



VISUALIZING THE STRATEGY OF CHINA'S ARMS TRADE:  
MOTIVATIONS FOR CHINESE SUPERPOWER FOREIGN POLICY

John Ferguson

Dr. Alastair Iain Johnston

May 18, 2020

GOV94IA: Sino-US Relations in an Era of Rising Chinese Power

## Table of Contents

***Introduction***

***Background***

***Literature Review***

***Data Visualization Methodology & Analysis***

*Visualization 1: 3D Arms Network*

*Visualization 2: 2D Bubble Chart*

***Hypothesis Testing***

***Findings & Analysis***

*Opportunistic Timing*

*Commercial Profit*

*Geostrategic Considerations*

***Superpower Identity***

***The Future of China's Arms Exports***

***Limitations***

***Conclusion***

## ***Introduction***

China in the past 15 years has become the world's fastest-growing arms supplier. And although it ranks a distant third, far behind the US and Russia, analysts expect China to continue to expand its share of the global market for years to come as China's military-industrial defense complex matures and China's arms exports improve in quality. This paper aims to understand and explain the puzzle behind what's driving China's arms exports and analyze if and how China uses them as an instrument of its foreign policy. By examining three hypotheses of *opportunistic timing*, *commercial profit*, and *geostrategic considerations*, this paper will provide a background, examine the pre-existing literature, describe the methodology, discuss the findings, cover limitations, and finally conclude with broader implications for Sino-US relations in this era of rising Chinese power.

## ***Background***

Chinese arms sales historically have been equally influenced by a combination of domestic politics and foreign relations. These two factors interact and are the main constraint on the technological development of China's defense industry. Scholars have identified "four overlapping waves: the Maoist era (1949 - 1978), Deng Xiaoping's demilitarization era (1980s - 1990s), the reform era (1998 - 2012), and Xi Jinping's reform era 2.0 (2012 - present)."<sup>1</sup> Broadly speaking, these four waves then intersect with strategic drivers that could be described as ideological (1950s-60s), geopolitical (early 1970s), commercial (1980s), and competitive (2010s). The first Maoist Era saw a complete dependence on Soviet military technology and assistance with defense being the engine driving industrial development. Arms exports were driven by the aim to bolster China as the world's leading communist giant—initially to North Vietnam and North Korea and gradually to newly independent African nations. The Sino-Soviet split, Great Leap Forward, and Cultural Revolution all but erased China's industrial defense base temporarily and it wasn't until the early 1970s with the establishment of a military-political alliance with

---

<sup>1</sup> Michael Raska and Richard A Bitzinger, "Strategic Contours of China's Arms Transfers," n.d., 26.

Pakistan that Beijing's pragmatism of geopolitics began to take precedence over ideological considerations thus defining the brief period of geopolitical drivers entering into Deng Xiaoping's emerging commercial era. Under Deng in the 1980s, China's arms exports found their way to both sides in the Iran-Iraq War, causing the Chinese arms industry to find commercial success in ways that it had not before. Very quickly however, due to an arms import embargo from the West over Tiananmen and soon thereafter the breakup of the Soviet Union, China was forced to become a net arms importer for much of the 1990s. The loss of Soviet designs crushed China's ability to develop any newer weapons systems and forced China to initiate serious defense industry reforms (1998-2012 reform era) through mainly reverse-engineering weapons acquired from Russia or post-Soviet states and through large-scale industrial/cyber espionage. These measures helped to produce China's first domestically produced weapons systems and since then, the quality and range of Chinese weapons has been on the consistent rise. Finally, with the ascent of Xi Jinping in the early 2010s, China is in the midst of its second reform era characterized by competition—Beijing's arms sales have been rapidly increasing and advancing both in weapon type and customer range. This paper focuses on this fourth most recent wave.

With that historical context established, most recent analysis has suggested that profit has all but disappeared as a primary motivation behind arms exports and been replaced with being used as a “foreign policy tool.” In most commentary, this is typically described as securing long-term geopolitical and strategic influence in support of projects like the Belt and Road Initiative (BRI). Frequently, the two are connected although there is often a lack of any serious causal relationship. A 2018 study from the International Institute for Strategic Studies found that only a small portion (31%) of BRI countries have “received major Chinese weapons systems indicating that it might be more transactional than strategic.”<sup>2</sup> It may also be the case that BRI, which includes most of the developing world, is inaccurately conflated considering that nearly *all* of China's arms transfers to 55 countries worldwide are to developing

---

<sup>2</sup> “Are Arms Exports a Tool of Chinese Foreign Policy?,” *East Asia Forum* (blog), July 7, 2018, <https://www.eastasiaforum.org/2018/07/07/are-arms-exports-a-tool-of-chinese-foreign-policy/>.

countries anyway with few exceptions. Additionally, *none* of the biggest arms importing countries were on China's top buyer list.

### ***Literature Review***

A vast body of news journalism and academic literature has explained the rising popularity of Chinese arms for its “no strings attached” philosophy (no lengthy review process compared to Western exports), cheap price, and flexible payment options. With a similar “no strings attached” arms export regime, China mainly competes with Russian arms in the developing world, a struggle that most would agree that China is winning as Russia's industrial base continues downward into atrophy. “Chinese arms exports rose while Russian exports decreased in the past 5 years.”<sup>3</sup> As one RAND expert put it, “While China's military technology industry has arguably grown, Russia's has put little effort into innovating its military technology industry.”<sup>4</sup> He continued, “As Chinese weapons and equipment improves in quality and Russia's defense industry continues to atrophy, Chinese manufacturers will likely displace Russian defense industries in many key markets.”<sup>5</sup> What scholars are less sure of though, are the recent exceptions in China's typically-developing-world arms portfolio. High-profile purchases by wealthy, high-income nations who typically have the capital to buy from Western suppliers have included large deals with Saudi Arabia and the UAE. “Few wealthy, big-spending arms importers like the oil-rich Gulf states have been interested in Chinese arms, other than a handful of low-end items.”<sup>6</sup> This is where a current debate exists about whether China will be able to capture market share from Western exporters (mainly the US) and expand its customer base outside of just countries who are either too poor to buy from the West or that have been subjected to arms embargoes, leaving no other alternative. Some seem to think that China's upper middle/higher income customers constitute an exception rather than a growing lucrative market.

---

<sup>3</sup> Grace Shao, “China, the World's Second Largest Defense Spender, Becomes a Major Arms Exporter,” CNBC, September 27, 2019,

<https://www.cnbc.com/2019/09/27/china-a-top-defense-spender-becomes-major-arms-exporter.html>.

<sup>4</sup> “What Drives Chinese Arms Sales in Central Asia?,” accessed May 13, 2020,

<https://thediplomat.com/2019/09/what-drives-chinese-arms-sales-in-central-asia/>.

<sup>5</sup> Shao, “China, the World's Second Largest Defense Spender, Becomes a Major Arms Exporter.”

<sup>6</sup> Raska and Bitzinger, “Strategic Contours of China's Arms Transfers.”

Some believe that countries in the Middle East are diversifying away from exclusive dependence on American or British systems while others genuinely believe that the technology offered by Chinese indigenous weaponry has become on par with the West. Some news has emerged over the quality of Chinese weapons not previously tested in active combat with buyers reporting deadly malfunctions.<sup>7</sup> Other countries have reportedly auctioned off their purchases soon after buying (Jordan) while some customers will “throw out Chinese components and replace them with Western systems” in key technologies like jet engines and electronics (Algeria, Pakistan, Thailand).<sup>8</sup> The literature seems to suggest the vast majority of military analysis concludes capabilities and reliability are still not at the same level as their equivalent Western systems, but are quickly catching up.

Another unsettled debate with no consensus revolves around the politics of arms sales. Recent Chinese deals to traditional American allies in the Middle East, Africa, and Asia have unsettled the US and some analysts have seen these moves as indicative of a loyalty shift away from the Western liberal world order and toward China. While the arms sales to Pakistan, Bangladesh, and Myanmar have a clear consensus that their purpose is to geopolitically encircle and indirectly contain the rise of India—China’s primary geostrategic competitor in Asia—there is no consensus about Chinese deals to Thailand, the Philippines, Indonesia, Malaysia, Turkey, and Central Asian states as some examples. Counterbalancing against the US seems to be a popular theory for sales to American allies while cementing alliances with oil- and mineral-rich nations have been suggested as the dominant motivator in Africa, Central Asia, and Latin America. China agreed to accept oil as payment in deals with Venezuela, sell air defense missile systems to Uzbekistan and Turkmenistan for natural gas, while Nigeria, Sudan, and Zimbabwe have similar flexible payment methods in exchange for natural resources.<sup>9</sup>

---

<sup>7</sup> “Buyer Beware – Chinese Military Arms Are Low Quality, Says US Official,” South China Morning Post, November 1, 2019, <https://www.scmp.com/news/china/article/3035825/buyer-beware-chinese-military-weapons-are-low-quality-says-us-state>.

<sup>8</sup> Kyle Mizokami, “Turns Out Buying a Chinese Knock-Off Predator Drone Is a Bad Idea,” Popular Mechanics, June 12, 2019, <https://www.popularmechanics.com/military/aviation/a27926078/predator-drone-chinese/>.

<sup>9</sup> Raska and Bitzinger, “Strategic Contours of China’s Arms Transfers.”

Finally, other analysts have pointed to the usage of Chinese weapons in active combat zones around the world and used this as a proxy for understanding Chinese motivations for arms exports. The most recent high-profile cases have been the usage of Chinese drones to fight extremism—Nigeria against Boko Haram; Jordan and Iraq against the Islamic State; Saudi Arabia and the UAE against Houthis rebels in Yemen; the UAE in Libya (in support of warlord Khalifa Haftar); and Egypt against insurgents in the Sinai.<sup>10</sup> And although China has a declaratory policy of not transferring weapons to non-state actors, Chinese weapons have surfaced through third party re-export in conflicts like the Congolese Civil War, Syrian Civil War, Darfur, and to actors like Hezbollah in Lebanon among others.<sup>11 12 13</sup> It does not appear that China sells weapons to then be used by customers to fight conflicts which China has a stake in the outcome (Libya, Yemen) aside from clear blatant extremist violence. In most civil wars it seems, China simply desires for stable partners to conduct commercial activity with and the prevention of the spread of any extremist violence to inside or on China's borders (particularly Xinjiang).

So while the historical reasons behind Chinese arms sales seem clear, there is considerably less consensus over what *exactly* the strategic drivers are of General Secretary Xi Jinping's 2.0 reform era from 2012 to the present besides the idea that it is *competitive* and *strategic* and bolstered by China's ultra-competitive arms sales philosophy. Different drivers might be able to explain different geographic areas of the world and the obvious differences in the purchasing power of arms importers—but such drivers and explanations are at times contradictory. If China's primary goals with arms exports are

---

<sup>10</sup> Sebastien Roblin, "Chinese Drones Are Going to War All Over the Middle East and Africa," Text, The National Interest (The Center for the National Interest, September 29, 2019), <https://nationalinterest.org/blog/buzz/chinese-drones-are-going-war-all-over-middle-east-and-africa-74246>.

<sup>11</sup> Raska and Bitzinger, "Strategic Contours of China's Arms Transfers."

<sup>12</sup> Tim Fernholz, "China's Arms Industry Is Hoping for Some Good PR from the Syrian Rebels," Quartz, accessed May 17, 2020, <https://qz.com/114918/while-china-backs-the-syrian-government-its-arms-industry-is-hoping-for-some-good-pr-from-the-rebels/>.

<sup>13</sup> Robbie Gramer, "How European and Chinese Arms Diverted to South Sudan Fueled Its Civil War," *Foreign Policy* (blog), accessed May 17, 2020, <https://foreignpolicy.com/2018/11/29/how-eu-and-chinese-arms-diverted-to-south-sudan-fueled-its-civil-war-small-arms-warfare-east-africa-conflict-china-weapons-exports-humanitarian-crisis-juba-peace-deal-salva-kiiir/>.



geostrategic, what exactly is that strategy in Africa? What explains recent sales to long-standing American allies? Why would China sell military hardware to those countries with which it currently has maritime border disputes? Why are oil-rich Gulf monarchies favoring Chinese technology over superior Western technology especially when their entire military forces have thus far been composed of entirely Western systems? This ambiguity over what exactly a “foreign policy tool” is and how it is deployed is where a gap in the literature exists over this most recent era of Chinese arms sales. This paper thus hopes to understand and explain the puzzle behind if and how China uses arms exports as an instrument of its foreign policy.

### ***Data Visualization Methodology & Analysis***

This paper uses a mixed methods approach. Qualitative data is drawn from academic articles, think tank reports, news journalism, and writing produced by military institutions (from both English and Chinese sources). And for the quantitative evidence, this paper uses two self-constructed interactive data visualizations, both based on data from the Stockholm International Peace Research Institute (SIPRI). Upon request, SIPRI granted exclusive access to a private database that contains data on 16,733 individual arms *transactions* across 1,714 unique arms *relationships* (between two different entities—countries, rebel groups, or coalition governments) from 1962 to 2019.<sup>14</sup> The first 3D social network provides a big picture perspective on the global arms trade while contextualizing China’s role within it. The second 2D “bubble” visualization provides the bulk of the quantitative analysis and details over individual arms transfers between China and its customers.

#### ***Visualization 1: 3D Arms Network***

The first visualization is a 3D social network that maps all arms relationships in the world, viewable here: [johnandrewferguson.com/armsdeals/arms\\_network.html](http://johnandrewferguson.com/armsdeals/arms_network.html). Click and drag the empty space to manipulate and orient the view; zooming in allows for a more detailed view while clicking and

---

<sup>14</sup> “SIPRI Arms Transfers Database - Methodology | SIPRI,” accessed May 13, 2020, <https://www.sipri.org/databases/armstransfers/background>.

dragging a node away from the network gives a better sense of interconnectedness. Each of the 205 nodes in the visualization represents an entity (typically countries, but some assorted non-state actors and militant groups) while every line represents at least one arms transfer. The size of each text node is scaled proportionally to the total value of a country's arms deals (sales and purchases) across all years. The thickness of each line is scaled proportionally to the total value of the arms trading relationship; this meant summing up total exports and imports between two countries across all years. Note that the thickness of each line, therefore, is just a reflection of total value between both seller and buyer but gives no indication of the balance in the relationship as to who exports more to whom. The total value was based on a common unit that SIPRI uses called the trend-indicator value (TIV), which is based on the known unit production costs instead of the financial value of the transfer/sales prices for arms transfers. This allows for the more accurate "calculation of trends in international arms transfers over periods of time, global percentages for suppliers and recipients, and percentages for the volume of transfers to or from particular states."<sup>15</sup> A more thorough explanation of the methodology behind the compilation of the SIPRI arms transfer database can be found here: [sipri.org/databases/armstransfers/background](https://sipri.org/databases/armstransfers/background). The spatial location of each entity is therefore mathematically determined as a result of all other factors. Spatial location and distance could be understood with the following logic: the more trade relationships an entity is involved in (either buying or selling), the more central they will be. Entities that buy/sell from just one other entity are located at the periphery while the US remains the core entity. The algorithm then calculates based on which entities are connected to it, what the most optimal location in 3D space to position an entity so that its relative weight lies at the mathematical "center of gravity" of the average of all its arms relationships. The algorithm and code used was adapted from an open-source 3D force-directed graph template on Github by Vasco Asturiano.<sup>16</sup> The final 3D force-directed graph was

---

<sup>15</sup> "SIPRI Arms Transfers Database - Methodology | SIPRI."

<sup>16</sup> Vasco Asturiano, *Vasturiano/3d-Force-Graph*, HTML, 2020, <https://github.com/vasturiano/3d-force-graph>.

created using a JSON file format that defines the nodes and links between the nodes (relationships).

Figure 1 is a screenshot of this self-constructed 3D network:

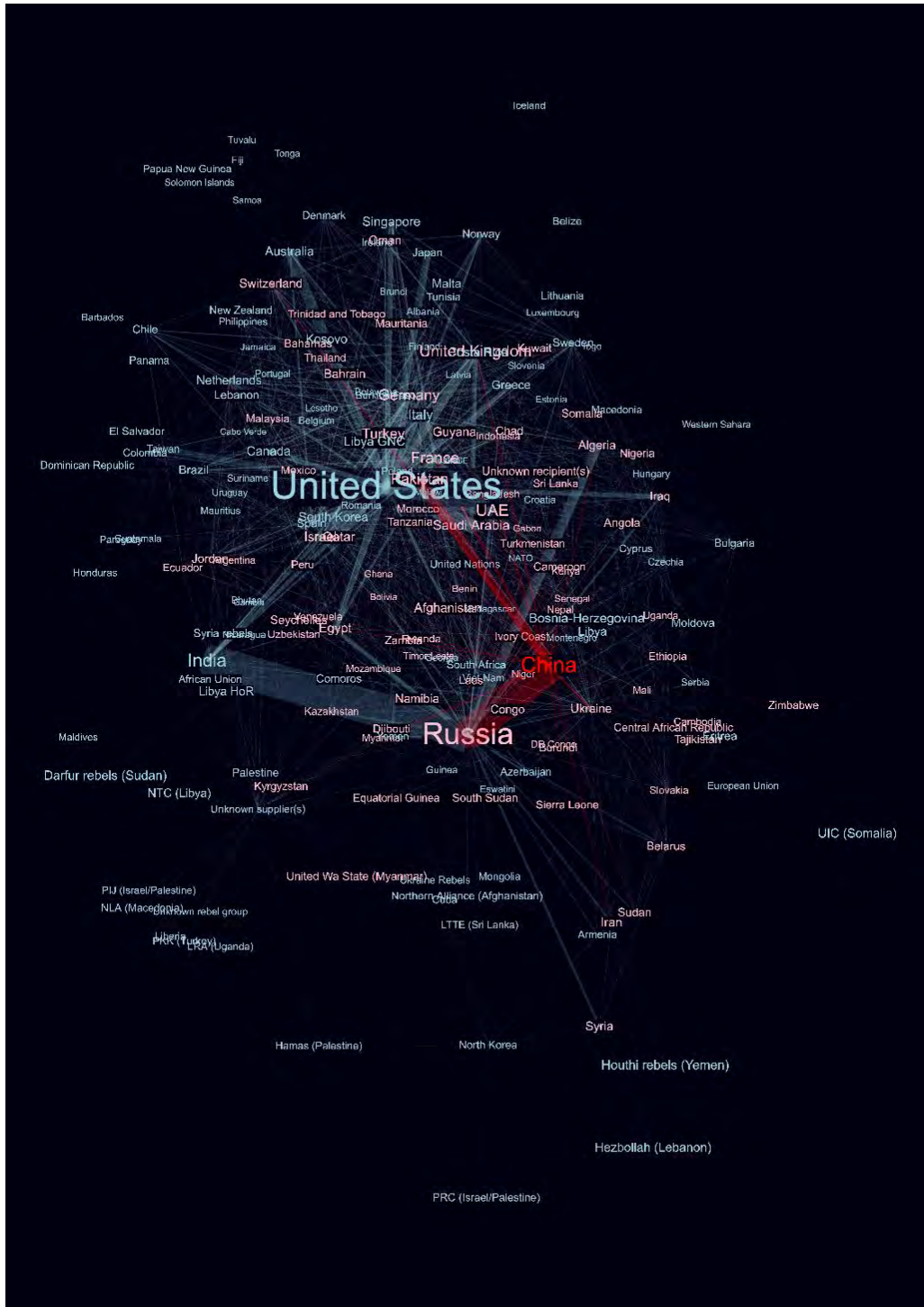


Figure 1: 3D Arms Network

The main immediate takeaway from the construction of a 3D network lies in how integrated the customer portfolios of the US and China are. While many arms analysts are correct to believe that the US and Russia sell to their own “spheres of influence” partly as a relic of Cold War proxy competition in the third world, the same logic has mistakenly been used to describe the disparate “silos” of American and Chinese customer portfolios. By viewing the data in three-dimensions, this reality becomes evidently more clean than in 2D. For reference, a 2D network was generated by another scholar using the same SIPRI data and included below in figure 2:

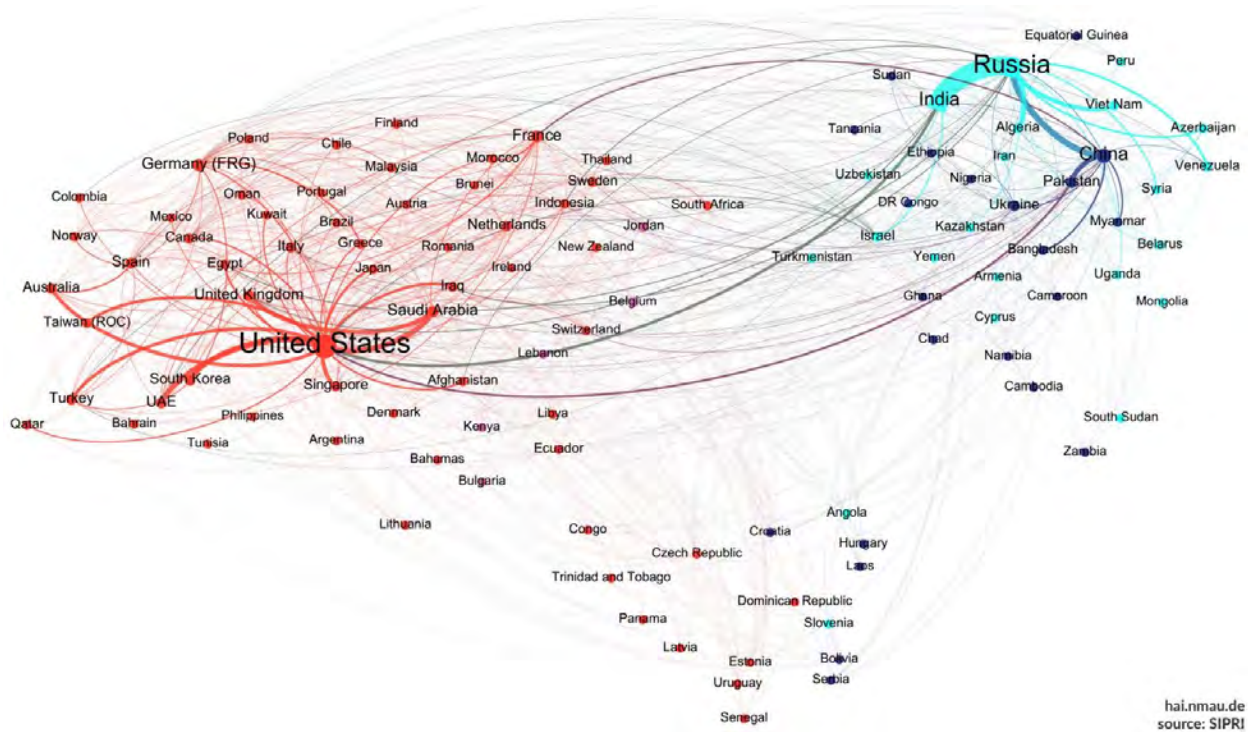


Figure 2: 2D Network<sup>17</sup>

From figure 2, it is clear that two main geopolitical blocs exist for arms sales: the US in red and Russia in blue. China is firmly centered in the Russian bloc simply by virtue of there being a substantial importer-export relationship between Russia and China in the past. When the same data is viewed in three

<sup>17</sup> “Visualizing The Global Weapons Trade,” Zero Hedge, accessed May 17, 2020, <https://www.zerohedge.com/news/2017-01-29/visualizing-global-weapons-trade>.

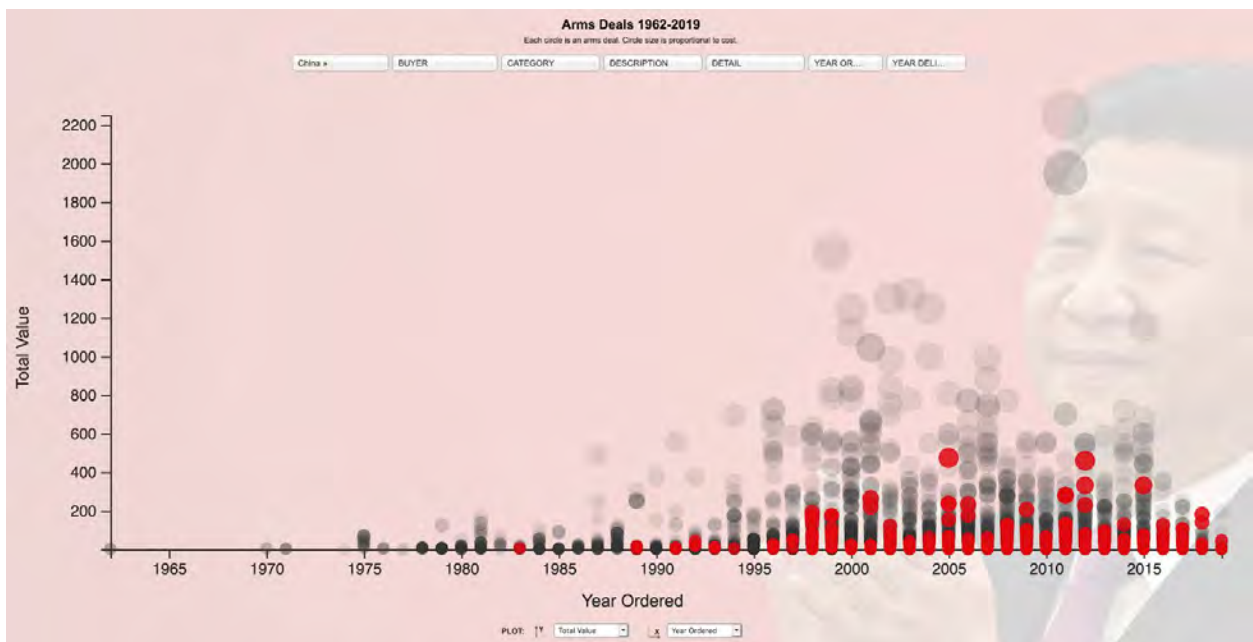
dimensions however, it quickly becomes more clear just how dispersed customers have become “shared” between the US and China. With China highlighted in red, and with relevant linked trading relationships highlighted in pink, the 3D network shows how countries which most believe to be unwavering customers of American-made weapons (and you might expect to reject Chinese weapons as some have done like Vietnam, South Korea, etc.) have begun to form arms dealing relationships with China. Countries like Turkey, Argentina, the UAE, Kuwait, Indonesia, Saudi Arabia, Qatar, Uzbekistan, Mexico, Jordan, and many more are spatially close to the US and historically have supported modern US geopolitical interests throughout history. Chinese arms sales are radically changing this “monopoly.”

### Visualization 2: 2D Bubble Chart

The second self-constructed visualization is a 2D bubble chart that utilizes the same SIPRI data but provides a more minute and detailed understanding of the arms trade at a more microscopic level viewable here: [johnandrewferguson.com/arms](http://johnandrewferguson.com/arms). Every “bubble” is an individual arms deal with “bubble” size proportional to total deal value. For each unique search, the relevant bubbles will be highlighted in red while every deal will also be listed in the table below, further filterable by one additional parameter (search bar in the top right). This is useful for further sorting or subsetting a search while each category can also be sorted in ascending/descending order by clicking the arrows next to each column. Search parameters can be filtered on the top based on buyer, seller, weapon type (category, description, detail in order from least specific to most specific), year ordered, and year delivered. The axes of the plot can also be changed to reflect the same data but *geographically* rather than *temporally*. To view the geographic spread of which entities a country *sells* to, select a seller, then change the Y plot axis to “buyer latitude” and the X plot axis to “buyer longitude.” Conversely, to view the geographic spread of which entities a single country *buys* from, select a buyer, then change the Y plot axis to “seller latitude” and the X plot axis to “seller longitude.” The geographic spread resembles the layout of a world map due to the plotting of GPS coordinates for the centroid of each country. Militant organizations have the same GPS

coordinates as their host country while the GPS coordinates for multilateral organizations such as the UN and NATO are located at their respective headquarters in New York and Brussels. Hovering over each “bubble” provides more detailed information on the deal(s) and the precise entity while clicking on a “bubble” also pivots the table below.

Constructing the “bubble” visualization was a simpler process than the 3D network due to not having to “roll up” numbers or creating an external JSON file. Data Storyteller, a jQuery plugin which uses underlying D3 (Data Driven Documents) technology and SVG (scalable vector graphics) was used to render graphics and create this interactive visualization.



*Figure 3: 2D bubble visualization of Chinese arms exports (in red) organized temporally*

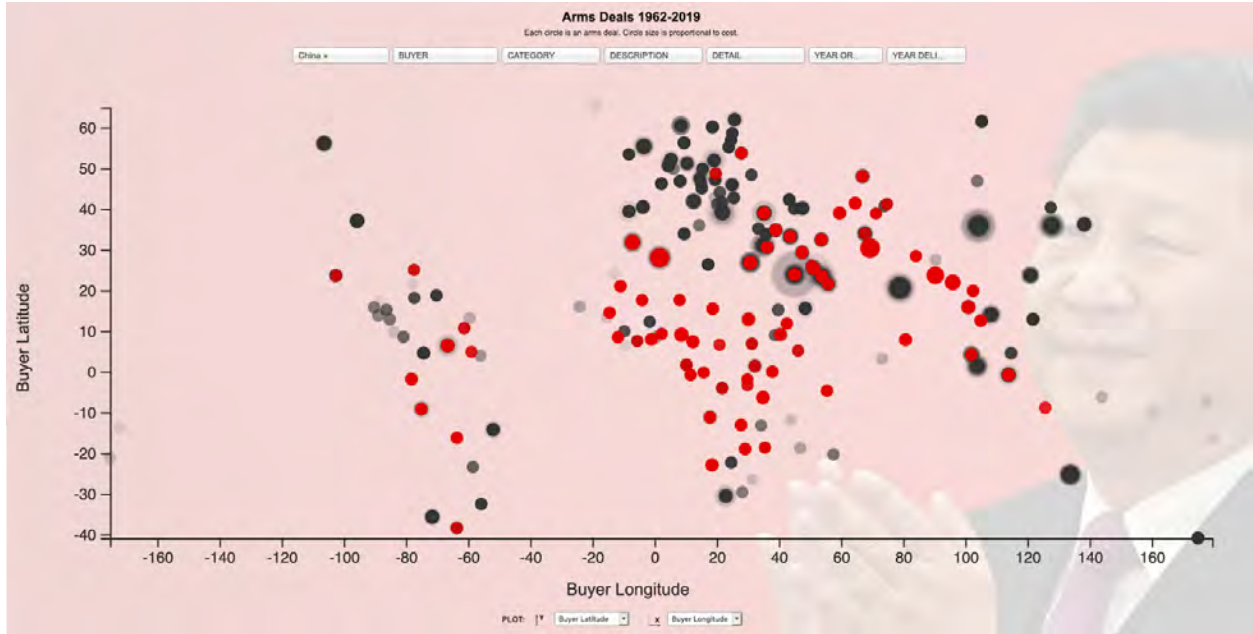


Figure 4: 2D bubble visualization of Chinese exports (in red) organized geospatially

### **Hypothesis testing**

This paper examines three potential hypotheses: a) *opportunistic timing*, b) *commercial profit*, and c) *geostrategic considerations*. To test each of these hypotheses, changes in observable indicators from the SIPRI data beyond the recipient include *timing*, *total deal value*, and *weapon type* are monitored. *Opportunistic timing* refers to whether Chinese arms exports are linked to specific foreign policy outcomes. Indicators may reveal that arms may have been exported in relation to major events that happened immediately prior to or after that might suggest a causal relationship. This hypothesis encompasses such drivers including bribery and reward for strategic gains, changes in domestic political dynamics, and how Chinese arms exports react to the changes in the arms export policies of other competing suppliers like the US and Russia. *Commercial profit* shouldn't see particularly irregular patterns in any of the observable indicators. One should expect there to be a wide customer base as opposed to an increase in sales to a small number of deeper security relationships. For *geostrategic considerations* to be a primary motivator, one should observe particular weapon types to be exported

based on neighboring adversaries, potentially sold during times of balance-of-power tension. Long-term consistency of an arms relationship should be a major indicator that geostrategy plays a role in Chinese arms exports. Broader and more encompassing themes like *superpower identity* will be examined as they relate to each hypothesis as it would potentially be unhelpful or misleading to test these hypotheses separately by looking at individual arms transactions.

### ***Findings & Analysis***

This section is organized by each of the three hypotheses: a) opportunistic timing, b) commercial profit, and c) geostrategic considerations. Each hypothesis contains relevant findings from the data visualizations and case studies.

#### *Opportunistic timing*

First, regarding *opportunistic timing*, China in recent years has become skilled at timing their arms sales to seize strategic opportunities where buyers are left with unmet demand. This typically occurs when private defense companies are blocked from selling certain kinds of advanced weapon systems through export controls. Recent behavior or changes in domestic politics in the acquiring country could cause new controls to be implemented. This strategy appears to almost be exclusively reserved for middle to higher-income countries where Western arms exporters are more difficult to dislodge from their entrenched positions as the dominant and established supplier (usually there is significant correlation between buying ability and the purchase of more expensive weapons systems). Timing appears to be *far* less of a driver in the developing world, where China, just leveraging its competitive no-strings-attached export regime of low prices and flexible payment options, is able to capture market share from Russia who increasingly finds it difficult to compete against China. Therefore, China's strategy appears to clearly be split on the purchasing ability of their customers. Examples identified from this data and outside research include the Philippines, Myanmar, Thailand, UAE, Jordan, and Saudi Arabia. Typically, Chinese timing is aimed at capturing market share of higher-tier customers away from the US with the dominant



example being armed drones to Persian Gulf monarchies. China strategically uses timing to its advantage for mid- to higher-tier customers in selling, making offers, or if the customer would be antagonized for buying Chinese weapons (if they were a US ally) and if the weapon is not extremely expensive, donating. Recent examples in Thailand, the Philippines, Myanmar, the UAE, and Jordan are prominent recent examples.

Although Thailand is officially the US's oldest ally in Asia, when it comes to foreign policy, Thailand has managed to remain between the US and China, playing the two off of each other at times. Regarding arms deals, the US has sold Thailand 59 separate orders while China has contributed about half as many. But following the military coup in 2014, led by current prime minister Prayuth Chan-Ocha, Beijing filled a void in Thailand's arms imports after the US began to scale back cooperation and relations chilled between the two. Thailand's high-dollar items all came after relations noticeably soured with the US, with Thailand committing to ten major arms deals including the largest defense acquisition in the kingdom's history: diesel-electric submarines and battle tanks. The 2014 coup "triggered American laws that restrict defence ties until democracy is restored."<sup>18</sup> Thailand is an example of a country and society with power concentrated in the hands of military elites. Modern Myanmar, Pakistan, and Egypt could also be considered as a part of this category in addition to a number of African and Middle Eastern military dictatorships. In these countries especially, a reliable and no-questions-asked defense partner committed to perpetuating their autocratic hold on power benefits these buyers tremendously. To have China position itself as the guarantor of the legitimacy and power of military elites in a country is a driving force in the developing world where military coup d'états are far more prevalent. China would prefer to work with long-serving leaders who preside over stable societies. It eases the process by which Chinese commercial projects can be completed without disruption and hedges risk that a new regime will act on greater

---

<sup>18</sup> Bangkok Post Public Company Limited, "China Competes with US for Weapons Sales to Thailand," <https://www.bangkokpost.com>, accessed May 15, 2020, <https://www.bangkokpost.com/business/1807664/china-competes-with-us-for-weapons-sales-to-thailand>.

anti-Chinese sentiment. While this paper discusses the arms trade in the context of arming foreign militaries, in many developing world customers, oftentimes the military is called upon to act as the dominant police force in times of dissent and uprising. By knowingly arming militaries well aware of this distinction, examples like the donation of rifles to Philippine President Rodrigo Duterte (discussed next) is an example where the equipment goes toward domestic use rather than a foreign-facing military. Many have wondered why China would actively supply weapons to the very same actors it is engaged in maritime border disputes with, and the reality is that many of these weapons systems are used first and foremost to keep order domestically—not positioned to challenge China in its border disputes.

In 2016, in an arms deal to the Philippines, “US legislators blocked the sale of about 26,000 M4 rifles to the police amid concerns about the United States arming a police force accused of widespread human rights abuses during Duterte’s fierce war on drugs, which has killed thousands of Filipinos.”<sup>19</sup> A year later, China donated \$3.3 million worth of rifles and 6 million pieces of ammunition (assault rifles and sniper rifles) to what was “supposed to go to the military, but Duterte felt the police needed them more.”<sup>20</sup> The rifles all went to the police while the sniper rifles were retained by the military.

Interestingly, it is reported that Duterte has consistently complained about the Philippines receiving “‘hand-me-down’ American weapons, and applauded China’s donation of new ones.”<sup>21</sup>

Myanmar is another clear example of American arms export policy pushing the Tatmadaw junta and military elites even further into the hands of China. While much of the world in the early 2010s was captivated by the promise of Aung San Suu Kyi, an icon of peace and democracy—“a principled activist willing to give up her freedom to stand up to the ruthless army generals who ruled Myanmar for decades”—she has very much since fallen from grace over the genocide of the Rohingya Muslims in the

---

<sup>19</sup> “China Donates Boats and Weapons to Philippines,” South China Morning Post, July 30, 2018, <https://www.scmp.com/news/asia/diplomacy/article/2157406/china-donates-small-boats-and-rpg-launchers-philippines>.

<sup>20</sup> “China Donates Boats and Weapons to Philippines.”

<sup>21</sup> “China Donates Boats and Weapons to Philippines.”

Rakhine state, adamantly denying genocide charges at the International Court of Justice in The Hague.<sup>22</sup>

In the early 2010s, the easing of sanctions paved the way for the ramping up of foreign arms deals, but the Rohingya violence that began in 2016 picked up in earnest in 2017 with so-called “clearance operations.” While the US has no recorded sales to Myanmar, European sellers including Germany, Belgium, Austria, and the Netherlands have all made deals as recently as 2017. The EU had put into place at the end of 2018 banning the selling of arms over the Rohingya crisis. China has since capitalized on this restriction and continued to sell with even less competition than before.

Turning toward the Middle East, well-executed timing to fill a void left by the US is clear. In 2015, Jordan requested to buy Predator XP drones from the US in its fight against the Islamic State but was subsequently turned down. The following year, China fulfilled an order for two CH-4Bs. “Iraq was refused permission to buy armed drones from the US, then turned to China investing in at least three CH-4Bs, using them against ISIS. Turkey was denied access from the US in 2008, but turned to Israel first instead of China. Finally, in Saudi Arabia, the ruling Saud family was “incensed when in December 2016, then-US President Barack Obama blocked an arms shipment to Saudi Arabia after concerns were raised in Congress over civilian casualties in the Saudi-led war in Yemen.”<sup>23</sup> Saudi Arabia has since signed the largest drone deal with China agreeing “to buy 300 Wing Loong drones from CAIG” and even contract China to build a “regional manufacturing hub that will provide newfound accessibility to UAV repairs, parts, and related armaments.”<sup>24</sup> The US, China, and Israel collectively dominate the armed UAV market but because the US is restricted on national security grounds and human rights concerns, RAND analysts have concluded that “restrictive regulations on shipping armed and unarmed drones to foreign

---

<sup>22</sup> “Aung San Suu Kyi: Democracy Icon Who Fell from Grace,” *BBC News*, January 23, 2020, sec. Asia, <https://www.bbc.com/news/world-asia-pacific-11685977>.

<sup>23</sup> “China’s Saudi drone factory compensates for US ban,” *Middle East Eye* édition française, accessed May 15, 2020, <http://www.middleeasteye.net/fr/news/china-build-factory-saudi-arabia-fill-drone-shortage-1200657135>.

<sup>24</sup> “What’s Behind China’s Big New Drone Deal?,” accessed May 17, 2020, <https://thediplomat.com/2017/04/whats-behind-chinas-big-new-drone-deal/>.

customers has left U.S. manufacturers at a disadvantage, effectively ceding the market to China.”<sup>25</sup> <sup>26</sup>

Figure 5 visualizes global armed UAV (unmanned aerial vehicles) sales.

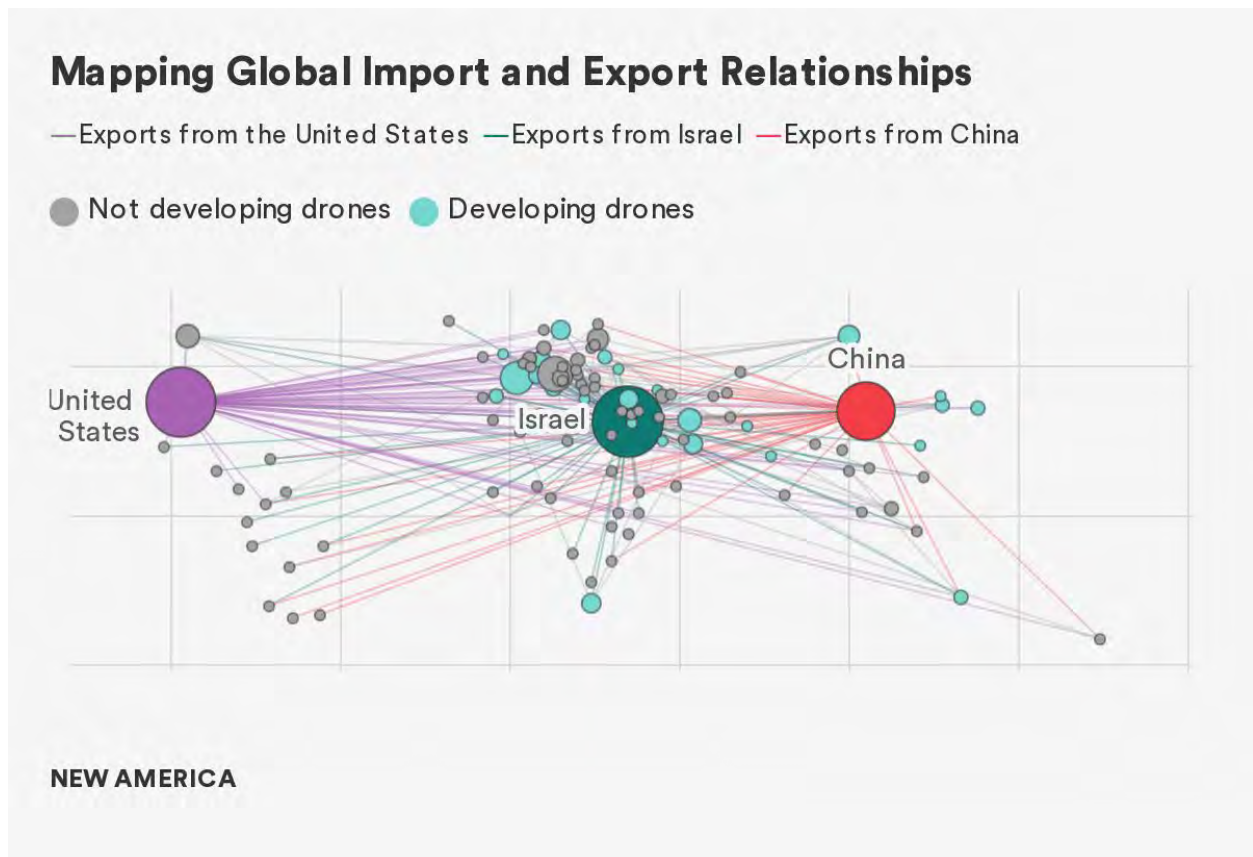


Figure 5<sup>27</sup>

As one US official at Abu Dhabi’s international defense expo remarked, “China has been selling the hell out of its drones.”<sup>28</sup> Most of these aforementioned cancellations have occurred under the Obama administration despite its own attempts at easing the drone export process. The Trump administration in

<sup>25</sup> “World of Drones,” New America, accessed May 12, 2020, <http://newamerica.org/international-security/reports/world-drones/>.

<sup>26</sup> Lara Seligman, “Trump’s Push to Boost Lethal Drone Exports Reaps Few Rewards,” *Foreign Policy* (blog), accessed May 15, 2020, <https://foreignpolicy.com/2018/12/06/trump-push-to-boost-lethal-drone-exports-reaps-few-rewards-uas-mtc-r/>.

<sup>27</sup> “World of Drones.”

<sup>28</sup> Natasha Turak, “Pentagon Is Scrambling as China ‘sells the Hell out of’ Armed Drones to US Allies,” CNBC, February 21, 2019, <https://www.cnbc.com/2019/02/21/pentagon-is-scrambling-as-china-sells-the-hell-out-of-armed-drones-to-americas-allies.html>.

2018 went further rolling out new regulations “promising to make it easier to sell American-made military drones abroad, but no new sales have since been made by the US.”<sup>29</sup> Export restrictions do not just originate from US legislators though, the US Air Force itself “has made the determination for national security reasons that certain airframes can only be transferred under the foreign military sales rule set rather than through commercial channels.”<sup>30</sup>

### Commercial Profit

Second regarding *commercial profit*, this paper also found that China for most of its customer base in most regions of the world is *primarily profit-driven* and intends to chip away at market share primarily from Russia. This strategy is very split on geography though: exports to Africa, Latin America, Eastern Europe, and Southeast Asia appear to *not* be tied to any particular foreign policy objectives and are commercially driven: the key exception is South Asia. A key finding that contributed to this conclusion is that the total value of arms exports from China has increased significantly while the total number of customers has simultaneously increased in all areas of the world, particularly Africa. If the total value were to have risen while the number of customers stayed constant or only slightly more, this would reflect more of a political agenda as military relationships deepen with the same existing customers. This contrast can especially be seen in Africa with the different trend trajectories of Russia and China. China’s “blanket” style of selling does not appear to link arms sales with foreign policy objectives or specific regimes as the diversity in both weapon type and of recipient suggests far more of a “shotgun approach.” For example, “although the total volume of major arms flow from China to Africa is less than half of Russia’s from 2014-2017,” China sells to nearly *double* the number of customers.<sup>31</sup> The Middle East remains a special case in the commercial profit portfolio for China as this is the only region where Beijing has been able to sell higher-grade weaponry to the oil-rich monarchies of Saudi Arabia and the

---

<sup>29</sup> Seligman, “Trump’s Push to Boost Lethal Drone Exports Reaps Few Rewards.”

<sup>30</sup> Seligman.

<sup>31</sup> “How Dominant Is China in the Global Arms Trade?,” *ChinaPower Project* (blog), April 26, 2018, <https://chinapower.csis.org/china-global-arms-trade/>.

UAE, who have typically always bought Western weapons systems. China clearly recognizes that the Middle East will continue to see the highest levels of conflict globally and there will always be a high demand, especially for armed UAVs, which have become the preferred weapon of choice.

China's military-industrial complex has not yet matured to the point of consistently producing cutting-edge, world-class military technology domestically or for export and thus its arms industry is still learning and growing. Contrary to most news journalism who purport that although "Chinese arms exports may have had their beginnings in mostly transactional economic rationales such as profits and support for the domestic arms industry but increasingly overseas arms sales may be seen as a tool to advance Beijing's strategic interests," compared to Russia and the US, China does not have as many modern cases of using arms sales to arm governments or regimes that it sees as in its best interest.<sup>32</sup> In many cases, even in modern examples where there are Chinese commercial interests at stake, China will knowingly export arms to both sides in a conflict (like Iran-Iraq). One example is the conflict in Sudan, a region which some foreign observers have called China's "foreign policy experiment."<sup>33</sup> Many analysts have hinted that Chinese weapons in support of the young South Sudanese regime were made as a deterrent against potential attacks by the north. It makes sense from a geostrategic perspective—South Sudan contains most of the critical oil infrastructure and China was one of the first nations to recognize its independence.<sup>34</sup> In fact, China was already establishing offices in Juba long before independence in 2011 to ensure that Chinese interests would be protected by the elites surrounding incoming South Sudanese President Salva Kiir when "the majority of Sudan's oil reserves fell into what would become South Sudanese territory."<sup>35</sup> But China's arms deal to South Sudan was a singular transaction that occurred in

---

<sup>32</sup> Richard A. Bitzinger, "How China Weaponizes Overseas Arms Sales," *Asia Times*, April 16, 2019, <https://asiatimes.com/2019/04/how-china-weaponizes-overseas-arms-sales/>.

<sup>33</sup> "China's Foreign Policy Experiment in South Sudan," *Crisis Group*, July 10, 2017, <https://www.crisisgroup.org/africa/horn-africa/south-sudan/288-china-s-foreign-policy-experiment-south-sudan>.

<sup>34</sup> "China's Foreign Policy Experiment in South Sudan."

<sup>35</sup> Austin Bodetti, "How China Came to Dominate South Sudan's Oil," accessed May 17, 2020, <https://thediplomat.com/2019/02/how-china-came-to-dominate-south-sudans-oil/>.

2013. Sudan on the other hand was the recipient of 54 total arms deals, 9 of them occurring *after* South Sudanese independence. Even in Myanmar, where China arguably has far more at stake with the Sino-Myanmar oil pipelines and deepwater ports under construction at Kyaukpyu, the arms deal to the United Wa State Army (USWA) in 2012 was a singular deal; 67 deals in total have gone to the Burmese government. So while Western analysts likely try to piece together what the foreign policy intentions and stances are around the world from arms export patterns, the likely answer is that China remains ambivalent in most cases.

Of course, it isn't low-grade small arms that are the true money-makers. China's recent entrance into the armed UAV market has been a recent example of how China's increasing competence at higher-tech military hardware for export opens up opportunities to establish pathways for strategic dependencies compared to one-time transactional deals in the world of commercial profit. Sales of more complex weapon systems like armed UAVs, submarines, and fighter jets all create a long-term supply chain relationship that once initiated is very difficult to replace with an alternative. In essence, these kinds of weapon sales are something analogous to a physical pipeline—something that takes years to construct and maintain, symbolizes a bond between two countries, and ties two countries permanently together. Beijing is obliged to upgrade and service these higher-tech exports over the years to come in addition to having foreign military specialists and officers coming to China to undergo technical training to receive military education at China's military academies and institutes. These sales are far more significant than one-time transactions and should be scrutinized accordingly. As most high-tech weapons systems around the world currently rely on Western systems and technology, the cost of replacing existing complicated military infrastructure is significant. To this end, China has recently opted to co-develop indigenous military industry on foreign soil, the most notable of which is a massive deal to manufacture armed UAVs at a factory in Saudi Arabia. The factory, the first of its kind in the Middle East would produce CH-4 and later CH-5 Rainbow drones, associated equipment, and improve after-sales service for clients around the

entire region.<sup>36</sup> When asked who their main competitor was, the chief designer of the Wing Loong drone answered, “the Americans of course.”<sup>37</sup> In a similar situation in Pakistan, whose halfhearted and questionable commitments to the US for the War on Terror have left Pakistan and China to become even closer, a new secret proposal at the beginning of 2018 would see joint assembly of a new generation of fighter jets at factories in Pakistan. “The Chinese-designed jets have given Pakistan an alternative to the American-built F-16 fighters that have become more difficult to obtain as Islamabad’s relationship with Washington frays.”<sup>38</sup>

Interestingly, both Saudi Arabia and Pakistan have also engaged in more extensive military coordination in space. According to the SIPRI data, only Russia, France, Israel, and Italy have sold satellites to other countries although the SIPRI data curiously missed Chinese sales of satellites (most likely because none of the satellites were classified as military in nature). Nonetheless because everything in space is considered to be dual-use, Nigeria was the first foreign purchase of a Chinese satellite in 2007. Thus, it seems that the more advanced the weaponry, the more China is willing to “enhance the deal” throwing in additional perks like technology transfer and free training for its scientists. Whether it be satellites or drones, most believe that unless the US clarifies its priorities in terms of profit and strategy with how its arms sales configure into its foreign policy, what is clear that restricting exports will not ensure any kind of reliance on American military hardware. “Some within China believe that by implementing a selective export policy on drones, the US was trying to maintain its dominant and exclusive role in the field.”<sup>39</sup>

---

<sup>36</sup> “China’s Saudi drone factory compensates for US ban.”

<sup>37</sup> Jeremy Page in Beijing and Paul Sonne in Washington, “Unable to Buy U.S. Military Drones, Allies Place Orders With China,” *Wall Street Journal*, July 17, 2017, sec. World, <https://www.wsj.com/articles/unable-to-buy-u-s-military-drones-allies-place-orders-with-china-1500301716>.

<sup>38</sup> Maria Abi-Habib, “China’s ‘Belt and Road’ Plan in Pakistan Takes a Military Turn,” *The New York Times*, December 19, 2018, sec. World, <https://www.nytimes.com/2018/12/19/world/asia/pakistan-china-belt-road-military.html>.

<sup>39</sup> Greg Waldron 14 June 2019, “China Finds Its UAV Export Sweet Spot,” *Flight Global*, accessed May 11, 2020, <https://www.flightglobal.com/military-uavs/china-finds-its-uav-export-sweet-spot/132557.article>.



### Geostrategic considerations

The only geographic region of the world where “blanket selling” theory becomes inconsistent are the conflicts on the Burmese-Chinese border and the containment of India by arming neighboring Pakistan, Myanmar, and Bangladesh—which leads to the third hypothesis on *geostrategic considerations*. The arming of India’s neighboring states all serve to indirectly contain the rise of India. At the same time, China is also more directly involved in arms sales with countries with active conflicts on China’s own land borders (selling weapons to competitors in maritime disputes seems to not trouble China). Beijing seems not to particularly care about where its weapons end up in faraway distant lands in its profit-driven markets including Africa, the Middle East, Eastern Europe, and Southeast Asia (separated by ocean). But violence spilling across land borders into China has led Beijing to make its only arms deal out of 969 total arms deals to a non-state actor: the UWSA—a rebel group in northern Burma on the Chinese border. By arming a rebel group, China took an unprecedented step in how it uses arms in its modern foreign policy—as a military deterrent to discourage the Tatmadaw from attacking and disturbing the status quo. This arms deal of missiles and helicopters *should* have been viewed by the outside world as a turning point in modern Chinese foreign policy. Not only was China interfering in the internal affairs of another country, but the deal was meant to be kept secret, the sale was to a non-state actor, and accusations raised at the highest level that the deal took place was denied by Xi Jinping himself.<sup>40</sup> To further emphasize how much of a priority land-border security has become to China, Myanmar was also the location of another potentially unprecedented military action by Beijing: the usage of an armed drone to eliminate a Burmese drug lord on foreign soil. The decision to instead capture him alive reflects an explicit choice to avoid analogous comparisons to the US. All of these examples of China intervening or coming close to intervening have wider implications for superpower identity, which will be discussed in greater detail in the next section.

---

<sup>40</sup> “Xi Says China Never Sells Weapons to Myanmar Armed Groups,” The Myanmar Times, January 19, 2020, <https://www.mmmtimes.com/news/xi-says-china-never-sells-weapons-myanmar-armed-groups.html>.

The three countries bordering India—Pakistan, Bangladesh, and Myanmar—are all countries trying to avoid being caught between the two giants of China and India. China’s arms exports in the global marketplace are still relatively small compared to the US, but since 2008, a majority 61.3% of China’s weapons sales have found their way to Pakistan, Bangladesh, and Myanmar (82.8% went to Asia).<sup>41</sup> The previous discussion of Chinese arms exports trends in Africa and the Middle East have all been relatively new phenomena, emerging just over the past decade, but the arms relationship with Pakistan remains China’s largest customer since the 1970s. These states acting principally in their own self-interest are seeking weapons from China “to balance the immense scale of arms importing conducted by India, which until very recently was the largest weapons purchaser worldwide.”<sup>42</sup> Moreover, all three states but particularly Myanmar and Pakistan provide China with critical alternative routes of energy supplies sourced from the Middle East helping to alleviate Beijing’s persistent “Malacca dilemma.” India according to the SIPRI data appears to be trying the same tactic—selling weapons to its main anti-China surrogate in the region—Vietnam starting in September of 2016. This “containment through arms transfers” strategy will likely lead to increasing polarization in the Sino-Indian relationship as threat perceptions of the other grow as arms customers will grow increasingly dependent on their arms provider. Out of the three, only Bangladesh seems to be attempting to play the two off of each other; Pakistan and Myanmar remain far more entrenched under China considering no arms deals from the US to Myanmar have been recorded and Pakistan remains the US’s most unreliable partner. The last American deals to Bangladesh were delivered in 2015 while in Pakistan the latest deals were made in 2017 under an increasingly strained security relationship and a slowing War on Terror. For Bangladesh, after the recent purchase of diesel-electric submarines from China in 2013, Bangladeshi officials made sure to emphasize that in receiving Chinese help to construct the country’s first submarine base, Beijing’s subs would *not* be

---

<sup>41</sup> “How Dominant Is China in the Global Arms Trade?”

<sup>42</sup> “How China Is Quietly Containing India with Arms Sales,” *Charged Affairs* (blog), January 8, 2017, <https://chargedaffairs.org/how-china-is-containing-india/>.

allowed to use the facility.<sup>43</sup> Top defense officials also explicitly said that “Bangladesh was *not* taking sides in the regional rivalry between India and China.”<sup>44</sup> Despite the rhetoric though, Bangladesh remains the “second-largest recipient of Chinese arms in the world following Pakistan from 2011 and 2015,” with “Beijing supplying over 80% of its weapons over the past decade.”<sup>45</sup> Weeks after Bangladeshi officials said “Bangladesh has never hosted a naval ship from China and has no plans to, two Chinese guided-missile frigates and a supply ship were observed docked at Chittagong before conducting drills with the Bangladesh Navy.”<sup>46</sup> Bangladesh’s new submarines will also “have Chinese crews attached to them for training and familiarization purposes.”<sup>47</sup> Upon learning that these Bangladeshi submarine crews will likely train at China’s base in Hainan, New Delhi tried to persuade Dhaka to send these crews to train at its submarine academy in Visakhapatnam instead with no success.<sup>48</sup> It appears that despite New Delhi’s best efforts at bolstering Indian power in the region through Modi’s “Neighborhood First” policy, Beijing has swiftly been outmaneuvering New Delhi in regional capitals diplomatically on the arms trade front. Behind the scenes though, Chinese arms sales may be playing a far greater role than outsider observers might realize.

China in its attempts to geostrategically keep India off balance also engages in covert arms sales—supplying, financing, or otherwise providing support for militant insurgent groups that have proliferated in Northeast India. As one Indian Brigadier General remarked, “China is keeping and creating various options for dealing with India, particularly when the latter is now more forthcoming about its geopolitical interests in the Indo-Pacific region.”<sup>49</sup> He continues, “it suits China to keep India strategically

---

<sup>43</sup> “China To Help Bangladesh Build Submarine Base, Senior Official Says,” BenarNews, accessed May 15, 2020, <https://www.benarnews.org/english/news/bengali/submarine-base-09122019155029.html>.

<sup>44</sup> “China To Help Bangladesh Build Submarine Base, Senior Official Says.”

<sup>45</sup> “Why China’s Submarine Deal With Bangladesh Matters,” accessed May 15, 2020, <https://thediplomat.com/2017/01/why-chinas-submarine-deal-with-bangladesh-matters/>.

<sup>46</sup> “Why China’s Submarine Deal With Bangladesh Matters.”

<sup>47</sup> “Why China’s Submarine Deal With Bangladesh Matters.”

<sup>48</sup> “Why China’s Submarine Deal With Bangladesh Matters.”

<sup>49</sup> StoriesAsia, “Why Has China Given Shelter to a Rebel Leader From India’s Northeast?,” accessed May 16, 2020, <https://thediplomat.com/2020/02/why-has-china-given-shelter-to-a-rebel-leader-from-indias-northeast/>.

imbalanced without taking an overtly hostile stance against it.”<sup>50</sup> Two of the more prominent groups include the United Liberation Front of Asom (ULFA) and the National Socialist Council of Nagalim (NSCN). In early 2020, it was uncovered that the ULFA chief, Paresh Baruah, was living and operating from Ruili (瑞丽市) on the Burmese-Chinese border in Yunnan province.<sup>51</sup> There are also suspected links to Chinese intelligence—A 2010 Indian report found that “the NSCN was offered the chance to purchase surface-to-air missiles (SAMs) by Chinese agents working on behalf of the Chinese intelligence agencies.”<sup>52</sup> In return for weapons and technical training supplied by China North Industries Group Corporation Limited (NORINCO/北方工业) the insurgents reportedly “had been giving away details of Indian army deployments in the China-India border region in Arunachal Pradesh, including positions of Indian aircraft and missiles.”<sup>53</sup> The Chinese consistently allege that the Indian think tank community, military, and media have been “rumour-mongers when it comes to China’s support for the insurgent groups in north-eastern India” and that it is not logical for China to support insurgency given “Beijing’s stake in the stability of India’s north-east to ensure the success of the Bangladesh-China-India-Myanmar (BCIM) economic corridor.”<sup>54</sup> But while Pakistan remains the main bulwark against Indian power, the consensus agrees that China uses these groups to wage a proxy “shadow” war against India—keeping India preoccupied while supplying China with critical intelligence. The groups also may be one indirect way for Beijing to signal to New Delhi about its intentions: as one Indian Lt Gen remarked, “whenever India has annoyed China, Beijing has aided insurgents in the north-east.”<sup>55</sup> It seems obvious the

---

<sup>50</sup> StoriesAsia.

<sup>51</sup> “Is China Backing Indian Insurgents?,” accessed May 16, 2020, <https://thediplomat.com/2011/03/is-china-backing-indian-insurgents/>.

<sup>52</sup> “Is China Backing Indian Insurgents?”

<sup>53</sup> “Is China Backing Indian Insurgents?”

<sup>54</sup> Atul Aneja, “China: No PLA Hand in Manipur Ambush,” *The Hindu*, June 11, 2015, sec. International, <https://www.thehindu.com/news/international/china-no-pla-hand-in-manipur-ambush/article7302965.ece>.

<sup>55</sup> “Whenever India Has Annoyed China, Beijing Has Aided Insurgents in North-East, Says Think-Tank Expert - India News,” accessed May 16, 2020, <https://www.indiatoday.in/india/story/whenever-india-has-annoyed-china-beijing-has-aided-insurgents-in-north-east-says-think-tank-expert-1158182-2018-01-31>.

geopolitical intent behind China's motives, but China's support of *Burmese* rebels fighting for independence lacks any of the same logic.

China's one curious case of an official arms deal transfer to a non-state actor—the USWA in Myanmar—is worth exploring in greater detail. The USWA is the country's largest armed ethnic group that has “historically received massive private financial support from Chinese businessmen” in addition to boasting an impressive array of modern Chinese weaponry along with its own factories that produce Chinese-designed assault rifles and munitions.<sup>56</sup> While Beijing has consistently denied any involvement in the internal affairs of Myanmar, analysts have concluded that “Chinese authorities cannot have been unaware of such large transfers to an armed group it had close relations with.”<sup>57</sup> Other sources elaborate further: “clearly the supplier of that equipment is known to senior elements in the government, but that is not to say that they are directly involved in financing. They need to maintain a degree of deniability here.”<sup>58</sup> Linguistically the Wa speak Chinese, use Chinese money, Chinese cell phones, Chinese electricity, and they all have connections to the Chinese internet.<sup>59</sup> As a proxy of China's, Beijing has no choice but to continue their support of the USWA after losing considerable amounts of influence with the military junta which exercised ultimate authority prior to the democratic reforms that opened up Myanmar to the outside world in the 2010s. Many question the intent behind arming such a group which appears to serve no larger geopolitical purpose. Moreover, it would seem completely unfavorable to China to arm a group which seeks to delegitimize the government in Naypyidaw whose support Beijing requires to execute its economic goals in energy and at Kyaukphyu. Curiously enough, China's arms transfers in this case seem to be acting as a deterrent against potential violence on its border. By arming such a group, Beijing has been able to maintain a cautious status quo that has existed and provided stability with Naypyidaw's

---

<sup>56</sup> “Commerce and Conflict: Navigating Myanmar's China Relationship,” Crisis Group, March 30, 2020, <https://www.crisisgroup.org/asia/south-east-asia/myanmar/305-commerce-and-conflict-navigating-myanmars-china-relationship>.

<sup>57</sup> “Commerce and Conflict.”

<sup>58</sup> “With Burma in Mind, China Quietly Supports Wa Rebels | Voice of America - English,” accessed May 16, 2020, <https://www.voanews.com/east-asia/burma-mind-china-quietly-supports-wa-rebels>.

<sup>59</sup> “With Burma in Mind, China Quietly Supports Wa Rebels | Voice of America - English.”

government realizing it would be disadvantageous to launch any kind of attack. Thus, from both Northeast India and in Myanmar, China seems to have engineered a complex operation of insurgent support which achieves Beijing's goals of geopolitically frustrating India while maintaining border security.

### ***Superpower Identity***

Evaluating the three aforementioned hypotheses, it is clear that the issue of arms sales is situated within larger debates about the nature of China's rise—specifically how will China behave in the realm of foreign policy as a superpower? Overseas basing, influence operations, foreign meddling, support for rebel groups, plausibly deniable operations, covert paramilitary activity, and forced repatriation are just some of the activities which run counter to China's "peaceful rise narrative" and purported principles of non-interference. Arms sales as a category of superpower behavior for China is without a doubt a tool of foreign policy—used to intervene in the politics of the countries closest to it. While the US relies on traditional harder Western interventions like crippling economic sanctions or direct military interference, China's approach with arms seems to be more restrained, localized, and long-term. Beijing also clearly tailors its different strategies for different geographic regions and based on what interests are at stake. Restraint is the most evident in China's decision to *not* wield violence to achieve its own aims, instead arming proxies to achieve the same objectives with plausible deniability to protect its "peaceful rise narrative" and avoid any resemblance to American arrogance. Cases of arming the neighboring states of India, insurgent groups in Northeast India, Burmese rebel groups, etc. have demonstrated that Beijing is deeply involved in the domestic affairs of other countries from an arms perspective.

China's decision to ultimately *not* use an armed UAV to assassinate Burmese drug lord Naw Kham is a conscientious and deliberate decision by Chinese elites to avoid any direct comparisons with America's prolific usage of drones in the War on Terror. As Foreign Policy's Dana Stuster describes how China could have cited the American response to the *USS Cole* bombing—that the US was wholly

justified in unilaterally conducting airstrikes on foreign soil—because Naypyidaw was “unwilling or unable to suppress the threat themselves.”<sup>60</sup> Myanmar here is like Yemen. No doubt, American superpower behavior provides a convenient pretext for China, should they be required to and choose to adopt similar tactics. With China selling armed UAVs to Uzbekistan (2013), Turkmenistan (2015), and Kazakhstan (2015), Beijing most likely in the future would rather co-opt these nations to hunt Uyghur militants within their own borders rather than Beijing accidentally learning too much from the American national security playbook on China’s own “war on terror.”

Therefore it would seem that China is following a certain “predetermined path” to superpower status, but instead of mimicking US behavior, China is smartly adapting American behavior—superpower foreign policy with Chinese characteristics. This may be a convenient way to simultaneously extract benefits from being both a revisionist power and a status quo power at the same time while still adhering to its “peaceful rise narrative.” Through the lens of arms transfers, this is especially important considering the US is well regarded as, according to former US President Jimmy Carter, “the most warlike nation in the history of the world.”<sup>61</sup> The sheer dominance of the US in the global arms trade is best visualized by the 3D network sourcing 4,716 arms deals to 129 distinct entities. To remember that these numbers are this high despite American attempts at restraining such proliferation with democracy, human rights, and American values as prerequisites—China’s potential to replace the US as the global center of the arms trade then, should it continue its current trajectories, will be far less constrained in its arms export policies. Strangely, China has conveniently figured out how to twist its “non-interference” commitment into the logic by which Beijing isn’t obliged to accept any responsibility for how its arms proliferate

---

<sup>60</sup> Jane Perlez, “Chinese Plan to Kill Drug Lord With Drone Highlights Military Advances,” *The New York Times*, February 20, 2013, sec. World, <https://www.nytimes.com/2013/02/21/world/asia/chinese-plan-to-use-drone-highlights-military-advances.html>.

<sup>61</sup> “President Trump Called Former President Jimmy Carter To Talk About China,” NPR.org, accessed May 17, 2020, <https://www.npr.org/2019/04/15/713495558/president-trump-called-former-president-jimmy-carter-to-talk-about-china>.

around the world or what injustices they are used to perpetrate. China's commitment to not discriminate who it sells to is seen by many in the world as inherently more *just* than American policy. And this is perhaps the biggest takeaway from using arms as a case study in the larger view of China's emerging superpower doctrine: unconstrained by values, China can choose which aspects of superpower behavior it displays to the world while keeping what aspects are unavoidable under an effective shield of plausible deniability. Chinese interventionism seems to play by its rules where Beijing can simultaneously arm both the government and a rebel group and successfully secure both of its desired interests.

### ***The Future of China's Arms Exports***

As Beijing's military-industrial complex continues to mature, high-tech weaponry that was once dominated by American and some European defense contractors will rapidly lose market share to lower-cost Chinese alternatives. The biggest potential for Chinese arms exports lies in the export of lower-cost higher-tech weaponry.<sup>62</sup> The armed UAV market is currently the best example whereby even long-standing American security partners have grown frustrated with the US's unwillingness to export (in the case of Trump, America's inconsistency from administration to administration). Based on the findings, it seems likely that China is positioning itself to lead the next generation of military technology and in the words of current US Secretary of Defense Mark Esper, "leapfrog our current technology and go straight to the next generation."<sup>63</sup> As weaponry in all forms becomes more and more autonomous with less and less human intervention, the US is already facing serious ethical questions about implementing such technology in the American armed forces let alone to export to other countries. China recognizes that ethical limitations have already essentially surrendered the world export market for autonomous military technology to China. A senior executive at NORINCO confirmed this as their vision: "in future

---

<sup>62</sup> "China, The Next Big Supplier of High-Tech Arms to Emerging Nations," OZY, February 25, 2019, <https://www.ozy.com/around-the-world/china-the-next-big-supplier-of-high-tech-arms-to-emerging-nations/92647/>.

<sup>63</sup> "Remarks by Secretary Esper at National Security Commission on Artificial Intelligence," U.S. DEPARTMENT OF DEFENSE, accessed May 17, 2020, <https://www.defense.gov/Newsroom/Transcripts/Transcript/Article/2011960/remarks-by-secretary-esper-at-national-security-commission-on-artificial-intell/>.



battlegrounds as early as 2025, there will be no people fighting.”<sup>64</sup> And indeed Pakistan and Saudi Arabia have already negotiated to buy such weapons like the Ziyah Blowfish A2: an autonomous helicopter drone that can be outfitted with a machine gun, carry explosive mortar shells, and launch grenades. The near-autonomous gunship can “form swarms and engage in coordinated strikes which enables as many as 10 unmanned drones to autonomously form up into a swarm.”<sup>65</sup> They “sense and decide whether to conduct strikes without human intervention.”<sup>66</sup> The same company is working on unmanned ground vehicles with machine guns and rocket launchers with similar near-autonomous features.<sup>67</sup> Chinese autonomous technology also extends to the ocean where Chinese officials have discussed Project 912, a program to “develop new-generation military underwater robots by 2021.”<sup>68</sup> In the words of a researcher on the project, “the AI sub can be instructed to take down a nuclear-powered submarine or other high-value targets. It can even perform a kamikaze strike. The AI has no soul. It is perfect for this kind of job.”<sup>69</sup> These kinds of lethal autonomous weapons systems (LAWS) can administer lethal force without the presence of a human being in the decision-making loop, but unlike in the US where Google refused to continue working on Project Maven for the Pentagon, “most of China’s leadership sees increased military usage of AI as inevitable and is aggressively pursuing it.”<sup>70</sup> Not only does China feel far more comfortable about putting robots in control, but China recognizes that the US will likely be unwilling to do the same. Brookings warfare expert PW Singer remarked how “[China] is simultaneously working on

---

<sup>64</sup> “SecDef: China Is Exporting Killer Robots to the Mideast,” *Defense One*, accessed May 12, 2020, <https://www.defenseone.com/technology/2019/11/secdef-china-exporting-killer-robots-mideast/161100/>.

<sup>65</sup> “China Negotiates Autonomous Gunships for Pakistan and Saudi Arabia,” *Liteye Systems, Inc* (blog), November 8, 2019, <https://liteye.com/china-negotiates-autonomous-gunships-for-pakistan-and-saudi-arabia/>.

<sup>66</sup> Bill Gertz, “US and China Racing to Weaponize AI,” *Asia Times*, November 7, 2019, <https://asiatimes.com/2019/11/us-and-china-racing-to-weaponize-ai/>.

<sup>67</sup> “China Negotiates Autonomous Gunships for Pakistan and Saudi Arabia.”

<sup>68</sup> “China’s AI Robot Subs Are Coming,” *Inkstone*, accessed May 17, 2020, <https://www.inkstonenews.com/science/china-developing-unmanned-ai-powered-submarines/article/2156616>.

<sup>69</sup> “China’s AI Robot Subs Are Coming.”

<sup>70</sup> Gregory C Allen, “Understanding China’s AI Strategy: Clues to Chinese Strategic Thinking on Artificial Intelligence and National Security,” n.d., 32.

the technology while trying to use international law as a limit against their competitors.”<sup>71</sup> In this sense, the surge in armed UAVs is just the beginning of what will most likely be a surge in the export of autonomous weaponry in parallel to the already rapid surge in export of Chinese AI surveillance systems.

### ***Limitations***

The primary limitations of the paper’s findings deal most with the unique structural challenges that come with studying the global arms market. Most importantly, SIPRI’s data only captures the legal arms trade—arms deals that can be confirmed through open-source intelligence collection and principally from governments themselves. A massive network of arms smuggling, covert arms deals, and private arms dealers operate in the shadowy underworld that is relatively inaccessible to any kinds of consistent research. Although this paper discussed covert arms deals in India and Myanmar, the extent of information that cannot be confirmed and information that isn’t freely accessible is plenty and thus the findings should be judged as such. Another limitation of the SIPRI data is that only deals which have been completed and delivered are viewable. Unfortunately, there is no database of active or pending deals—which reflect the most recent arms transfer activities, many of which are discussed in this paper, but sourced from qualitative research outside of the SIPRI database. Finally, as in the case with most research on China, outside Western observers and “China watchers” sometimes tend to overanalyze Chinese actions as being more strategic than in reality. Such overinterpretation on the expectation that a master plan is “drawn up behind the walls of Zhongnanhai” that links more things together than really should be is sometimes mistaken for skilled mid-course adjustment.

Provided more time and more accurate data, testing additional hypotheses would have been optimal. A similar analysis of American and Russian arms sales would have provided greater clarity for making comparisons. While an inquiry was made to Dr. Lucie Béraud-Sudreau (the contact) at SIPRI about a database of active/pending arms deals, such data was unavailable. This data would have provided

---

<sup>71</sup> “Could China Develop Killer Robots in the Near Future? Experts Fear So,” Time, accessed May 12, 2020, <https://time.com/5673240/china-killer-robots-weapons/>.

for a more accurate analysis of the most recent deals instead of relying on scattered qualitative media journalism. Areas for further research include the emerging market for military technologies in space, Chinese-foreign joint production of autonomous weaponry, and the future of export controls on autonomous weaponry. All three were briefly discussed although the implications of such developments will radically, more than other factors, influence the global arms market in the next decade and the future beyond.

### ***Conclusion***

Arms sales patterns as a subset of superpower behavior offer clues about China's future role in the global world order. Unlike the US which uses all available foreign policy instruments to *directly* shape foreign countries into mirror images of itself, China opts for a far more indirect method that is acutely more adaptive, customized, and responsive to the evolving environment. Recognizing that while every customer and geographic region of the world has different priorities, every country shares the same fundamental desire to control its own destiny without the influence of outside powers. With the sole exception of India and the United States, China's projected superpower behavior is that of a paradoxical generous self-interest—accumulating profit and building relationships across the developing world or preserving the delicate border security on its frontier regions—by removing the desire to reshape the world in its own image, arms sales have therefore become an extraordinarily flexible tool of foreign policy for China. No doubt China will become its own superpower and its arms sales philosophy is reflective of this ambition and capability, but it will become its own kind of superpower—one whose leadership and legitimacy is derived not from its ability to construct a unifying vision but by building 193 independent and distinct visions.

## Works Cited

- Abi-Habib, Maria. "China's 'Belt and Road' Plan in Pakistan Takes a Military Turn." *The New York Times*, December 19, 2018, sec. World.  
<https://www.nytimes.com/2018/12/19/world/asia/pakistan-china-belt-road-military.html>.
- Allen, Gregory C. "Understanding China's AI Strategy: Clues to Chinese Strategic Thinking on Artificial Intelligence and National Security," n.d., 32.
- Aneja, Atul. "China: No PLA Hand in Manipur Ambush." *The Hindu*. June 11, 2015, sec. International.  
<https://www.thehindu.com/news/international/china-no-pla-hand-in-manipur-ambush/article7302965.ece>.
- East Asia Forum. "Are Arms Exports a Tool of Chinese Foreign Policy?," July 7, 2018.  
<https://www.eastasiaforum.org/2018/07/07/are-arms-exports-a-tool-of-chinese-foreign-policy/>.
- Asturiano, Vasco. *Vasturiano/3d-Force-Graph*. HTML, 2020.  
<https://github.com/vasturiano/3d-force-graph>.
- "Aung San Suu Kyi: Democracy Icon Who Fell from Grace." *BBC News*, January 23, 2020, sec. Asia.  
<https://www.bbc.com/news/world-asia-pacific-11685977>.
- Bitzinger, Richard A. "How China Weaponizes Overseas Arms Sales." *Asia Times*, April 16, 2019.  
<https://asiatimes.com/2019/04/how-china-weaponizes-overseas-arms-sales/>.
- Bodetti, Austin. "How China Came to Dominate South Sudan's Oil." Accessed May 17, 2020.  
<https://thediplomat.com/2019/02/how-china-came-to-dominate-south-sudans-oil/>.
- South China Morning Post. "Buyer Beware – Chinese Military Arms Are Low Quality, Says US Official," November 1, 2019.  
<https://www.scmp.com/news/china/article/3035825/buyer-beware-chinese-military-weapons-are-low-quality-says-us-state>.
- South China Morning Post. "China Donates Boats and Weapons to Philippines," July 30, 2018.  
<https://www.scmp.com/news/asia/diplomacy/article/2157406/china-donates-small-boats-and-rpg-launchers-philippines>.
- Liteye Systems, Inc. "China Negotiates Autonomous Gunships for Pakistan and Saudi Arabia," November 8, 2019.  
<https://liteye.com/china-negotiates-autonomous-gunships-for-pakistan-and-saudi-arabia/>.
- OZY. "China, The Next Big Supplier of High-Tech Arms to Emerging Nations," February 25, 2019.  
<https://www.ozy.com/around-the-world/china-the-next-big-supplier-of-high-tech-arms-to-emerging-nations/92647/>.
- BenarNews. "China To Help Bangladesh Build Submarine Base, Senior Official Says." Accessed May 15, 2020.  
<https://www.benarnews.org/english/news/bengali/submarine-base-09122019155029.html>.
- Inkstone. "China's AI Robot Subs Are Coming." Accessed May 17, 2020.  
<https://www.inkstonenews.com/science/china-developing-unmanned-ai-powered-submarines/article/2156616>.
- Crisis Group. "China's Foreign Policy Experiment in South Sudan," July 10, 2017.  
<https://www.crisisgroup.org/africa/horn-africa/south-sudan/288-china-s-foreign-policy-experiment-south-sudan>.
- Middle East Eye édition française. "China's Saudi drone factory compensates for US ban." Accessed May 15, 2020.  
<http://www.middleeasteye.net/fr/news/china-build-factory-saudi-arabia-fill-drone-shortage-1200657135>.
- Crisis Group. "Commerce and Conflict: Navigating Myanmar's China Relationship," March 30, 2020.  
<https://www.crisisgroup.org/asia/south-east-asia/myanmar/305-commerce-and-conflict-navigating>

- g-myanmars-china-relationship.
- Time. "Could China Develop Killer Robots in the Near Future? Experts Fear So." Accessed May 12, 2020. <https://time.com/5673240/china-killer-robots-weapons/>.
- Fernholz, Tim. "China's Arms Industry Is Hoping for Some Good PR from the Syrian Rebels." Quartz. Accessed May 17, 2020. <https://qz.com/114918/while-china-backs-the-syrian-government-its-arms-industry-is-hoping-for-some-good-pr-from-the-rebels/>.
- Gertz, Bill. "US and China Racing to Weaponize AI." Asia Times, November 7, 2019. <https://asiatimes.com/2019/11/us-and-china-racing-to-weaponize-ai/>.
- Gramer, Robbie. "How European and Chinese Arms Diverted to South Sudan Fueled Its Civil War." *Foreign Policy* (blog). Accessed May 17, 2020. <https://foreignpolicy.com/2018/11/29/how-eu-and-chinese-arms-diverted-to-south-sudan-fueled-its-civil-war-small-arms-warfare-east-africa-conflict-china-weapons-exports-humanitarian-crisis-just-peace-deal-salva-khiir/>.
- Charged Affairs. "How China Is Quietly Containing India with Arms Sales," January 8, 2017. <https://chargedaffairs.org/how-china-is-containing-india/>.
- ChinaPower Project. "How Dominant Is China in the Global Arms Trade?," April 26, 2018. <https://chinapower.csis.org/china-global-arms-trade/>.
- "Is China Backing Indian Insurgents?" Accessed May 16, 2020. <https://thediplomat.com/2011/03/is-china-backing-indian-insurgents/>.
- June 2019, Greg Waldron. "China Finds Its UAV Export Sweet Spot." Flight Global. Accessed May 11, 2020. <https://www.flightglobal.com/military-uavs/china-finds-its-uav-export-sweet-spot/132557.article>.
- Limited, Bangkok Post Public Company. "China Competes with US for Weapons Sales to Thailand." <https://www.bangkokpost.com>. Accessed May 15, 2020. <https://www.bangkokpost.com/business/1807664/china-competes-with-us-for-weapons-sales-to-thailand>.
- Perlez, Jane. "Chinese Plan to Kill Drug Lord With Drone Highlights Military Advances." *The New York Times*, February 20, 2013, sec. World. <https://www.nytimes.com/2013/02/21/world/asia/chinese-plan-to-use-drone-highlights-military-advances.html>.
- NPR.org. "President Trump Called Former President Jimmy Carter To Talk About China." Accessed May 17, 2020. <https://www.npr.org/2019/04/15/713495558/president-trump-called-former-president-jimmy-carter-to-talk-about-china>.
- Raska, Michael, and Richard A Bitzinger. "Strategic Contours of China's Arms Transfers," n.d., 26. U.S. DEPARTMENT OF DEFENSE. "Remarks by Secretary Esper at National Security Commission on Artificial Intelligence." Accessed May 17, 2020. <https://www.defense.gov/Newsroom/Transcripts/Transcript/Article/201960/remarks-by-secretary-esper-at-national-security-commission-on-artificial-intelligence/>.
- Roblin, Sebastien. "Chinese Drones Are Going to War All Over the Middle East and Africa." Text. The National Interest. The Center for the National Interest, September 29, 2019. <https://nationalinterest.org/blog/buzz/chinese-drones-are-going-war-all-over-middle-east-and-africa-74246>.
- Defense One. "SecDef: China Is Exporting Killer Robots to the Mideast." Accessed May 12, 2020. <https://www.defenseone.com/technology/2019/11/secdef-china-exporting-killer-robots-mideast/161100/>.
- Seligman, Lara. "Trump's Push to Boost Lethal Drone Exports Reaps Few Rewards." *Foreign Policy*

- (blog). Accessed May 15, 2020.  
<https://foreignpolicy.com/2018/12/06/trump-push-to-boost-lethal-drone-exports-reaps-few-rewards-uas-mtcr/>.
- Shao, Grace. “China, the World’s Second Largest Defense Spender, Becomes a Major Arms Exporter.” CNBC, September 27, 2019.  
<https://www.cnbc.com/2019/09/27/china-a-top-defense-spender-becomes-major-arms-exporter.html>.
- “SIPRI Arms Transfers Database - Methodology | SIPRI.” Accessed May 13, 2020.  
<https://www.sipri.org/databases/armstransfers/background>.
- StoriesAsia. “Why Has China Given Shelter to a Rebel Leader From India’s Northeast?” Accessed May 16, 2020.  
<https://thediplomat.com/2020/02/why-has-china-given-shelter-to-a-rebel-leader-from-indias-northeast/>.
- Turak, Natasha. “Pentagon Is Scrambling as China ‘sells the Hell out of’ Armed Drones to US Allies.” CNBC, February 21, 2019.  
<https://www.cnbc.com/2019/02/21/pentagon-is-scrambling-as-china-sells-the-hell-out-of-armed-drones-to-americas-allies.html>.
- Zero Hedge. “Visualizing The Global Weapons Trade.” Accessed May 17, 2020.  
<https://www.zerohedge.com/news/2017-01-29/visualizing-global-weapons-trade>.
- Washington, Jeremy Page in Beijing and Paul Sonne in. “Unable to Buy U.S. Military Drones, Allies Place Orders With China.” *Wall Street Journal*, July 17, 2017, sec. World.  
<https://www.wsj.com/articles/unable-to-buy-u-s-military-drones-allies-place-orders-with-china-1500301716>.
- “What Drives Chinese Arms Sales in Central Asia?” Accessed May 13, 2020.  
<https://thediplomat.com/2019/09/what-drives-chinese-arms-sales-in-central-asia/>.
- “What’s Behind China’s Big New Drone Deal?” Accessed May 17, 2020.  
<https://thediplomat.com/2017/04/whats-behind-chinas-big-new-drone-deal/>.
- “Whenever India Has Annoyed China, Beijing Has Aided Insurgents in North-East, Says Think-Tank Expert - India News.” Accessed May 16, 2020.  
<https://www.indiatoday.in/india/story/whenever-india-has-annoyed-china-beijing-has-aided-insurgents-in-north-east-says-think-tank-expert-1158182-2018-01-31>.
- “Why China’s Submarine Deal With Bangladesh Matters.” Accessed May 15, 2020.  
<https://thediplomat.com/2017/01/why-chinas-submarine-deal-with-bangladesh-matters/>.
- “With Burma in Mind, China Quietly Supports Wa Rebels | Voice of America - English.” Accessed May 16, 2020. <https://www.voanews.com/east-asia/burma-mind-china-quietly-supports-wa-rebels>.
- New America. “World of Drones.” Accessed May 12, 2020.  
<http://newamerica.org/international-security/reports/world-drones/>.
- The Myanmar Times. “Xi Says China Never Sells Weapons to Myanmar Armed Groups,” January 19, 2020.  
<https://www.mmmtimes.com/news/xi-says-china-never-sells-weapons-myanmar-armed-groups.html>.