

China-Israel Relations

~~(S/NF/WN/NC)~~ China's desire to acquire, exploit, and coproduce advanced foreign technology for the modernization of its military has fostered a significant, substantive military relationship with Israel. Israel has transferred covertly a wide range of battle-tested weapons, equipment, and technology that have helped to alleviate a number of China's most critical military deficiencies.

- o ~~(S/NF/WN/NC)~~ The motivation to do so, despite the lack of any official relationship, derives from the interrelated imperatives of China's economic and military modernization needs, Beijing's willingness to pay cash for selected military technology, and Israel's economic difficulties.
- o ~~(S/NF/WN/NC)~~ Israeli assistance centers in five major defense areas. These are:
  - o Chinese production of 850 Python air-to-air missiles;
  - o Tank improvements including the 105-mm gun, improved armor, and a fire control system;
  - o Chinese production of the Uzi machine pistol;
  - o Rocket motor and propellant assistance for China's M-9 short-range ballistic missile; and
  - o Direct assistance in developing China's next generation F-9 fighter aircraft, based upon LAVI technology. (Israeli technicians are currently in China integrating LAVI radar, propulsion, and fire control technologies with Chinese systems.)

- o ~~(S/NF/NOINTEL/NOCONTRACT)~~ Since 1983, agreements totaling at least \$1.3 billion have been signed, making China Israel's best military sales customer. Total Israeli sales to non-United States recipients for the period amount to almost \$2 billion. There is no evidence that China's sale of CSS-2 Intermediate Range Ballistic Missiles to Saudi Arabia, which may have involved Israeli-provided technology, was discussed in advance with Israel or has affected Israel's willingness to continue sales.

~~(S/NF/NOINTEL/NOCONTRACT)~~ China remains impatient with the Western technology transfer bureaucracy. This impatience, combined with Israeli circumspection and economic imperatives, willingness to transfer sophisticated military technology, and experience with upgrading Soviet weapon systems, will sustain Sino-Israeli collaboration on projects of mutual interest.

- o ~~(S/NF)~~ Ultimately, Israel would like to establish full diplomatic ties with Beijing and has scaled down its defense cooperation with Taiwan. For its part, China has muted its criticisms of some Israeli policies and allowed Israeli nationals to participate in conferences in China. However, Beijing shows no inclination even to discuss formal ties at this time.
- o ~~(S/NF)~~ Beijing remains very sensitive to any inquiries concerning its relationship with Israel and will avoid any open ties until Arab-Israeli relations improve.