

U.S.-China Economic and Security Review Commission

2013 Annual Report: China's Foreign Policy

Testimony of Carolyn Bartholomew

before the House of Representatives Armed Services Committee

November 20, 2013

Chairman McKeon, Ranking Member Smith, members of the Committee, thank you for the opportunity to testify today. The Commission in 2013 continued its ongoing examination of China's foreign policy and its emergence as a global power. The Commission focused in particular on China's policies in the Middle East and North Africa; it also discussed China's evolving relationships with two of its neighbors, North Korea and India.* Before I begin, I would like to remind the Committee that due to the dynamic nature of foreign affairs, some of the issues covered in the 2013 Annual Report have already seen developments that will not necessarily be captured in this testimony.

As China's global interests expand, Beijing is becoming increasingly assertive and active in its foreign affairs. This trend is apparent in the Middle East and North Africa, where China's ever-growing demand for energy imports has driven Beijing to pursue greater political and security involvement. Beijing's emergent influence in this part of the world has at times competed with or challenged U.S. strategic interests, particularly in Syria and Iran. As in other parts of the world, it remains to be seen whether China's stated interests in regional stability and peace will make a lasting, positive impact in the Middle East and North Africa. Given the United States' deep security interests in the region, China's developing role there presents geostrategic opportunities and challenges for U.S. diplomats, policymakers, and armed forces.

Similarly, China was newly assertive in its relations with India this year, which I discuss briefly below. And while China has recently taken steps to rein in North Korea after a series of provocative actions, it appears Beijing will continue to support the status quo on the Korean Peninsula. Given Pyongyang's aggressiveness toward the United States and its allies and its pursuit of weapons of mass destruction, this has significant implications for the United States.

China and the Middle East and North Africa (MENA)

In the past decade, China's trade and economic ties with MENA have grown substantially. Between 2003 and 2012, China-MENA annual trade increased more than twelvefold from \$20.8 billion to \$262.1 billion.¹ The region is an important export market for China, and in 2009, China overtook the United States to become the world's largest exporter to MENA.²

Energy security is the key driver of China's trade ties with MENA.³ In 2012 and the first eight months of 2013, the region accounted for about 54 percent of China's imported crude oil.⁴ Among the MENA producers, Saudi Arabia, Iran, Oman, and Iraq, respectively, exported the most oil to China in that period.⁵ Qatar and Yemen are China's third- and fifth-largest sources of liquefied natural gas (LNG), providing 18 percent and seven percent of China's LNG imports in 2011, respectively.⁶ China's reliance

* For additional information, see the Commission's 2013 Annual Report to Congress, particularly "China and the Middle East and North Africa" (chapter 3, section 1), and "Military and Security Year in Review" (chapter 2, section 1).

on energy flows from the region likely will continue to grow significantly.⁷ By 2035, China's oil imports from the region are estimated to reach 6.7 million barrels per day, up from 2.9 million barrels per day in 2011.⁸ In addition to imports, China's national oil companies (the state-owned "national champions" of China's energy sector) have invested heavily in energy companies and projects throughout the region.

China's burgeoning energy ties with Iraq are illustrative of the robust China-MENA energy nexus. Between 2008 and 2012, the value of Iraqi crude oil exports to China increased by almost 870 percent.⁹ Moreover, China is the largest foreign investor in Iraqi oilfields.¹⁰ China National Petroleum Corporation (CNPC), a Chinese national oil company, and British Petroleum are jointly developing Iraq's Rumaila field, which accounted for one-third of Iraqi oil production in 2012.¹¹ That year, Rumaila was CNPC's most productive overseas project and accounted for nearly half of the company's net overseas oil and gas production. CNPC is invested in two other Iraqi oilfields,¹² and its listed subsidiary PetroChina is in talks to become an investor in a \$50 billion Exxon Mobil-operated project to develop one of Iraq's largest oilfields, West Qurna-1.¹³

As China almost certainly will become more dependent on energy flows from MENA, the Commission expects Beijing will increasingly augment its economic ties in the region with stronger political and security engagement in an effort to protect and enhance its energy security interests. The Commission also found that China, in an effort to protect its interests, may be more willing to challenge U.S. influence and policy objectives in MENA. Historically, China has avoided directly opposing U.S. power in the region, content to "free ride" on the U.S. security presence there. In recent years, however, Beijing appears increasingly willing to take positions on important regional issues that directly oppose or undermine U.S. interests and objectives.

This is clearly the case with Syria. Despite its emphasis on neutrality and peaceful resolution in public statements, China's position has protected the Assad regime and prevented necessary international measures to promote the peaceful resolution of the conflict. China repeatedly has used its veto power to prevent the UN Security Council (and other UN bodies) from singling out, blaming, or imposing sanctions on the Syrian government.¹⁴ * China, along with Russia, also has opposed any military action, even in support of humanitarian efforts, in Syria.¹⁵

Likely in response to widespread criticism of its Syria policy,[†] Beijing has in recent weeks and months sought to be perceived as less supportive of Assad and more helpful in bringing about a solution to the conflict. China has made occasional efforts to reach out to the Syrian opposition;¹⁶ has called for talks between the regime and the opposition in Geneva;¹⁷ and has supported efforts to eliminate chemical

* China has vetoed three UN Security Council resolutions to take action against President Assad and exercised three "no" votes to punish President Assad in the UN General Assembly and UN Human Rights Council. I-wei Jennifer Chang, "China's Evolving Stance on Syria," *Middle East Institute*, February 18, 2013. <http://www.themiddleeastinstitute.org/content/chinas-evolving-stance-syria>; United Nations General Assembly, "General Assembly Adopts Text Condemning Violence in Syria, Demanding that all Sides End Hostilities," (New York, NY: May 15, 2013). <http://www.un.org/News/Press/docs/2013/ga11372.doc.htm>.

† Then U.S. Ambassador to the UN Susan Rice in February 2012 said the United States was "disgusted" by China's (and Russia's) vetoes of otherwise unanimous UN Security Council resolutions on Syria and remarked that the UN's mission was being "held hostage" by China and Russia. Even the MENA countries, which generally hold favorable views of China, have issued harsh criticisms of Beijing's position. Luis Martinez, "US 'Disgusted' by China, Russia Veto of UN Resolution to End Violence in Syria," *ABC News*, February 4, 2012. <http://abcnews.go.com/blogs/politics/2012/02/us-disgusted-by-russia-china-veto-of-un-resolution-to-end-violence-in-syria/>; U.S.-China Economic and Security Review Commission, *Hearing on China and the Middle East*, written testimony of Dawn Murphy, June 6, 2013.

weapons from the country, contributing experts to the Organization for the Prohibition of Chemical Weapons to help verify and destroy chemical weapons.¹⁸

These recent efforts notwithstanding, China's fundamental position on the conflict has not changed. Despite the worsening humanitarian situation in Syria, China appears to judge that the benefits of continuing to shield and enable the Assad regime outweigh the potential costs of supporting international action to undermine the regime.

Another problematic element of China's MENA engagement is Beijing's continued ties with and support for Iran.* The multiple facets of this relationship - including energy ties, arms and dual-use technology sales, and diplomatic support - have enabled Tehran's destabilizing policies and damaged U.S.-China relations and China's international reputation. However, Beijing appears to judge these consequences are worth the energy security benefits gained from continued cooperation with Iran.

Energy interests are a primary driver of the Sino-Iranian relationship. China is Iran's top crude oil customer, and about eight percent of China's oil imports (by volume) were from Iran in the period from January 2012 to August 2013.¹⁹ Iran was China's third-largest supplier of crude oil globally for much of the 2000s, but in 2012 and in the first eight months of 2013 Iranian exports to China dropped, likely due to U.S. sanctions on Iran's energy sector and a pricing dispute between Chinese oil trader Unipecc and the National Iranian Oil Company in 2012.²⁰

Although China has calibrated its trade to levels it judges will keep Iran from becoming a flashpoint in U.S.-China relations, China has not halted its energy trade with Iran despite U.S. sanctions, probably because Beijing views steady access to oil as essential to its continued economic growth. Instead, Beijing maximizes its economic leverage over Tehran to secure advantageous oil trade deals, then seeks exemptions from or exploits loopholes in the sanctions to ensure steady access to energy.† For example, China in 2013 apparently began to exploit a loophole in U.S. sanctions by dramatically increasing its fuel oil imports from Iran, which are not technically covered by U.S. sanctions. According to the *Wall Street Journal*, China in the first seven months of 2013 imported \$495 million worth of Iranian fuel oil, compared to \$1 million in 2012. While fuel oil is less valuable and more difficult to refine than crude oil,

* Commission publications on China and Iran from 2011 to 2013 include Marybeth Davis et al., *China-Iran: A Limited Partnership* (Washington, DC: CENTRA Technology, Inc. for the U.S.-China Economic and Security Review Commission, April 2013). <http://origin.www.uscc.gov/sites/default/files/Research/China-Iran--A%20Limited%20Partnership.pdf>; U.S.-China Economic and Security Review Commission, *2012 Annual Report to Congress* (Washington, DC: U.S. Government Printing Office, 2012), pp. 334-336; and U.S.-China Economic and Security Review Commission, *2011 Annual Report to Congress* (Washington, DC: U.S. Government Printing Office, 2011), pp. 252-260.

† Since January 2012, the U.S. Department of State has consistently exempted China on a biannual basis from sanctions on foreign countries importing crude oil from Iran because, although China had continued to import crude oil from Iran, the State Department judged China had "significantly reduced" those imports. The Department of State is scheduled to announce the next round of exemptions in December 2013. U.S.-China Economic and Security Review Commission, *2012 Annual Report to Congress* (Washington, DC: U.S. Government Printing Office, 2012), pp. 335-336; U.S.-China Economic and Security Review Commission, *Hearing on China and the Middle East*, written testimony of Erica Downs, June 6, 2013; Keith Johnson, "Beijing Gets a Pass on Iran Sanctions," *Wall Street Journal*, June 5, 2013; Gabe Collins, "Chinese Oil Traders Will be Big Winners From EU Oil Embargo Against Iran," *China Oil Trader* 5 (June 2012). <http://www.chinaoiltrader.com/?p=112>; and Marybeth Davis et al., *China-Iran: A Limited Partnership* (Washington, DC: CENTRA Technology, Inc. for the U.S.-China Economic and Security Review Commission, April 2013). <http://origin.www.uscc.gov/sites/default/files/Research/China-Iran--A%20Limited%20Partnership.pdf>.

Chinese oil companies appear to have imported large amounts at discounted rates from Iran, enabling China to partially compensate for its reduction in crude oil imports.^{21*}

Concerns persist about the role of China in proliferation of weapons to Iran. In the past, China sold tactical ballistic and antiship cruise missiles to Iran. More recently, open source reporting indicates China continues to provide support to Iran's advanced conventional weapons programs. A 2011 report by the U.S. Director of National Intelligence notes that "Chinese entities – including private and state-owned firms – continue to engage in weapons of mass destruction related proliferation activities ... Chinese entities continue to supply a variety of missile-related items to multiple customers, including Iran, Syria, and Pakistan."²² Since 2009, the United States has sanctioned six Chinese entities for missile or weapons proliferation to Iran.²³

China also assisted Iran in the development of its civilian – and perhaps military - nuclear program. Much of this assistance, including uranium enrichment, has military applications. While Beijing insists it has not provided assistance to Iran's nuclear program since 1997, open source reporting suggests that Chinese assistance continued to augment Iran's nuclear programs well into the 2000s.²⁴ As recently as this February, an Iranian company reportedly sought to transit 100,000 magnets through China to Iran for use in uranium enrichment centrifuges.²⁵

When Chinese companies have sold or attempted to sell arms or dual-use technologies to Iran, it is unclear whether the Chinese government directs, condones, is merely aware or, is ignorant of continuing proliferation efforts. In any case, the Chinese government's enforcement of export controls appears insufficient.

On a related note, Beijing does not appear to judge Iran's nuclear program as a serious threat to Chinese economic or security interests or to security in MENA.²⁶ Joel Wuthnow, researcher at CNA China Studies, testified to the Commission, "Although some Chinese analysts accept the premise that an Iranian nuclear weapon might spark a regional arms race, few have publicly discussed whether and how such an outcome may damage Chinese interests."²⁷ However, as China's presence and influence in the region grows, Dr. Wuthnow suggested Middle Eastern countries and the United States may find opportunities to persuade China that Iran's behavior poses a risk to "regional security, and thus to China's own interests in Iran and the region."²⁸

In addition to its involvement in the Iranian energy and weapons manufacturing industries, China also likely supports Tehran in an effort to ensure the United States does not enjoy unchecked power and influence in the Middle East.²⁹ According to a report by CENTRA Technology, Inc. prepared for the Commission this year on Sino-Iranian relations, "China has used its relations with Iran to balance against U.S. interests and what it sees as hegemonic policies in the Middle East."³⁰

China's growing interest in MENA manifests in several other ways. First, China has participated in counterpiracy and peacekeeping operations in the region. Second, China has taken a heightened interest in the Middle East peace process, which Beijing views as central to stability and security in the region. Earlier this year, Chinese President Xi Jinping articulated a Chinese proposal for peace between the Israelis and Palestinians, demonstrating that China's top leaders have an interest in the resolution of the conflict. Beijing has yet to take on an active mediation role, however. Third, this year, the U.S.

* In July 2013, the U.S. House of Representatives passed H.R. 850 ("Nuclear Iran Prevention Act of 2013"), a bill that would, among other things, require countries to reduce their fuel oil as well as crude oil imports in order to qualify for the State Department's exemption from sanctions. Wayne Ma and Tennille Tracy, "Sanctions Gap Allows China to Import Iranian Oil," *Wall Street Journal*, August 21, 2013. <http://online.wsj.com/article/SB10001424127887324619504579026333611696094.html>.

departments of State and Defense and the Chinese Ministry of Foreign Affairs convened the first Middle East Dialogue as part of the annual U.S.-China Strategic and Economic Dialogue. Ideally, this new Dialogue will enable U.S. and Chinese policymakers find common interests in the region and facilitate cooperation in areas of mutual concern.

The Commission's research and hearing on China and MENA informs the following recommendations:

- Congress work with the departments of State, Commerce, and the Treasury to utilize the full range of incentives and disincentives to encourage China to reduce its ties with Iran, including exploring conditioning Chinese energy companies' future investments in the United States on limiting commercial ties with Iran.
- Congress urge the Department of State to elevate the U.S.-China Middle East Dialogue to include an annual meeting at the Cabinet level and to increase meetings at the undersecretary level from once to twice per year.
- Congress direct the Administration to provide a report to Congress on China's enforcement of its export controls, to include an assessment of the level of scrutiny the Chinese government applies to end users in transfers that are of proliferation concern.
- Congress consider the merits of including fuel oil purchases in the current sanctions regime prohibiting countries from purchasing crude oil from Iran.
- Congress support efforts by the Department of Defense to strengthen cooperation with China on counterpiracy in the Gulf of Aden and elsewhere.

China and North Korea

As the Commission discussed in its previous reports, China for decades has provided North Korea with economic and political support and shielded Pyongyang from harsh punishment by the international community for its destabilizing rhetoric and activities.³¹ While Beijing appeared increasingly dissatisfied with Pyongyang after a series of North Korean provocations in the past year (including its December 2012 long-range rocket launch and February 2013 nuclear test), the Commission assesses Beijing is not likely to significantly alter its North Korea strategy and will continue to offer economic and political incentives for Pyongyang to refrain from major provocations and engage in multilateral diplomacy.*

The most notable development in China's North Korea policy this year was the Chinese government's September release of a new 236-page list of technologies and materials to be banned from export to North Korea.³² The list focuses on dual-use items that could be used to produce weapons of mass destruction or ballistic missiles. However, according to the Nautilus Institute, "nothing indicates that by issuing tighter controls, China is fundamentally changing its policy toward North Korea, let alone abandoning it ... The degree to which China enforces the prohibition of trade in items on this list will mostly determine the success of the program."³³

* Other analysts, however, suggest China's policy toward North Korea might be undergoing a subtle shift. These analysts cite Beijing's stronger and higher-level public signals of its frustration with Pyongyang. Chinese President Xi Jinping himself appeared to indirectly criticize North Korea in an April speech when he said, "No one should be allowed to throw a region and even the whole world into chaos for selfish gains." William Wan, "Chinese President Xi Jinping expresses concern over North Korea's rhetoric," *Washington Post*, April 7, 2013. http://articles.washingtonpost.com/2013-04-07/world/38354043_1_south-china-sea-schumer-united-nations;

China and India

Sino-Indian tensions flared in early 2013, underlining the simmering mutual distrust that continues to plague the relationship, particularly regarding the contested border. In April, New Delhi claimed a contingent of 30 to 50 People's Liberation Army (PLA) soldiers crossed the China-India border about 12 miles beyond the Line of Actual Control* and stayed there for three weeks.† Beijing denied Chinese troops had crossed into Indian territory.

Beijing and New Delhi resolved the border impasse in May after a series of talks and agreed to develop a formal mechanism to build trust and confidence between the border troops. The agreement was signed during the Indian prime minister's trip to China in October 2013.³⁴

Nevertheless, the potential for periodic low-level confrontations between border patrols to escalate likely will persist. Indian media have reported several additional albeit briefer incursions by Chinese troops since the April standoff. Furthermore, both China and India continue to boost their militaries' capabilities on the border, adding to mutual suspicion. This has left both sides sensitive to each other's border activities and disposed toward worst-case perceptions of the other sides' intentions and activities. Ely Ratner and Alexander Sullivan of the Center for a New American Security warn: "More intense strategic competition between India and China would reverberate throughout the continent, exacerbating tensions in Central Asia, the Indian Ocean, and Southeast Asia. Disruptions to the Asian engine of economic growth caused by these tensions could debilitate the global economy."³⁵

Conclusion

In its ongoing examination of China's foreign policy, the Commission assesses that China increasingly is asserting itself on the global stage to protect more actively Beijing's interests. This trend is reflected in recent statements by China's top leaders. In late October, President Xi Jinping insisted that China "be more active in blueprinting diplomatic strategy and undertaking diplomatic work."³⁶ Chinese State Councilor Yang Jiechi, China's senior foreign policy official, in early November delivered a speech on China's foreign policy in which he remarked, "China's future and destiny are closely connected with those of the world ... Developments and changes at home and abroad have put forward new, higher requirements for China's diplomacy which now stands at a new historic starting point."³⁷

The impact of China gradually taking on a more assertive global role will be significant. In particular, Beijing may become more willing to use its increasing political and economic clout to more openly impose a higher cost on countries whose actions and policies challenge China's interests. This trend has significant implications for the United States, particularly if China's foreign policies undermine or challenge America's.

Thank you for the opportunity to testify. I look forward to your questions.

* The Line of Actual Control is the effective border between China and India. The 2,400 mile-long Line of Actual Control traverses the Aksai Chin, the northern part of the Sikkim State, and crosses the McMahon Line in Arunachal Pradesh State.

† According to New Delhi, PLA soldiers frequently conduct border incursions (more than 600 times over the last three years) but do not usually cross more than a few miles over the Line of Actual Control nor stay there longer than several hours. *Economist*, "India and China: Parsnips Unbattered," May 25, 2013. <http://www.economist.com/news/asia/21578412-flowery-rhetoric-fails-hide-difficulties-bilateral-relationship-parasnips-unbattered>; Open Source Center, *Summary: India Protests PRC Troop 'Intrusion'* (Washington, DC: April 23, 2013). OSC ID: FEA20130423030877. <http://www.opensource.gov>.

-
- ¹ China National Bureau of Statistics, via CEIC Database. <http://www.ceicdata.com/en>.
- ² Al-Masrah Capital Limited, *China and India's Growing Influence in the MENA Region: Their Legacy and Future Footprint* (Dubai, United Arab Emirates: April 2011), p. 4. http://ae.zawya.com/researchreports/p_2010_07_22_09_20_27/20101219_p_2010_07_22_09_20_27_092416.pdf.
- ³ MergerMarket, *The New Silk Road: Investing in and venturing with Middle Eastern companies* (Hong Kong: Latham & Watkins, 2012), p. 8; Jon B. Alterman, *China's Balancing Act in the Gulf* (Washington, DC: Center for Strategic and International Studies, August 2013), pp. 1, 3, 4. https://csis.org/files/publication/130821_Alterman_ChinaGulf_Web.pdf; Abdulaziz Sager, "GCC-China Relations: Looking Beyond Oil – Risks and Rewards," in *China's Growing Role in the Middle East* (Washington, DC: Nixon Center, 2010), p. 2; Zhao Hongtu, "China's Energy Interest and Security in the Middle East," in *China's Growing Role in the Middle East* (Washington, DC: Nixon Center, 2010), p. 58; and Dawn Murphy, *Rising Revisionist? China's Relations with the Middle East and Sub-Saharan Africa in the post-Cold War Era* (Washington, DC: George Washington University, 2012), pp. 103-108.
- ⁴ China National Bureau of Statistics, via CEIC Database. <http://www.ceicdata.com/en>.
- ⁵ China National Bureau of Statistics, via CEIC Database. <http://www.ceicdata.com/en>.
- ⁶ U.S. Energy Information Administration, "Analysis: China," April 22, 2013. <http://www.eia.gov/countries/cab.cfm?fips=CH>.
- ⁷ International Energy Agency, "World Energy Outlook 2012: Presentation to the Press" (London, United Kingdom: November 12, 2012), slide 6. <http://www.slideshare.net/internationalenergyagency/world-energy-outlook-2012-presentation-to-press>; Christopher Johnson, "China oil imports to take over U.S. by 2017: WoodMac," Reuters, August 20, 2013. <http://www.reuters.com/article/2013/08/20/us-china-oil-idUSBRE97JOB20130820>.
- ⁸ U.S.-China Economic and Security Review Commission, *Hearing on China and the Middle East*, written testimony of Erica Downs, June 6, 2013.
- ⁹ China National Bureau of Statistics, via CEIC Database. <http://www.ceicdata.com/en>.
- ¹⁰ Charlie Zhu and Peg Mackey, "UPDATE 1 – China, Indonesia to join Exxon at giant Iraq oilfield," Reuters, August 22, 2013. <http://www.reuters.com/article/2013/08/22/etrochina-iraq-idUSLAN0GN29G20130822>.
- ¹¹ U.S.-China Economic and Security Review Commission, *Hearing on China and the Middle East*, written testimony of Erica Downs, June 6, 2013.
- ¹² U.S.-China Economic and Security Review Commission, *Hearing on China and the Middle East*, written testimony of Erica Downs, June 6, 2013.
- ¹³ Charlie Zhu and Peg Mackey, "UPDATE 1 – China, Indonesia to join Exxon at giant Iraq oilfield," Reuters, August 22, 2013. <http://www.reuters.com/article/2013/08/22/etrochina-iraq-idUSLAN0GN29G20130822>.
- ¹⁴ Michael Swaine, "Chinese Views of the Syrian Conflict," *China Leadership Monitor* 39 (Fall 2012): 3. http://carnegieendowment.org/files/Swaine_CLM_39_091312_2.pdf.
- ¹⁵ Michael Swaine, "Chinese Views of the Syrian Conflict," *China Leadership Monitor* 39 (Fall 2012): 2. http://carnegieendowment.org/files/Swaine_CLM_39_091312_2.pdf.
- ¹⁶ Joel Wuthnow, "China as a Swing State on Syria," *US-China Focus*, October 8, 2013. <http://www.chinausfocus.com/peace-security/china-as-a-swing-state-on-syria/>.
- ¹⁷ Xinhua, "China calls for early peace conference on Syria," November 5, 2013. http://www.china.org.cn/world/syria_situation/2013-11/05/content_30499472.htm.
- ¹⁸ Xinhua, "Chinese experts to join Syria weapons mission," November 4, 2013. <http://english.people.com.cn/90786/8445516.html>.
- ¹⁹ China National Bureau of Statistics, via CEIC Database. <http://www.ceicdata.com/en>.
- ²⁰ Florence Tan, "Update 4—China Buys Russia, Vietnam oil as Iran supply cut," Reuters, January 3, 2012. <http://www.reuters.com/article/2012/01/03/russiacrude-china-idUSL3E8C31W120120103>; Erica Downs, "China-Gulf Energy Relations," in Bryce Wakefield and Susan L. Levenstein, eds., *China and the Persian Gulf: Implications for the United States* (Washington, DC: Woodrow Wilson International Center for Scholars, 2011), p. 68. http://www.wilsoncenter.org/sites/default/files/ASIA%20Program_China%20and%20the%20PG.pdf.
- ²¹ Wayne Ma and Tennille Tracy, "Sanctions Gap Allows China to Import Iranian Oil," *Wall Street Journal*, August 21, 2013. <http://online.wsj.com/article/SB10001424127887324619504579026333611696094.html>.
- ²² James R. Clapper, *Unclassified Statement for the Record on the Worldwide Threat Assessment of the U.S. Intelligence Community for the Senate Select Committee on Intelligence*, January 31, 2012. <http://www.intelligence.senate.gov/120131/clapper.pdf>.

-
- ²³ Shirley A. Kan, *China and Proliferation of Weapons of Mass Destruction and Missiles: Issues for Congress* (Washington, DC: Congressional Research Service, March 2013), pp. 18-19, 69-70. <http://www.fas.org/sgp/crs/nuke/RL31555.pdf>.
- ²⁴ Shirley A. Kan, *China and Proliferation of Weapons of Mass Destruction and Missiles: Issues for Congress* (Washington, DC: Congressional Research Service, March 2013), p. 7. <http://www.fas.org/sgp/crs/nuke/RL31555.pdf>.
- ²⁵ Agence France-Presse, "Iran Using China to Smuggle Nuclear Material? David Albright's ISIS Report Raises Concerns," February 14, 2013. http://www.huffingtonpost.com/2013/02/14/iran-china-nuclear-smuggling_n_2689266.html?utm_hp_ref=world.
- ²⁶ U.S.-China Economic and Security Review Commission, *Hearing on China and the Middle East*, written testimony of Joel Wuthnow, June 6, 2013.
- ²⁷ U.S.-China Economic and Security Review Commission, *Hearing on China and the Middle East*, written testimony of Joel Wuthnow, June 6, 2013.
- ²⁸ U.S.-China Economic and Security Review Commission, *Hearing on China and the Middle East*, written testimony of Joel Wuthnow, June 6, 2013.
- ²⁹ Scott Harold and Alireza Nader, *China and Iran: Economic, Political, and Military Relations* (Santa Monica, CA: RAND Corporation, 2012), p. 2. http://www.rand.org/content/dam/rand/pubs/occasional_papers/2012/RAND_OP351.pdf; Marybeth Davis et al., *China-Iran: A Limited Partnership* (Washington, DC: CENTRA Technology, Inc. for the U.S.-China Economic and Security Review Commission, April 2013), pp. 7, 33. <http://origin.www.uscc.gov/sites/default/files/Research/China-Iran--A%20Limited%20Partnership.pdf>.
- ³⁰ Marybeth Davis et al., *China-Iran: A Limited Partnership* (Washington, DC: CENTRA Technology, Inc. for the U.S.-China Economic and Security Review Commission, April 2013), p. 7. <http://origin.www.uscc.gov/sites/default/files/Research/China-Iran--A%20Limited%20Partnership.pdf>.
- ³¹ U.S.-China Economic and Security Review Commission, *2012 Annual Report to Congress* (Washington, DC: U.S. Government Printing Office, November 2012), p. 11.
- ³² Jane Perlez, "China Bans Items for Export to North Korea, Fearing Their Use in Weapons," *New York Times*, September 24, 2013. <http://www.nytimes.com/2013/09/25/world/asia/china-bans-certain-north-korean-exports-for-fear-of-weapons-use.html>.
- ³³ Roger Cavazos, Peter Hayes, and David von Hippel, "Technical Bulletin #59 on Prohibition of Dual Use Exports to North Korea," Nautilus Institute for Security and Sustainability, September 26, 2013. <http://nautilus.org/napsnet/napsnet-special-reports/technical-bulletin-59-on-prohibition-of-dual-use-exports-to-north-korea/#axzz2h4TEY8ZL>.
- ³⁴ Vivek Raghuvanshi, "India Sends Draft Border Cooperation Agreement to China," *Defense News*, August 20, 2013. <http://www.defensenews.com/article/20130820/DEFREG03/308200026/India-Sends-Draft-Border-Cooperation-Agreement-China>.
- ³⁵ Ely Ratner and Alexander Sullivan, "The Most Dangerous Border in the World: Why is China picking a fight with India?" *Foreign Policy*, May 4, 2013. http://www.foreignpolicy.com/articles/2013/05/03/china_india_most_dangerous_border?page=0,0.
- ³⁶ Xinhua, "Xi Jinping: China to further relations with neighboring countries," October 26, 2013. http://news.xinhuanet.com/english/china/2013-10/26/c_125601680.htm?utm_source=The+Sinocism+China+Newsletter&utm_campaign=abc8d0f38e-Sinocism10_28_13&utm_medium=email&utm_term=0_171f237867-abc8d0f38e-24564729.
- ³⁷ Yang Jiechi, "China's Diplomacy at a New Historic Starting Point," 21st Century Council Beijing Conference, Beijing, China, November 2, 2013. <http://np.china-embassy.org/eng/zgwj/t1095554.htm>.