

# China's Euroquest: New Xi, old problems.

## The issue of EU arms sales embargo

Branimir Vidmarovic

PhD Zagreb School of Economics and Management

Zagreb,

February 15, 2013

Paper prepared for Second Workshop in Europe-China Relations "*Strategic Partnership? EU-China*

*Relations Under a New Leadership*"

March 4-5 Renmin University Beijing

During EU-China summit last year premier Wen Jiabao expressed his regret about still active European arms trade embargo that has been around since Tiananmen protest in 1989. This regret came from a man whose country these days already is a formidable regional naval power and whose carriers are able to launch China-made fighter jets. It also came from a man whose country's military expenditures keep reaching new heights. In addition, with Beijing's strengthening of military ties with Indonesia, it is plain to see that military development of China is doing fine regardless of embargo. So what exactly is the motive driving Chinese top officials to continue pushing for the embargo removal?

First, it is about global political weight and status. It is also about 'managing' US and Japan in Asia-Pacific power struggle. And of course, it's about EU itself.

### *Can PLA do without Euroweapons?*

European embargo and Chinese efforts to remove it, logically lead to assuming that China, in fact, needs top-notch European weaponry to diversify its armed forces and keep the momentum of continuous military growth. However, there are evidence that prove that the embargo is obsolete, being outdated and without further purpose.<sup>1</sup>

China's overall power and significance, at least on the region-scale, has reached considerable heights allowing Beijing to make long-term plans on projecting power and

---

<sup>1</sup> Technically, EU members are not legally forbidden from selling military items to China. The 1989 EU declaration is a political commitment and EU governments are supposed to uphold its spirit. If the EU lifts the arms embargo, an EU "code of conduct" on arms sales will govern trade in weapons with China, and this implies that sales of certain weapons will still be illegal.

influence well beyond its region. For a while now, Beijing has been very proactive in Central Asia, with loans and projects that should, ultimately, provide for economic growth of the region. China is also concerned with economic growth and security of Afghanistan, implementing an approach and solutions that have the potential to diminish US presence in the region. The readiness to push its interests outside the region is well formulated by professor Wang Jisi of Peking University, who argues that China should focus on spreading its influence on westward countries – West Asia, Middle East, as those regions, unlike Asia-Pacific, do not yet have strong security ties and are still free of US dominating presence. Thus, Chinese academic thought hints that China is strong enough military, politically and economically to assert itself not only regionally but also globally.

Such conclusion may look like they are not far away from truth considering just the sheer size of PLA - roughly 2,3 million active personnel. However, in modern warfare, the quality (of armed forces, training, strategy, military doctrines) and not quantity matter. So if China was in dire need of European arms, it would have been so for the reasons of technological supremacy and advancement, not quantitative stockpiling.

Chinese premier, Wen Jiabao, tried to assure European side that Beijing does not intend to make large-scale purchases of European weapons. During EU-China summit he stated that China seeks to lift embargo to oppose 'political discrimination against China' and not for the sake of buying Europe's advanced weaponry.<sup>2</sup>

Quality-wise, PLA is still not the overall most technologically advanced army, and this is a dominating view on its current state. However, Chinese military expenditures and achievements leave no room for doubt that it will be hi-tech soon. For the past twenty years, China has made serious investments in modernization of its armed forces. SIPRI data show annual defense budget of over 30 billion dollars in 2000 and 120 billion in 2010. This huge build-up certainly had an impact.

Modern Chinese military is capable of successfully destroying satellites, intercepting ballistic missiles, launching supersonic missiles and ballistic missiles, targeting enemy ships and carriers from land, targeting overseas points with strategic MIRV-capable missiles. All this is possible with technology that still isn't state-of-the-art. This was best

---

<sup>2</sup>Ching, Frank. "The EU's Balancing Act: Selling Arms to Beijing." *China Brief* 5.6 (2005): n. pag. Web.

demonstrated in 2007, when China obliterated the satellite with relatively old short-range ballistic missile (SRBM).<sup>3</sup>

PLA is also in the fast lane towards 5<sup>th</sup> generation jet fighter – airplanes technologically challenging even for the US. Furthermore, satellite images shot in 2008 revealed a submarine subterranean base with extensive tunnels at Yulin naval base, which hint at detail and seriousness applied towards its naval force.<sup>4</sup>

Most of these achievements were made through learning, and – of course - from other nations' technology. Thanks to Russia, Chinese were able to acquire technology and understanding that comes from unit breakdown and its analysis. In this sense, the embargo may have had its purpose and impact during the early stage of PLA development. We can argue on whether the Chinese army would have been much more advanced, had it been allowed to buy European arms, but we cannot oversee the fact that so much was done in short period of time, almost completely relying on China's own potential and Russian arms.<sup>5</sup>

In 2011, Xu Guangyu, retired PLA general suggested the China had actually benefited from the embargo as it had helped China stabilize its positions and advance. He added that Chinese 'military research and development level would not be so efficient if there was not the arms embargo' and that China should thank the EU and the US.<sup>6</sup>

Chinese forces have now moved beyond the point of just learning military technologies. After initial problems with servicing and maintenance of Russian Kilo-class submarines, PLA managed to make serious improvements in mastering their maintenance (one of the things that still troubles Beijing is jet engines, and that problem is about to be solved through acquisition of 24 Russian SU-35 fighters – a shipment small enough to make use of fighter's excellent 117s engines). Through technology transfer and foreign purchases from Russia, Chinese military powered-up both knowledge and skills through reverse engineering.<sup>7</sup>

---

<sup>3</sup>Ikegami, Masako. "China's grand strategy of "peaceful rise." *Rise of China. Beijing's Strategies and Implications for the Asia-Pacific*. Eds. Hsia, Hsin-Huang Michael and Lin, Cheng-Yi. New York: Routledge, 2009. 37. Print.

<sup>4</sup>Harding, Thomas. "Chinese nuclear submarine base." *The Telegraph*. 01 May. 2008. Web.

<sup>5</sup> In comparison, India, which enjoyed free stockpiling of weapons of various origins did not, by all accounts reach Chinese level of military state.

<sup>6</sup>Torode, Greg and Chan, Minnie. "Japan, US foil Beijing push to end EU arms embargo." *South China Morning Post*. 11 Feb. 2011. Web.

<sup>7</sup> For detailed overview of PLA in 2008 see: Taylor and Youngs China's "Military Posture.", 2008.

There are other evidences to support the claim about PLA maturity. Foremost of these being the Chinese anti-piracy and vessels escort missions off the coast of Somalia in 2008. China had then dispatched a force of three ships on a mission of securing African pirate-ridden coastline. It was an unprecedented mission, since it was the first time (in modern history) that Chinese Navy was dispatched beyond Chinese waters. PLAN has also had the opportunity to engage pirates in combat and escort civilian ships.

Secondly, technologically developed army open doors to new strategic possibilities – something Beijing has taken full advantage of. China's military logic provides an asymmetrical approach compared to the US. Rather than investing in a powerful attack-force, PLA is implementing the 'anti-access/area denial' approach. This means that Chinese territory and waters are sealed off from enemy insurgence with nuclear and conventional submarines, long-range radars, satellites, myriads of precise and maneuverable land-air, land-land and land-sea ballistic and cruise missiles along with air-sea missiles mounted on modern jets. A2/AD approach is designed to unbalance US presence in the region, with most of their bases and fleet 'covered' and targeted, and push away any attack beyond *the first islands chain*.

Another strong point for China's military independence is the actual reaction of all neighboring countries, not only in the East Asia, but also in Asia-Pacific. For a while now, Japan, whose Self-Defense Forces are very modern and quite battle-capable is continually warning other nations of China's military rise ('China threat'). It's also unnerving for South Korea, India, and even Australia, who are also raising the bar on their military expenditures. Last, but not least, the US is making the moves that show just how seriously they perceive Chinese power – with ever strengthening US-Japan security alliance, building ties with Australia, South Korea and Taiwan. This is why both China and the EU are not convincing enough in easing American concerns over Beijing's potential access to technology: in the light of the possible change of power balance in Taiwan Strait, the US believes that the weapons per se do not matter as much as do electronics, software, communications and radar equipment.

### *Outdated symbolism*

The problem of arms ban remains a puzzle-yet-to-be-solved for Chinese government. In a way, it transcends from the tangible world of weapons into the world of symbolism and projection.

In this context, the embargo is a multilayered issue for China. On one hand, any discussion inevitably brings up China's regional (domestic) issues and places them as far out as EU table, not so much because these issues pose a problem in Europe (far from that), but because 'external' factors – namely US and Japan – make the effort to expand them. This is why embargo question is never separated from Taiwan, Senkaku dispute, military budget, human rights and Tibet – issues Beijing is more comfortable with back home in the region. On the other hand, embargo serves as an irritating factor, hindering China's aspirations to be recognized as a great world power.

The sheer fact of embargo's existence produces a negative political image, making it difficult for China to prove (or 'regain') back its legitimacy and respect in international relations. Chinese officials and top scholars argue that China has become a first-class world power and as such, should be treated accordingly<sup>8</sup>, with much larger role in IMF and World bank. As a successful nation, it *deserves* more respect,<sup>9</sup> while embargo is being a 'leftover' from the Cold War, and cannot co-exist with the process of China-EU relations.<sup>10</sup>

Still, even if embargo is just an image, it's a powerful one. It de-facto places China on the same bench with other embargoed states, which is quite asymmetrical to its status of a great power with permanent seat in UN SC – planet's core security body.<sup>11</sup> Over the past ten years, Beijing has begun to take UN activity quite seriously, being ever more active in advocating Organization's authority and multipolar nature. Simultaneously, China started to gain weight and personal insider authority within the UN. While veto-right membership in UN SC *might* be seen as already something *special* for China, as it stands out from other SC countries, (being the only country officially devoid of western-style

---

<sup>8</sup>Lieberthal, Kenneth and Wang, Jisi. "Addressing U.S.-China Strategic Distrust." *John L. Thornton China Center Monograph Series*. 4.3 (2012): 8. Web.

<sup>9</sup>Kato, Yoichi. "Interview / Wang Jisi: China deserves more respect as a first-class power." *The AsahiShimbun*. 05 Oct. 2012. Web.

<sup>10</sup>Rettman, Andrew. "EU figures show crisis-busting arms sales to Greece." *EUobserver*. 07 Mar. 2012. Web.

<sup>11</sup>Mendes, Carmen Amado. "The Significance of the PCA in Sino-European Relations." *Prospects and Challenges for Eu-China Relations in the 21st Century - The Partnership and Cooperation Agreement*. Eds. Meng, Jin and Balducci, Giuseppe. Brussels: Peter Lang, 2010. 232-233. Print.

democracy with different approach to economy and by far, the longest history and non-European culture), for Beijing it isn't enough. As most UN member countries are non-European developing countries, with near-to-democratic regimes, they seek support from such a similar 'outsider'. This is certainly an advantage for China, which it will try to deepen.<sup>12</sup> In other words, China cannot afford any 'stain of weakness' or lack of respect with regard to the current UN position it holds.

With long lasting talks about SC reform, the influence of embargo might also raise questions of SC's authority and performance. Due to the difficult task entrusted to SC permanents – responsibility of maintaining international peace and security any in-house contradictions look irrational and discouraging.<sup>13</sup>

China's key antagonists, or advocates of keeping China on a military technology 'diet' are the US and Japan. The US pursues two similar goals simultaneously – keeping influence over Taiwan and keeping influence over Europe.

US strongly advocates embargo because of the fear that EU and China might cooperate more tightly within strategic framework. Should Europe head for 'normalization' of its relations with Beijing, Washington's containment options would be limited, as US would lose leverage for discussions and pushing various decisions in crisis situations. For China, having EU as a full-scale partner would be highly beneficial in terms of counterbalancing and splitting transatlantic ties.

Since the early 2000s, in the effort to counter-lobby through the ban and attack skeptics, Chinese government tried to apply 'double consequence' tactics, repeatedly stating that the arms embargo is not just pure political discrimination towards China but also harms the development of – mutually beneficial – EU-China strategic partnership.<sup>14</sup> Beijing had then started to be actively involved in ventures it though would help it strengthen the European ties. One of big EU-China steps at that time was a push for EU's 'independency' and cooperation, which was taken in 2003, when Sino-European Galileo project was successfully launched. It was the case of co-developed GPS satellite designed to tackle

---

<sup>12</sup> Wu, Guoguang and Lansdowne, Helen, eds. *China Turns to Multilateralism – Foreign Policy and Regional Security*. New York:Routledge, 2008. 6. Print.

<sup>13</sup>See UN Charter.

<sup>14</sup>Meng, J. and Balducci, G. op.cit. 73.

the US monopoly. Success of the project was largely dependent on Chinese financing, as Beijing invested around 230 million euros into the whole development.<sup>15</sup>

In 2004, Europe went as far as conducting joint maneuvers with PLA during which Europe could get a glimpse of Chinese latest military equipment. This was taken as an important element of cooperation in security matters and mutual trust and of course, a wonderful chance to take a glimpse at PLA's equipment. Just before adoption of the Anti-secession law, which significantly halted all progress, China and France (and later UK) held joint naval exercises in South China Sea.<sup>16</sup>

The US responded with a sharp criticism and even threats with regards to EU-US partnership, which ultimately caused member states to postpone the embargo issue, finding the timing inappropriate.

However, despite the embargo, EU countries can still sell so-called 'non-lethal' technology to China – diesel engines, radar equipment or helicopters. In fact, EU sold China 210 million Euros worth of licenses (parts for vehicles and aircrafts, riot control agents etc.) in 2002<sup>17</sup> and 218 million euros worth in 2010.<sup>18</sup> To make things even more perplexing, the US has been also selling some non-lethal solutions to China, namely engines for J-8 light attack/training aircraft.<sup>19</sup>

In this context, it doesn't look surprising that officially, in the face of growing mutual cooperation, the EU in general sees embargo as out-of-date and merely symbolic. It had always pointed out its devotion to 'One China' policy, leaving about only economic and cultural ties with Taiwan.<sup>20</sup> EU also warned Taipei against any breaking status quo and any harsh actions which could provoke conflict.<sup>21</sup>

Still, the US and Japan do not wish such cooperation to develop and become a regular part of mutual partnership. Lifting of the embargo would probably encourage China more than expected and leave behind all talks about human rights abuses etc. If

---

<sup>15</sup>Ikegami, M. op.cit. 29-30.

<sup>16</sup>Casarini, Nicola. "The Rise and Fall of EU-China Relations in Space and Defense Technology." *China, Europe and International Security. Interest, Roles and Prospects*. Eds. Van der Putten, Frans-Paul and Chu, Sholong. New York: Routledge, 2011. 72. Print.

<sup>17</sup>Shaocheng, Tang. "EU's Policy towards Taiwan/China and the Issue of Arms Embargo Institute of International Relations." The Institute of International Relations / National Chengchi University Taiwan. Web.

<sup>18</sup>Rettman, Andrew. "EU figures show crisis-busting arms sales to Greece." *EUobserver*. 07 Mar. 2012. Web.

<sup>19</sup>According to Karniol, Robert. See Ching, F. *China Brief* 5.6 (2005): n. pag. Web. 20 May 2009.

<sup>20</sup>Shaocheng T. op.cit.

<sup>21</sup>Crossick, Stanley and Reuter, Etienne, eds. *China-EU, a common Future*. Singapore: World Scientific Publishing Co. Pte. Ltd. 2007. 45. Print.

recognized as a 'normal state', Beijing would get a strong gust of wind in the back.<sup>22</sup> Knowing about the effect it would have on China, Washington strongly objects not only lifting the ban, but also warns against any encouraging messages towards Beijing.

It could also be that US considers selling technology to China to be a double-edged sword. Chinese approach to international issues baffles EU, as China often supports regimes otherwise looked at negatively.<sup>23</sup> Given that China supplies plethora of arms to states which have a bad 'reputation' in the West, such as Albania, Timor-Leste, North Korea, Zambia, Nigeria, Iran or Sudan,<sup>24</sup> a possibility of proliferation of Europe's own technology to those states has to be taken into account. There is a possibility of risking EU's international security. On the other hand, cooperating tightly with Beijing on security could diminish any such risk to a negligible level. This could happen for several reasons, the first being the fact that China-led (or China-influenced) developing world is, as a rule, in opposition to the US. EU gesture towards China would mean a step back from US – a signal that would be welcomed in developing states. Right now, though, China and EU are nowhere near a strong partnership in terms of security.<sup>25</sup>

In a way, China is experiencing a mirror image of its interaction with Japan and Japanese political behavioral model, used extensively in communication with Beijing. Like Japan heavily repeats foreign policy formulae, such as 'One China', 'no threat', 'peaceful solutions', but acts in a way that leaves a lot of room for discussion or undergoes internal political crisis, so does the EU verbally promote dissolution of the ban but fails to act accordingly or show internal political coherence. As China and EU have been, since the establishment of the Strategic Partnership, discussing the issue more than once,<sup>26</sup> similarities in approach can be traced throughout the whole period of talks. This was noticed in 2009 UK Parliament European committee report, where it was said that annual summit meetings should be 'long-term orientation' and that rotating Presidency was cumbersome, lacking consistency and continuity, due to the fact that new

---

<sup>22</sup>Ikegami, M. op.cit. 29-30.

<sup>23</sup>Peyrouse, Sébastien. "Europe's involvement in East Asian security: how to engage China." *FRIDE* 12.9. (2012): n. pag. Web.

<sup>24</sup>Databases available at SIPRI

<sup>25</sup>Casarini, N. op. cit. 100.

<sup>26</sup>Meng, J. and Balducci, G. op.cit. 73.

presidency brought new point of view, resulting in 'nice words' in the summit statements but with no actual results.<sup>27</sup>

Still, there is no doubt that China is indeed important for Europe. To some extent, the US is concerned that EU will try to side with China to gain advantage over the US.<sup>28</sup> Such notions are unwelcome with European defense contractors, such as British BAE systems and EADS, who are recorded saying they will not in any way endanger their very important customer, the US.<sup>29</sup>

The paradox of the whole issue lies in the fact that EU cannot reach a unified position on the embargo. This is due to a different model and speed of decision-making in China and EU, which is why China cannot 'get hold' of EU as a whole. Instead, it has to deal with member states on various issues without seeing the consensus.<sup>30</sup> For one thing, the EU who first imposed the embargo years ago was a much more compact body than it is now. Embargo issue is in the competence of Common Foreign and Security Policy which needs the approval of all member states. Currently, the consensus of 27 countries is needed – a task pretty difficult and demanding.<sup>31</sup>

One of the strongest European 'nays' is UK which states that it is not yet a good time to lift the embargo.<sup>32</sup> There is an opinion that China views the UK as its primary European ideological opponent in the field of human rights and democracy. By 'giving' in 1997 its former colony – Hong Kong – London might have hoped that Hong Kong itself will inject and spread democracy and capitalism through socialist China. However, mainland China's immune system quite successfully adapted to this with 'one nation two systems'.<sup>33</sup> This could be additional stimulus for London to oppose lifting embargo.

Questions have been raised about whether China will turn from socialism to democracy and what circumstances might precede that turn. One of common beliefs is that high economic free market growth is the catalyst for democratization process, similar to South Korea or Taiwan. But South Korean economical rise happened through export-

---

<sup>27</sup>House of Lords European Union Committee. "Stars and Dragons: The EU and China." *7<sup>th</sup> Report of Session 2009-10*. 26. Web

<sup>28</sup>Crossick, S. and Reuter, E. op. cit. 6.

<sup>29</sup>Ching, Frank. "The EU's Balancing Act: Selling Arms to Beijing." *China Brief* 5.6(2005): n. pag. Web.

<sup>30</sup>Crossick, S. and Reuter, E. op. cit.5.

<sup>31</sup> Charlemagne. "The EU and arms for China European politics." *The Economist*. 01 Feb. 2010. Web.

<sup>32</sup>HouseofLords European Union Committee. op.cit. 43.

<sup>33</sup>Luzyanin, Sergei. "Why is China saving Europe." (Лузянин, Сергей. "Для чего Китай спасает Европу") *Moscow State Institute for International Relations*. 29 Apr. 2011. Web.

oriented industrialization under authoritarian government of Park Chung-Hee. Taiwan's 'miracle' economic rise was, in the past, also born under the authoritarian rule of KMT party. Moreover, their authoritarianism was closely monitored by the US, since both countries were, and still are nations closely linked to Washington. In other words, the US itself is a catalyst for democracy. China, on the other hand is too big and too stable to provide the US with but a minor chance of promoting democratic values, like it was able to do in Eastern Europe after the fall of Soviet Union.

In conclusion, it has to be mentioned that Europe would like to be one of (independent) centers of power. In a publication on Europe and China, UK Parliament committee said EU is 'moving rapidly towards a multi-polar world, but with key players' and 'though it will not compete with the US in hard power, the EU aspires to be one of them' since 'that was part of the rationale for the Lisbon Treaty.' Without 'resolving its relationship with China, the EU cannot achieve its aims.'<sup>34</sup> Further still, this very interesting document is interwoven with calls for mutual role in shaping 21<sup>st</sup> century global affairs and a partnership crucial to solving the world's problems. There is also a certain reserve and critique towards a 'G2' model, because 'the EU must play a stronger role in driving forward multilateral solutions to global problems.'<sup>35</sup> To achieve that, the EU 'would need to convince the United States and its East Asian partners that the arms embargo is mainly symbolic and that the Common Position on arms exports is sufficiently robust and enforceable to prevent the export of offensive weapons systems and sophisticated military technologies.'<sup>36</sup>

### *New Xi, old problems, new solutions*

China is everything but static on the embargo issue. Beijing is actively lobbying in Brussels since 2003. It's a difficult game of counter-lobbying the lobby but the circumstances and time might be on China's side.

To set things in motion, Chinese lobby will try and assert into EU the fundamental understanding of Sino-European differences, mainly using Chinese culture awareness via soft power. According to this, EU should take into the account historical, cultural

---

<sup>34</sup>House of Lords European Union Committee. op.cit.summary.

<sup>35</sup>Ibid. summary.

<sup>36</sup>Ibid. 42.

differences, governmental style, mentality and psychology of China and in this context give the problem of human rights and socialistic government in China, a broader and more flexible view. As mentioned earlier, western-style government model may never find its way into China, and hard as it may be, there has to be a deep and profound understanding of this idea.

While China is notorious for its millennial approach to history and decision-making process, overall global speeding up of political and economic processes have had an effect on Beijing. Chinese government is more and more *pushing* towards its priorities and goals. In this sense, EU should try to reach a consensus sooner, and not later, since international circumstances may shift, causing China to re-assess their actions.

One of the main 'helpers' in Chinese lobbying may be the economy itself. EU is struck by debt crisis, which cause not only economies to fall, but also causes countries to lose confidence in the EU itself. As a result, countries and national economies act more and more independently from one another (UK being the latest example). Amidst the commotion, China is gaining weight as a one-on-one partner, especially with Germany, which has become its biggest trade partner within in the Union. China is already regarded as the EU's new overdraft guarantor.<sup>37</sup>

In this situation, China has multiple choices, one of which is negotiations with national governments separately directly, omitting the EU apparatus.

Beijing has already had some success with getting EU countries like Spain and France to play on their side through buying their debt and making orders of Airbus planes. Having this power over EU countries economies, Beijing certainly must pay close attention not to use it for hard power pressure.

Circumstances and the situation in the near future might provide good reasons for lifting the ban. Embargo is hurting the EU far more than it hurts China. Besides financial difficulties, there is also strong competition between the US and EU in arms and technology sales, especially in the aerospace and aviation industry. Europe has the chance of gaining the strategic advantage by entering a huge and (not taking into account Russia) otherwise untouched market where competing with the US would be is

---

<sup>37</sup>Neill, Alexander. "China, Europe and Strategic Intent: A New Role for the UK?" *Royal United Services Institute Analysis*. 14 Jan. 2011. Web.

virtually non-existent. It would not save EU's economy – far from it. But it would surely get it a good bargaining position.

However, politics may be stronger than economics. European officials are probably aware of the possibility that by removing the embargo, they would, besides recognizing China's legitimacy and rise, send a message about actually supporting a military-stronger China.<sup>38</sup>

This again leads to the nexus of the problem – the Taiwan issue.

Even though many argue that human rights, and not economy, is the foundation of the ban, it seems more likely that status of Taiwan, or rather, its future is the real breaking pad of embargo lifting progress. Being a difficult question as it is, it might become even more difficult.

By now, most observers and commentators have come to consensus that China's new president Xi Jinping will not change China's external political course. Unlike multiple-party countries, where president, prime minister, party or the cabinet form their own policy and act within the frame of election cycles, China's policy is defined and driven by CPC and ideological philosophy, being devoid of personification of political agenda. New Constitution of Communist Party of China is now thicker, with added Scientific Outlook on Development theory and even more formulations about CPC's devotion to marching down the path of Socialism with Chinese Characteristics. Regime observers and critics should have noticed that it symbolically became slightly more liberal – having replaced the 'we' to 'Party' throughout the document, which might mean that CPC is symbolically distancing itself from the people, granting more free air and asserting the idea that 'we' – Chinese people – have reached a certain goal from where 'Party' – the government – will take on.

This would mean that there will be no change in policy towards Taiwan, or in policy towards any other disputed territories. Yet, as China is devoted to International peace and multipolarity, it should find the patience and wisdom to adhere to that. Rivalry between China, US and Japan is growing and sides will certainly try to push each other towards making a mistake.

---

<sup>38</sup>Charlemagne. "The EU and arms for China European politics." The Economist. 01 Feb. 2010. Web.

With Shinzo Abe in power, China has another advantage. Japan's nationalist, having deep web in Japanese cabinet, have for the past twelve years (since Junichiro Koizumi) cheered the idea of changing article 9 in Japanese peaceful constitution. Japanese growing militaristic aspirations have gone unnoticed on a global scale, but regionally, China has always used this, along with many other aspects of Japanese politics, such as visits to Yasukuni shrines, textbook controversies, territorial disputes, 'sanctioned' protests against Japan, Six-party talks, 'Japan threat' theories and UN reform against Japan. With Japan's losing positions in East Asia, it is a matter of Beijing's understanding how to apply these tactics in Europe. For one thing, China might assert the notion that Japan is in fact, much bigger threat being the only formidable country officially still at war while bidding for a permanent UN SC seat.

UN SC bid is something that Japan does not take lightly and has been devoted to it for over ten years. As China's own lobbying against Japanese bid has always thwarted Japanese plan, it might be that a new wave of political struggle will occur in the UN if Japan was to sense that embargo issue is too important for Beijing.

During lobbying against removing embargo, Japanese officials at EU have stated that 'an end to the arms embargo would be a mistake; it would destabilize the situation in the region.'<sup>39</sup> But it is a fact that Japan slowly moves towards being a part of destabilization itself – the current Shinzo Abe was recorded saying he'd wish for a small-sized tactical nuclear weapon.<sup>40</sup>

With Taiwan, Xi's best bet will be to maintain a stable status quo, and restrain from any more displays of military than absolutely necessary. In theory, this should be enough for EU officials to deem US-Japan claims at least partially unsubstantial.

By having EU as a trusted and close security partner and by helping it become and independent and powerful world center, the US might find itself without real support in Eurasia. As Europe would gain weight and, it would become more active in Asia, which would have a positive effect on Taiwan issue or even help in peaceful reunification with Taiwan<sup>41</sup>

---

<sup>39</sup>Rettman, Andrew. "China tells EU to end arms ban." *EU observer*. 20 Sep. 2012. Web.

<sup>40</sup>See Campbell, Kurt M., Einhorn, Robert J. and Reiss, Mitchell B. eds. *"The Nuclear Tipping Point: Why States Reconsider Their Nuclear Choices*. Washington: Brookings Institution, 2004. Print.

<sup>41</sup>Meng, J. and Balducci, G. op.cit. 232-233.

Some argue that embargo is a stalemate situation that could be broken only by serious actions, such as real change of human rights policy and financial pressure but are both unlikely which means that the embargo will stay for an indefinite amount of time.<sup>42</sup> However, EU also has the card up its sleeve to successfully tackle China and US simultaneously. It's the yet-to-be-adopted Arms Trade Treaty, a multilateral treaty negotiated in the UN that would restrict international conventional arms trade. As the biggest arms trader, US oppose the Treaty. Beijing's position is not yet too clear, but taking into account growing sales of Chinese arms, it could be that Beijing will think this Treaty many times over. With regard to China, EU might use this as a mean of leverage and balancing or rather, 'exchanging' embargo for signing the Treaty. It is also a chance for EU to assert itself as an independent center that applies equal pressure both on US and China on this matter.

---

<sup>42</sup>Moss, Trefor. "China's lucre won't end EU arms embargo." *The Asia Times*. Jan 11. 2011. Web.

## Bibliography:

- Casarini, Nicola. "The Rise and Fall of EU-China Relations in Space and Defense Technology." *China, Europe and International Security. Interest, Roles and Prospects*. Eds. Van der Putten, Frans-Paul and Chu, Sholong. New York: Routledge, 2011. 72. Print.
- Campbell, Kurt M., Einhorn, Robert J. and Reiss, Mitchell B. eds. *"The Nuclear Tipping Point: Why States Reconsider Their Nuclear Choices*. Washington: Brookings Institution, 2004. Print.
- Charlemagne. "The EU and arms for China European politics." *The Economist*. 01 Feb. 2010. Web.
- Ching, Frank. "The EU's Balancing Act: Selling Arms to Beijing." *China Brief* 5.6 2005. Web.
- Crossick, Stanley and Reuter, Etienne, eds. *China-EU, a common Future*. Singapore: World Scientific Publishing Co. Pte. Ltd. 2007. 45. Print.
- Harding, Thomas. "Chinese nuclear submarine base." *The Telegraph*. 01 May. 2008. Web.
- House of Lords European Union Committee. "Stars and Dragons: The EU and China." *7<sup>th</sup> Report of Session 2009-10*. 26. Web
- Ikegami, Masako. "China's grand strategy of "peaceful rise." *Rise of China. Beijing's Strategies and Implications for the Asia-Pacific*. Eds. Hsia, Hsin-Huang Michael and Lin, Cheng-Yi. New York: Routledge, 2009. Print.
- Kato, Yoichi. "Interview / Wang Jisi: China deserves more respect as a first-class power." *The Asahi Shimbun*. 05 Oct. 2012. Web.
- Lieberthal, Kenneth and Wang, Jisi. "Addressing U.S.-China Strategic Distrust." *John L. Thornton China Center Monograph Series*. 4.3 (2012): 8. Web.
- Mendes, Carmen Amando. "The Significance of the PCA in Sino-European Relations." *Prospects and Challenges for Eu-China Relations in the 21st Century - The Partnership and Cooperation Agreement*. Eds. Meng, Jin and Balducci, Giuseppe. Brussels: Peter Lang, 2010. 232-233. Print.
- Neill, Alexander. "China, Europe and Strategic Intent: A New Role for the UK?" *Royal United Services Institute Analysis*. 14 Jan. 2011. Web.
- Peyrouse, Sébastien. "Europe's involvement in East Asian security: how to engage China." *FRIDE* 12.9. (2012): n. pag. Web.
- Rettman, Andrew. "China tells EU to end arms ban." *EUobserver*. 20 Sep. 2012. Web.
- Rettman, Andrew. "EU figures show crisis-busting arms sales to Greece." *EUobserver*. 07 Mar. 2012. Web.

Shaocheng, Tang. "EU's Policy towards Taiwan/China and the Issue of Arms Embargo Institute of International Relations." The Institute of International Relations / National Chengchi University Taiwan. Web.

Torode, Greg and Chan, Minnie. "Japan, US foil Beijing push to end EU arms embargo." *South China Morning Post*. 11 Feb. 2011. Web.

Wu, Guoguang and Lansdowne, Helen, eds. *China Turns to Multilateralism – Foreign Policy and Regional Security*. New York: Routledge, 2008. 6. Print.

Luzyanin, Sergei. "Why is China saving Europe." (Лузянин, Сергей. "Для чего Китай спасает Европу") *Moscow State Institute for International Relations*. 29 Apr. 2011. Web.