology to the Middle East after the Gulf War is open to some doubt. Along with North Korea, the PRC has long been suspected of aiding Iran's missile development efforts. The PRC has also allegedly assisted Pakistan's missile development efforts since the latter's maiden test-firing of a 300-km range Haft-II ballistic missile in 1989 (notwithstanding the Pakistan army's vaunted claims of indigenous achievements). In February 1990, the chief Pakistani defense scientist, Dr. A. Q. Khan, disclosed that Pakistan was receiving missile guidance technology from the PRC.²⁶ As the *FPI International Report* states, "The sale of missiles and nuclear technology is part of a broad program that would not only make the PRC a major global power in the twenty-first century, but assure its ultimate victory."²⁷

Conclusion

The PRC is respecting its international treaty obligations to the

²⁶*National News Daily* (Lahore), February 25, 1990.

²⁷"China Moves to Fill Power Vacuum in East Asia," *FPI International Report* 10, no. 22 (November 2, 1990): 1-2.

letter. There is considerable evidence that shows that it does not respect the spirit of these agreements. However, it does not seem to be doing so any more than countries with comparable or larger arms trade, including the PRC's main critic in this area, the United States. If we criticize the one, we must also criticize the other.

The evidence available about destabilization is inconclusive. What is actually needed is a more detailed study of casualty rates against specific weapons contracts' delivery dates. The problem is that those delivery dates are usually unknown unless the weapons systems are very large, e.g., missiles, ABMs, tanks, etc. Similarly, it would be interesting to consider evidence of Chinese ties to any of the aforementioned groups. Negotiations with parties in conflict are naturally kept as secret as possible, so that much information is either unobtainable because they are covert, or unavailable because of their sensitive nature. Similar reasons explain why there is so little information about specific weapons or technology the PRC possesses that would be particularly useful to them: nongovernment groups do not publish their shopping lists for weapons for obvious reasons, while governments do not publish theirs for fear of criticism from the West.

The PRC's overall motivation for trading in weapons is twofold: shore up the personal power for the Communist Party leaders, and gain recognition for China as a world power. The short-term objectives are: gaining badly-needed foreign currency; underwriting expenses for the development and production of weapons for national security; gaining access to Western technology; and gaining influence in the region, although the leverage the supplier can impose on recipient states is limited.²⁸

It is certainly true that compared to the industrialized countries, Chinese weapons have the advantage of being sturdy, relatively cheap, and easy to operate, making them a more attractive buy for many Third World countries.²⁹ But the PRC's commercial success is based on the increased diversification of the range of weapons for sale and on the scope of its market.³⁰ Its sales have all been labor-intensive: as Wei-chin Lee notes, "in comparison with its growing arms exports,

²⁸Wei-chin Lee, "The Birth of a Salesman: China as an Arms Supplier," *Journal of Northeast Asian Studies* 6, no. 4 (Winter 1987-88): 33.

²⁹*Washington Post*, June 7, 1986, A1, A14.

³⁰Aaron S. Klieman, "Middle-Range Arms Suppliers: The Israeli Case," *Journal of International Affairs* 40, no. 1 (1986): 122-23.

the amount of important Chinese arms has been small and out of proportion to the number of visits and tentative negotiations that have taken place.”³¹

³¹Lee, “The Birth of a Salesman,” 42.