

ARMS AND SECURITY INITIATIVE

POLICY BRIEF

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DEADLY TRAFFIC: CHINA'S ARMS TRADE WITH THE SUDAN

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INTRODUCTION

As a result of the 2008 Beijing Olympics, China will be exposed to a greater global audience—and greater global scrutiny—than ever before. In order to put its best foot forward, the Chinese government has spent record amounts on everything from increased security to environmental cleanup.

But there are some Chinese policies that are too controversial to be “cleaned up” at the last minute. This is certainly the case with respect to China’s role in arming Sudan’s government. Chinese weapons transfers to the Khartoum regime too often end up in the hands of the Janjaweed militias that have devastated Sudan’s Darfur region. The recent charges of genocide and crimes against humanity against Sudanese President Omar Hassan al-Bashir underscore the moral bankruptcy of China’s arms transfer policy.

This issue brief provides background on China’s arms trade, with a primary focus on exports to the Sudan.

CHINA AS ‘SUPPLIER OF LAST RESORT’

Arms sales to regimes of ill repute are business as usual for China, in part because they are the only customers left after the United States, the United Kingdom, France, and Russia get done carving up the global weapons market. As a 2003 report by the Canadian Security Intelligence Service puts it, “China is increasingly the supplier of last resort, supplying customers who can’t afford higher quality products, or who are unable to access other sources for political reasons.”¹ Because of these limited options, China’s share of the international arms trade has been declining, accounting for just 2% of the world market in 2006, the most recent year for which complete data is available.² But the damage done by Chinese weapons trafficking has less to do with the value of its sales and more to do with the character of its clients.

In addition to Sudan, governments and non-state actors that have received Chinese weapons include the regime of Robert Mugabe in Zimbabwe; the junta in Myanmar (formerly known as Burma); and rebel groups involved in the Democratic Republic of the Congo’s devastating civil war.³ Many of these exports have involved small arms and light weapons such as the Chinese model AR-56 assault rifle, a knock-off of the Russian AK-47. But Chinese sales haven’t stopped there—they have also involved heavy weapons like tanks and fighter aircraft (see Table I).



**TABLE I: SELECTED CHINESE ARMS TRANSFERS TO SELECTED REGIMES
1998-2006**

CLIENT	ITEMS ORDERED/TRANSFERRED	DATES OF DELIVERY
Myanmar	5 Rice Lamp Fire Control Radar (for Myanmar patrol craft)	2002–2003
	5 Type-76 37mm naval gun turrets	1998–2002
	12 F-7 Airguard Fighter Aircraft	1998–1999
	40 PL-2A Short-Range Air-to-Air Missiles	1998–1999
	40 PL-5B Short-Range Air-to-Air Missiles	1998–1999
	12 K-8 Karakorum-8 trainer/combat aircraft	ordered 1999 (delivery date N/A)
Sudan	25 C-801-CSS-N-4/Sardine anti-ship missiles	2004–2005
	10 Type-85 IIAP tanks	2002–2003
	3 A-5C Fantan fighter/ground attack aircraft	2003 (could be as many as 20 aircraft)
	10 WZ-551 armored personnel carriers	2004
	12 K-8 Karakorum-8 trainer/combat aircraft	2006
Zimbabwe	10 WZ-501 Type-86 infantry fighting vehicles	2003
	6 K-8 Karakorum-8 trainer/combat aircraft	2005 (deal worth \$120 million)
	6 K-8 Karakorum-8 trainer/combat aircraft	2006 (deal worth \$120 million)

SOURCE: Stockholm International Peace Research Institute (SIPRI), SIPRI Arms Transfers Data Base, information generated July 30, 2008.

Chinese companies have also been criticized—and in some cases sanctioned by Washington—for providing nuclear and missile technologies to clients such as Pakistan and Iran. As Wade Boese of the Arms Control Association reported in November 2006, “the U.S. government has...penalized Chinese entities repeatedly...for alleged unconventional weapons- and missile-related exports to Iran. All told, since 2001, the State and Treasury Departments have imposed a total of 50 sanctions on 25 Chinese entities.”⁴ Among the companies that have been punished is the China North Industries Corporation (NORINCO), a conglomerate that also produces small arms and light weapons. A Bush Administration official has described NORINCO as a “serial proliferator.”⁵ The sanctions, under the Iran Nonproliferation Act, prohibit the Chinese companies from selling goods or services to the U.S. government for two years, and prevent U.S. firms from selling sensitive technologies to the banned companies.

ARMS FOR OIL: THE CASE OF SUDAN

Sudan stands out among Chinese arms clients. Beijing has been by far the most egregious violator of international sanctions on Sudan, providing up to 90 percent of the country’s imports of small arms and light weapons between 2004 and 2006, according to a recent analysis of United Nations data by Human Rights First.⁶ Many of these weapons have found their way to the Janjaweed militias that are responsible for killing tens of thousands of people in Darfur.

In addition to supplying weapons and support equipment to the Sudanese government and its allies in Darfur, Chinese companies have helped build at least three weapons factories outside of the Sudanese capital of Khartoum, including a facility that produces ammunition. A United Nations panel of experts on the Sudan crisis has determined that “most ammunition currently used by parties to the conflict in Darfur is manufactured in either the Sudan or China.”⁷

Chinese equipment used in Darfur has not been limited to guns and ammunition. For example, as documented by Amnesty International, during the 2004 massacres in Darfur, Chinese-supplied trucks were used to round up 168 people from the village of Wadi Saleh. The villagers were then blindfolded and shot dead “by a large force of soldiers, military intelligence officers, and Janjaweed militiamen.”⁸

China has also been a significant exporter of major weapons systems to the Sudan, ranging from tanks to fighter planes (see Table I).

At a time when Beijing is trying to project an image of China as a responsible global power, why has it continued to arm one of the world's most repressive regimes? The revenues that China derives from sales to Sudan pale in comparison with the value of China's exports of civilian goods and services. And while the deals are important to a few key firms in the country's military-industrial complex, their overall economic impact on the Chinese economy is minimal.

The value of China's economic relationship with Sudan is another matter. China is essentially bartering military and political support for the Sudanese regime for access to Sudan's oil resources, of which Beijing is the largest foreign stakeholder. China is currently the world's second largest consumer of oil, after the United States. Nearly half of China's oil is imported, with projections suggesting that China will import 60 percent of its oil by 2020. Hence Beijing's push for access to oil resources from any available source, regardless of the country's human rights record.

Human Rights First has described China's role in the development of Sudan's oil fields as follows:

Through its state-owned companies, China controls almost all of the known oil potential of Sudan. The country has 19 "oil blocks," but only nine are thought to have significant reserves—and China holds the majority rights to drill in eight of them. China's quest for oil is a necessary, if not sufficient, element in Beijing's growth—which includes construction for the Olympics.⁹

China's role in Sudan's oil industry goes beyond control of particular tracts. The China National Petroleum Corporation is the biggest investor in the Sudanese oil development consortium GNPOC (the Greater Nile Petroleum Operating Company), with a 40 percent ownership share. And Chinese companies have built all of Sudan's oil pipelines.¹⁰

POLICY ISSUES

Any policy to curb Chinese support for Khartoum must address its economic interests in the Sudan. In the short-term, this could include making it clear to Beijing that its cozy relationship with Sudan will have economic costs going forward. One such signal could come in the form of reduced trade and investment by major players like the United States and the European Union until such time as China withdraws its military support for the government in Khartoum. Over the longer-term Washington should pursue a policy of energy cooperation with China that will help disentangle each nation from dependence on oil-rich tyrannies.

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NOTES

¹Canadian Security Intelligence Service, Commentary No. 84, “Weapons Proliferation and the Military-Industrial Complex of the PRC,” August 2003.

²Richard F. Grimmett, “Conventional Arms Transfers to Developing Nations, 1999-2006,” Congressional Research Service, September 26, 2007, p. 80.

³On Chinese A-56 assault rifles in the Democratic Republic of the Congo, see Amnesty International, “People’s Republic of China: Sustaining Conflict and Human Rights Abuses—The Flow of Arms Accelerates,” June 11, 2006.

⁴Wade Boese, “Missile Control Regime Focuses on Iran, NK,” *Arms Control Today*, November 1, 2006.

⁵Bill Gertz, “U.S. Puts Sanctions on Chinese Firms for Aiding Tehran,” *Washington Times*, December 27, 2005; and David Sanger, “U.S. Is Punishing Eight Chinese Firms for Aiding Iran,” *New York Times*, January 18, 2005.

⁶Human Rights First, “Investing in Tragedy: China’s Money, Politics, and Arms in Sudan,” March 2008, pp. 11-12.

⁷United Nations Panel of Experts on Sudan, “Final Report of the Panel of Experts,” (New York: United Nations 2006), document S/2006/65, available at <http://www.un.org/sc/committees/1591/reports.shtml>, p. 37, as cited originally in Human Rights First, op. cit.

⁸Amnesty International, op. cit., p. 11–12.

⁹Human Rights First, op. cit., p. 3.

¹⁰Human Rights First, op. cit., pp. 5–6.