

China is often portrayed in the Western press as a country that stubbornly wants to go its own way--a country that is not really interested in cooperating with other powers on issues of international importance. Thus, the press depicts China as a country that ignores international conventions of human rights, intellectual property, and nuclear nonproliferation.

This essay examines one area where China has been criticized intensely in the press: its purported continual disregard for the provisions of the Missile Technology Control Regime (MTCR). The essay is divided into three parts. First, it describes how China's behavior reflects its fundamental national interests. It points out that a substantial portion of the conflict in interpreting the aims of the MTCR is rooted in the fact that China played no role in its initial development and implementation in April 1987. This has led to conflicting views between the U.S. and China on what actions China has undertaken in spreading missile technology. Second, the essay focuses on how China might play a positive role in working with the MTCR, once its interests are more fully incorporated into the regime. Already, China has undertaken a number of initiatives to reduce the proliferation of missile technology as well as to employ rockets in a productive way. Third, the essay examines steps that could be taken to improve the MTCR.

#### **THE LACK OF CHINESE INVOLVEMENT IN THE DEVELOPMENT OF THE MTCR**

China is not inherently uncooperative in its international dealings. The Chinese certainly do not see themselves as uncooperative. The conflict between them and key Western countries is rooted in different national perspectives. In the case of the MTCR, the countries that developed the regime never bothered to consult China to

identify its national views on missile nonproliferation guidelines and parameters.

The MTCR originated from the concern of Western powers that the capability to employ missile technology could spread to a large number of countries throughout the world, creating an environment of global instability. The seven original signatories of the regime were all Western countries: the United States, the United Kingdom, France, Ja-

pan, Canada, Germany, and Italy. The technical working sessions that established the regime were carried out exclusively among Western experts. Not surprisingly, the final results reflect a Western perspective on missile proliferation.

This exclusively Western outlook has created problems in gaining acceptance of the MTCR by non-Western countries. In particular, key players such as India, Pakistan, Iran, and North Korea have not made any commitments to accede to the provisions of the regime. China (on April 1, 1992), Russia (on November 1, 1993), and Ukraine (on May 13, 1994<sup>2</sup>) agreed to operate under its guidelines and parameters, but their interpretations of what this entails have differed from Western expectations.

From China's viewpoint, a key issue is that the MTCR is not a full-fledged treaty, and consequently, it lacks any enforcement capabilities.<sup>3</sup> Thus, it is designed to operate on the basis of cooperation and consensus. The parties following the guidelines and parameters naturally will pursue actions that support their national interests. So long as the MTCR is presented as "guide-

**VIEWPOINT:**

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GREATER CHINESE ROLE  
IN MISSILE NON-  
PROLIFERATION ISSUES**

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lines and parameters," it would be naive to expect signatories to treat it as having the binding power of a treaty.

China also objects to the MTCR's established technical parameters, since its views on how missiles should be classified have not been taken into consideration. For example, to the Chinese, the M-9 and M-11 missiles are viewed as tactical delivery systems, whereas the West classifies them as strategic.<sup>4</sup> Had China been included in the original MTCR discussions back in the 1980s, these definitional issues could have been resolved then and would not be surfacing now as points of conflict.

### **U.S. ATTEMPTS TO PUNISH CHINA FOR PURPORTED MTCR VIOLATIONS**

The U.S. position that China has secretly been selling missile technology to unstable, militaristic countries is a major contributor to the view that China does not work for nonproliferation. These accusations date to the 1980s when the United States maintained that China sold Silkworm missiles to Iran. At that time, China had not yet stated a commitment to the MTCR. More recently, beginning in April 1993, U.S. government sources maintained that China was shipping M-11 missile components to Pakistan. Both China and Pakistan denied such shipments.<sup>5</sup> According to London's Institute of International and Strategic Studies, the whole issue is moot, because--by its determination--the range of the M-11 missile is well below the 300-kilometer range limit established by MTCR.<sup>6</sup>

As a consequence of its beliefs, the United States has set out to punish China for perceived MTCR violations. In the case of the alleged shipment of M-11 components to Pakistan, the Clinton administration announced on August 25, 1993, that it would impose \$1 billion of sanctions on high technology exports to China.<sup>7</sup> This action hurt a number of U.S. satellite technology firms, in particular Hughes Electronics and Martin Marietta.

China's reaction to the U.S. accusations and actions was strong. It publicly denied involvement in missile component shipments to Pakistan, with Foreign Minister Qian declaring that the charges against China were fabricated.<sup>8</sup> Later, in September, the Chinese government threatened to withdraw its commitment to the MTCR.<sup>9</sup>

The key point here is that the MTCR, as it now stands, appears to contribute to conflict between the United States and China, rather than to engender cooperation.

Furthermore, to make its points, the United States has decided to play the role of judge, jury, and policeman on perceived violations of MTCR provisions. It is interesting to note that other signatories to the regime have not followed the U.S. initiatives. In the final analysis, the chief victims of this conflict appear to be U.S. businesses, which are being employed as tools of government policies. Clearly, this is not how things should be worked out.

### **CHINA'S WILLINGNESS TO PLAY A POSITIVE ROLE**

Contrary to Western press portrayals of China as a uncooperative country, China has undertaken a number of initiatives to employ its space and rocket capabilities to further international well-being. Three examples of this are offered here.

For many years, China has wanted to use its space technology capabilities to demonstrate its sense of commitment and responsibility to the world community. One important example is illustrated by the initiative it undertook, beginning in 1988, to establish an Asian Space Agency to serve the interests of the Asian region.<sup>10</sup> Specifically, such an agency would pool together the capabilities and resources of Asian countries in order to promote space technology for the economic benefit of the community.

The vehicle for establishing an Asian Space Agency has been a series of annual conferences held since 1992. Attendees have included representatives from Australia, Pakistan, India, Indonesia, Singapore, Thailand, Malaysia, and the Philippines. Japanese and Russian observers have also participated in the sessions. At these conferences, the conferees have focused on identifying goals, mechanisms, and projects that the space agency should develop in order to become a viable organization. For example, they have identified three key targets for projects:

- scientific research cooperation on small satellite technology;
- disaster-monitoring satellite systems; and
- regional telecommunications satellites.

The Asian countries took a major step forward toward creating a space agency in January 1994 when they assembled a Preparatory Committee for Asia-Pacific Space Cooperation Mechanism, which has begun focusing on how the space agency should be structured. The Chinese functioned in the role of general secretary

for this committee.

Another key initiative by China has been to show its commitment to controlling the proliferation of missile technology in the Middle East. China undertook an agreement with Israel on May 20, 1993, whereby both parties pledged not to sell missiles to Iran and Syria.<sup>11</sup> The pledges were made by Foreign Minister Qian of China and Foreign Minister Simon Peres of Israel.

Finally, a third area of Chinese efforts to control missile technology has come in the economic arena. As a consequence of China's economic reforms, there has been a weakening of central government control over activities undertaken by its agencies and by provincial governments. For example, the People's Liberation Army (PLA) has been encouraged to operate in an entrepreneurial fashion to generate income to support its budget. It has done this by manufacturing a wide array of non-military products, ranging from televisions to refrigerators to bicycles.<sup>12</sup>

A problem facing the central government is preventing military groups from extending their entrepreneurial efforts to arms sales. Of particular concern are the activities of Polytechnology, Inc., an arms trading group operating under the auspices of the Department of the General Staff of the PLA. This is the agency that has been responsible for arms sales to South Asia and the Middle East.

In order to reestablish central authority, the Central Military Committee and the State Council established an Arms Export Control Group toward the end of 1992. With the establishment of this group, all major foreign arms sales must undergo a licensing procedure. Consequently, it has grown difficult for major arms deals to slip through the cracks and avoid scrutiny by central policymakers.

## **STEPS FOR IMPROVING CHINESE-WESTERN MTCR RELATIONS**

For the MTCR to function more effectively in restraining the proliferation of missiles, a number of steps might be undertaken to improve both the organization and the climate surrounding it. Three are suggested here:

### **1. Offer China a Role as a Central Player in Determining Global Missile Nonproliferation Policy**

During U.S. Secretary of State Christopher's visit to China in March 1994, the Chinese government made

clear to him that China should be part of the core decisionmaking group that discusses the terms of important agreements, such as the MTCR.<sup>13</sup> It is reported that the Pentagon likes the idea in principle, but is somewhat concerned about sensitive data it would have to release on Western missile programs.<sup>14</sup>

A good model for procedures that could be used to increase China's involvement can be found in current efforts to transform the General Agreement Tariffs and Trade (GATT) into the World Trade Organization (WTO). Like the MTCR, GATT reflects a strong Western perspective. When it originated in the 1940s, it was created by Western powers to serve primarily the economic interests of Western powers. As a consequence of the Uruguay Round of trade talks, the decision was made to transform GATT radically into a new organization that more accurately reflects current international trade realities. With the new WTO, it has been proposed that China, which possesses the world's third largest economy, should become part of the central core of decisionmaking countries.<sup>15</sup>

What is suggested here is that the MTCR be reconfigured to reflect the perspectives of China and other non-Western missile producers (especially countries like Russia, Ukraine, Brazil, India, and Pakistan). In view of China's advanced rocket production capabilities, China should certainly be one of the core decisionmaking states.

### **2. Encourage China to Play a Positive Role in Asian Space Activity**

In its dealings with China, the United States has taken on the role of the "disapproving aunt." The flavor of its dealings with China in recent years has been overwhelmingly bitter. American leaders--ranging from the president to members of Congress to preachers in the pulpit--harp on the theme of China as the uncooperative renegade. To a certain extent, this attitude could contribute to a self-fulfilling prophecy.

At least, the U.S. President and Congressional leaders should publicly acknowledge the leading role China is playing in Asian space activities. Current Chinese initiatives demonstrate that China is eager to play a positive role in the Asian region. Given its excellent space technology capabilities, it can contribute enormously to the strengthening of space cooperation in the region. Western governments--particularly that of the United States--would do well to take a more positive

approach in dealing with China in this respect.

### 3. Break the Link Connecting Trade and Missile Proliferation Issues

On May 26, 1994, President Clinton made a major policy pronouncement that would have a profound effect on the course of U.S.-China relations: he announced that from that time forward, the United States would delink any connections between human rights and trade issues.<sup>16</sup> This admission reflected a reality that was apparent to most American business and government leaders--attempts at using trade sanctions to rectify Chinese human rights behavior were not having the desired effect. In fact, they were confusing matters both in the human rights and trade arenas. Probably the greatest losers were American businesses and the American workforce.

This policy should be extended to missile proliferation issues as well. In linking trade and missile nonproliferation issues, neither is being addressed adequately and confusion reigns. This confusion can be seen even within the U.S. government, where the State Department has taken a tough stand on dealing with China in regards to the MTCR, while the Commerce Department has been trying to promote U.S.-China high technology trade. Economic realities dominated the struggle between the two agencies when, in January 1994, the U.S. government reversed its policy and permitted U.S. aerospace companies to export some non-sensitive telecommunications satellites to China.<sup>17</sup>

The point is that so long as the two issues are linked, it is unlikely that either will be handled properly.

### CONCLUSION

Treatment of China as an uncooperative renegade that operates outside the bounds of international conventions will not lead to productive results. In the context of the MTCR, this approach by the key Western powers has led to conflict between China and these powers and has resolved nothing.

For missile nonproliferation policies to work, both the Western countries and China need to address some fundamental facts. The Western powers must recognize that China is a key player in the development and manufacture of rockets, and, as such, it deserves to be given a significant role in the creation and execution of mis-

sile nonproliferation policies. Of course, China has its own national interests, and when these are at variance with the views of Western powers, this does not indicate some level of moral deficiency. Western powers should work to understand and respect the Chinese perspective and promote positive initiatives rather than negative ones. Western powers should encourage China regional space cooperation, recognizing that as China takes on more international responsibilities, it is likely to behave more responsibly. (Recall that once China became a member of the U.N. Security Council, it was able to work in harmony with other countries to establish meaningful security policies and actions.)

For its part, China must continue to undertake policies to assure that its major military agencies do not operate independently in selling ballistic missile technology abroad. A positive step in this direction was taken with the establishment of the Arms Control Export Group in 1992. China must also be more open in expressing its perspective on missile nonproliferation issues, instead of operating in the reactive, defensive fashion the government has employed over the past decade. For example, one or more research institutes could establish study groups to deal openly with missile nonproliferation issues. Finally, China should be clear in expressing its commitment to constrain the transfer of ballistic missile technologies throughout the world. It must also insist on playing a key role in revising international policies toward controlling the proliferation of ballistic missiles.

Only if the West seeks to understand the Chinese position, and if China reaches out to play a more active and positive role in existing international nonproliferation organizations, can the problems of missile proliferation be avoided.

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<sup>1</sup> An earlier draft of this paper was presented at the seminar on "Recent Developments in the Missile Technology Control Regime," sponsored by the Program for Nonproliferation Studies, Monterey Institute of International Studies, held in Moscow, Russia, June 3-4, 1994.

<sup>2</sup> According to Yevgeny P. Sharov, First Secretary, Department of Nonproliferation and Export Control, Ukrainian Ministry of Foreign Affairs, remarks at the seminar on "Recent Developments in the Missile Technology Control Regime," Moscow, Russia, June 3-4, 1994.

<sup>3</sup> Ye Yuan, "Ballistic Missile Proliferation--How Can We Control It?," *Guoji Wenti Yanjiu* (International Studies) 13 (Beijing)(July 1990), p. 34.

<sup>4</sup> See Yanping Chen, "China's Space Interests and Missile Technology Controls," paper presented at the Ballistic Missile and Space Workshop, sponsored by Nautilus Pacific Research, Monterey, California, June 6-7, 1993. Interestingly, the International Institute for Strategic Studies (London) maintained in their *Military Balance* report that the M-11 missile's range was

only 120 to 150 kilometers, well below the MTCR's 300-kilometer limit that defines strategic missiles. See Kyodo News Service, Japan Economic Newswire, May 8, 1993.

<sup>5</sup> Paul Lewis, *Defense News*, April 6, 1992, pp. 3, 44.

<sup>6</sup> Kyodo News Service, *loc. cit.*

<sup>7</sup> Deborah Zabarenko, "Sanctions on China to Hurt U.S. Satellite Makers," *Reuter*, August 25, 1993.

<sup>8</sup> John M. Goshko and William Branigin, "U.S. Warns China of Sanctions for Missile Exports to Pakistan," *The Washington Post*, July 26, 1993, p. A10.

<sup>9</sup> "China Hits Back Over U.S. Sanctions," *Flight International*, September 1-7, 1993, p. 6.

<sup>10</sup> The material presented here was gathered primarily from an interview with Yongzheng Cheng, Director of the Office of Asia Space Cooperation, China National Space Administration, Beijing, May 11, 1994.

<sup>11</sup> "No Missiles Sold to Iran, Syria," *Beijing Review*, May 31-June 6, 1993, pp. 6-7.

<sup>12</sup> Chong-Pin Lin, "The Extramilitary Roles of the People's Liberation Army in Modernization: Limits of Professionalization," *Security Studies* 1 (Summer 1992), pp.659-689.

<sup>13</sup> "Human rights and trade may be the main focus of the Christopher visit but, as Simon Beck reports, there are some important side issues also being addressed," *South China Morning Post*, March 13, 1994, p. 7.

<sup>14</sup> *Ibid.*

<sup>15</sup> "China wants to join the club," *The Economist*, May 14, 1994, p. 35.

<sup>16</sup> Ann Devroy, "Clinton Reverses Course on China," *The Washington Post*, May 27, 1994, p. A1. China's ranking as the world's third largest economy was made by the International Monetary Fund using purchasing power parity computations.

<sup>17</sup> Simon Beck, "US bends to pressure on satellite sale," *South China Morning Post*, January 8, 1994, p. 6.