



U.S.-CHINA ECONOMIC AND SECURITY
REVIEW COMMISSION

Hearing on the “China-Europe Relationship and Transatlantic Implications”

Opening Statement of Commissioner Daniel Blumenthal

April 19, 2012

Washington, DC

Thank you, Commissioner Bartholomew, and good morning.

Next month, NATO will hold its 25th Annual Summit in Chicago. The summit will focus on three themes, one of which is the strengthening of NATO’s network of partners around the world. China currently is not one of these partners, but the upcoming summit will likely explore the possibility of enhancing NATO’s cooperation with China. This possibility makes today’s discussion of Sino-European security ties particularly timely.

Chinese cooperation with European actors on global security matters like anti-piracy, peacekeeping operations, and counter-terrorism helps to promote U.S. objectives of peace and stability in the global commons. The United States welcomes such cooperation and supports China’s will to be a responsible stakeholder in global security.

There are, however, reasons to be wary of enhanced European or NATO security cooperation with China. Not least of these reasons is the recent social media infiltration in which Chinese cyber-spies were thought to have set up fake Facebook accounts for NATO’s most senior military commander in an effort to glean personal information about him from his colleagues, friends and family. Enhancing the NATO-China relationship to a military-to-military partnership also poses the risk that sensitive NATO intelligence and defense technologies will flow to China.

In addition to examining the NATO-China relationship, this hearing will examine the nature and significance of European defense and dual-use exports to China. Even with the European arms embargo, European defense and dual-use sales to China are estimated to be in the hundreds of millions of dollars annually. Some European defense scholars have asserted that EU engagement with China in the military sphere has contributed significantly to the modernization of Chinese naval forces.

Today, we will examine these issues and attempt to discern what implications they have for the United States and the future of U.S. ties across both the Atlantic and the Pacific.

Now, I'd like to welcome our excellent witnesses to today's hearing. These experts will offer unique insights into our questions and we thank them for their time and dedication. In particular, we are pleased to welcome Congressman Dana Rohrabacher from California, who has taken time out of his busy schedule to join us today.

We regret that although the Commission extended invitations to offices in the Department of Defense, the Department of State, and the Department of the Treasury to provide their views on these important issues, all declined to testify.