

THE POLITICS OF AMERICAN CHINA POLICY
THE CLINTON ADMINISTRATION'S CHINA POLICY
DURING ITS FIRST TERM OF OFFICE

by

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SYNOPSIS

This thesis examines the formulation and implementation of US policy towards China during the Clinton Administration's first term of office. Its central contention is that the Clinton Administration's China policy-making process was founded on largely on domestic political calculations, to the detriment of America's long term broad strategic interests in the People's Republic. This is exemplified by his advocacy, implementation, and eventual abandonment, of a strategy of linkage toward China. This thesis contends that President Clinton's preoccupation with domestic political calculations led to three major flaws in his Administration's China policy-making process. Firstly, it led to a failure to define a hierarchy of US priorities in China. Secondly, it led to a failure to articulate a coherent framework for US China relations to either the Chinese or domestic American audiences. Thirdly, Clinton failed to commit himself to, or provide leadership on, China policy except in the event of a political crisis. Accordingly, these flaws encouraged splits within the Administration whereby different agencies pursued their own agendas with Beijing. As a result, the Clinton Administration's China policy appeared confused, incoherent and discordant. This served to undermine both the US strategic relationship with Beijing, and domestic legitimacy for US China policy.

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INTRODUCTION

This thesis examines the policy-making factors and motivations behind the Clinton Administration's adoption of a strategy of linkage in its policy towards China in May 1993, and subsequent policy formulations and implementation through its first term of office 1993-1996. Specifically, the thesis considers the bureaucratic and philosophical issues that interacted and produced a China policy predicated on domestic political factors, rather than bilateral strategic factors through this period. The formulation of China policy, like US foreign policy in general, requires the balancing of two perspectives. Firstly, policy-makers must assess and define a vision and hierarchy of US interests in China. In other words, they must define a long-term strategic framework for US relations towards the People's Republic of China (PRC). Secondly, policy-makers must consider the domestic political environment to China policy, and seek domestic legitimacy. Domestic approval helps to underline US credibility in China and bolsters Washington's bargaining power with Beijing, by presenting an 'American' China policy. Further, domestic legitimacy affords the president greater flexibility and trust in the conduct of US relations with China.

President Clinton was the first president to be elected into a fundamentally post-Cold War environment in which the framework of US-China relations had altered radically. During the Cold War, the Sino-American relationship had been based on

mutual geo-strategic interests, recognised by the 'strategic triangle' that existed between the US, China and the Soviet Union. However, from the mid 1980s and into the post-Cold War period, US-China relations embraced a far more bilateral character, driven by its own dynamics. Foreign policy officials and analysts came to identify relations with Beijing as one of the most important challenges facing US foreign policy. This highlights the importance of effective China policy-making. It also demonstrates the negative implications of a Clinton Administration China policy motivated by domestic political factors rather than bilateral strategic factors.

During the Cold War, China's importance to the Washington lay in its value to US strategic interests. Following a debate on China that gathered momentum through the 1950s and 1960s, policy-makers were persuaded that the development of diplomatic ties with the PRC served US interests more than the existing stance of antipathy towards and isolation of Beijing. Thus the strategy of engagement with China was born, and it became entrenched as the Nixon Administration and subsequent Administrations pursued the development of bilateral governmental ties. During most of the Cold War period, the US had little interest in China other than its value to US Pacific and global strategic interests. Indeed Americans knew very little about the PRC. With a few exceptions, the development of governmental ties with Beijing ran parallel to US domestic political attitudes towards China and China policy from the mid to late 1960s to the late 1980s.

From the mid 1980s the nature of US-China relations began

to change. The gradual emergence of détente, and the strategic views of leading Reagan foreign policy-makers diminished the perceived strategic importance of China to the US. However, US-China relations adopted a more bilateral character, driven by economics and trade. It is also important to acknowledge that military to military ties were at the forefront of this expanding bilateral relationship. Bilateral ties such as these fuelled the view that relations with China contained their own importance and dynamics, outside the geo-strategic context.

As a result, the nature of engagement with the PRC altered. Both direct governmental and non-governmental contacts increased, as did the range of US interests in China. Many more non-governmental actors, such as the business community, developed stakes in the design and implementation of China policy, and lobbied the Reagan Administration accordingly. Growing awareness and knowledge of China resulting from America's growing participation in its development had an impact upon the strategy of engagement. It reinforced efforts to investigate and develop areas of mutual interest and cooperation. However, it also highlighted areas of dispute, such as China's proliferation of weapons of mass destruction and its treatment of Tibet. Thus engagement increasingly became an avenue through which bilateral disagreements could be resolved, through diplomacy and negotiation. The Reagan Administration and early Bush Administration were forced to take greater account of propagation of domestic views on China in their formulation of China policy. However, by 1988 prevailing opinion regarded US-China relations to be in an

unprecedented state of health.

America's relationship with and engagement of the PRC was fundamentally challenged with the Tiananmen repression of June 1989. Prior to Tiananmen, China had been the leading example and inspiration for the transition from authoritarianism to liberal market economics, and it was anticipated, democracy. Tiananmen transformed China in the eyes of America into an oppressive pariah. The great majority in the US regarded the Tiananmen repression as an attack on American and universal normative values, and demanded an appropriate response from the Bush Administration. President Bush indeed led international condemnation of Tiananmen, and ensured that the US was the first country to impose punitive sanctions. However, he defended and pursued the strategy of engagement with Beijing as a means of promoting improvements both in China's conduct and in US-PRC relations over the long term. This stance drew intense domestic criticism as China, far from showing contrition, actually grew ever more defiant. Thus the President Bush's adherence to engagement came under increasing attack from members of the foreign policy community, lobby groups and in particular, the Democrat-controlled Congress. The domestic political consensus that had endured almost twenty years of US-PRC relations had collapsed.

The collapse in consensus was accompanied by the politicisation of China policy, and in particular the annual renewal of China's Most-Favoured-Nation (MFN) trading status. Democrats in Congress assailed Bush's China policy both for genuine philosophical reasons (on which they were joined by

many Republicans) and for political partisan reasons. Central to these assaults were Congressional attempts to seize the initiative on US China policy by imposing a strategy of linkage, whereby conditions would be attached to the renewal of China's MFN status.

Democrats in Congress achieved some success in portraying Bush as a president who placed his personal relationships with repressive Chinese leaders above human rights and democracy. Clinton recognised the political value of this tactic, and coopted it as part of his campaign for the 1992 presidential election.

In effect, Clinton adopted and advocated a strategy of linkage for China policy for domestic political reasons. Given Clinton's success in the election the implications for China policy were huge. Clinton's mandate for China altered the rationale for US relations with the PRC from broad and open engagement, to a linkage strategy that deferred the critical and valuable economic and trading aspect of bilateral relations to perhaps equally valuable human rights progress in the PRC.

Despite the potentially enormous implications of this mandate, Clinton identified three objectives for China policy founded on domestic political calculations. These were adherence to his campaign pledges and the concomitant implementation of linkage, the forging of consensus with Congress on China policy, and the determination to retain presidential flexibility in the conduct of China policy. While consensus with Congress provided China policy with the benefits of domestic political legitimacy, Clinton had other

motivations. The president had far higher priorities on his agenda, including domestic concerns such as economic revitalisation, the budget, healthcare and education. Clinton wanted to prevent the kind of political inter-branch clashes endured by the previous Administration from impacting upon his real priorities. Further, he wished to delegate a consensual China policy to government officials leaving him free to concentrate on other issues.

President Clinton clearly placed domestic political imperatives above bilateral strategic imperatives in the formulation of his China policy through 1993-94 and indeed throughout his first term of office. This essential imbalance was reinforced by critical flaws in the Administration's China policy-making process, caused by Clinton's political orientation. These flaws were threefold. Firstly, Clinton failed to define a long term vision of China policy. Secondly, therefore, he failed to articulate to either his Chinese or his domestic audiences a clear hierarchy of US interests and priorities in China. Thirdly, Clinton failed to commit to and lead on China policy. These flaws had two vital implications to the detriment of the formulation and implementation of China policy. They facilitated an undisciplined approach to China policy within the Administration. The failure to define a clear hierarchy of US interests in China, and the absence of leadership at the highest levels allowed different agencies to pursue their own agendas with China. Thus the Clinton Administration's China policy appeared confused, inconsistent and incoherent.

Further this flawed approach to policy-making undermined both the bilateral strategic imperatives, and the domestic political imperatives of US relations with China. On the bilateral level, the Administration struggled to achieve progress on its objectives in the areas of human rights, proliferation and trade. Washington's credibility in Beijing plummeted, and bilateral relations deteriorated, as illustrated by the crises concerning the visit of Taiwanese president Lee Teng-hui in June 1995, and the Taiwan Strait crisis of spring 1996. On the domestic level, partisan politics returned to the domestic debate on China policy, especially after the Republican sweep of the 1994 mid-term Congressional elections. Congress was determined to seize the initiative on China once more. Its tendency to adopt a short term partisan approach had negative consequences for US-China relations, exemplified by its role in the visit of Lee. The Administration struggled to deal with these initiatives.

Clinton only committed himself to China policy in the event of a domestic political crisis, such as the 1994 MFN decision and the visit of President Lee. Having dealt with the political crisis, he disengaged himself from China policy, leaving its fundamental flaws unresolved. Only with the Taiwan Strait crisis of 1996 did Clinton and the Administration begin to seriously address these flaws.

Methodology and Scope

An immense number of books and articles have been written on US

relations with China, especially following the expansion of bilateral ties from the mid 1980s, and in particular following the June 1989 Tiananmen repression. Four areas may be identified. The first examines the philosophical aspects of US China policy, critiquing the rationales of engagement, containment, confrontation and isolation. Prominent amongst these are works by Robert G. Sutter, Richard Bernstein and Ross H. Munro, Cronin and Cronin, Gideon Rachman, and David Shambaugh. In particular Robert G. Sutter's book *Shaping China's Future in World Affairs* (1996) and David Shambaugh's article in *Current History* 'The United States and China: A New Cold War' (September 1995) offer excellent overviews of the contending rationales. Bernstein and Munro's *The Coming Conflict in China* (1997) and Rachman's article in *The Washington Quarterly* 'Containing China' (Winter 1996) put strong cases for the growing threat of China and the need for a strategy of containment. A special mention is required for four articles by Winston Lord that proved to be influential arguments in favour of linkage; these are 'China and America: Beyond the Big Chill' in *Foreign Affairs*, Fall 1990, 'Misguided Mission' in the *Washington Post*, December 1989, and 'Bush's Second Chance on China' and 'Will Bush Support the Chinese People?' both in *New York Times*, May 1990 and October 1991 respectively.

A second category of US-China literature concerns discussions of specific policy. Amongst the multitude of presentations, works by the following authors stand out; Richard Bush, Steven I Levine, David Zweig, Leon T. Hadar and

Robert G. Sutter and Kerry Dumbaugh in a Congressional Research Service Issue Brief. Hadar's 'The Sweet and Sour Sino-American Relationship' in the CATO Institute's *Policy Analysis* (January 1996) provides an excellent overview. Richard Bush's article in *Current History*, January/February 1993 is particularly significant, given the author's central role in China policy-making through 1993-94. Bush provides a strong conceptual context to Clinton's advocacy of linkage, and accurately predicts the essential components of Clinton's strategy toward China as defined by the May 1996 Executive Order 12850.

The third area examines the history of US-China relations. The most informative and authoritative are Harry Harding's *A Fragile Relationship* (1992), Robert Garson's *The United States and China Since 1949* (1994) and Rosemary Foot's *The Practice of Power* (1995). Raymond L. Garthoff's *Détente and Confrontation* (1985) offers clear analysis of US-China relations in the context of the Cold War. The final category, where the sources are more limited, concerns specific analysis of the China policy-making process. Two pieces of work, that examine in detail the policy-making process in the Clinton Administration through 1993-94 by David M. Lampton stand out. His chapter 'China Policy in Clinton's First Year' in Lilley and Willkie (eds) *Beyond MFN: Trade with China and American Interests* (1994) analyses the policy-making process behind Executive Order 12850 and the 1993 MFN decision. Lampton pursues his analysis over the subsequent year to the MFN 1994 recommendation and the decision to drop the strategy of linkage in 'America's China Policy in the Age of the Finance Minister'

in *The China Quarterly* September 1994. *After the End*, edited by James S. Scott, examines US foreign policy-making in the post-Cold War 'intermestic' environment. One chapter, authored by John T. Rourke and Richard Clark, is dedicated to the policy-making processes underpinning the Clinton Administration's China policy. The chapter provides a valid and informative account of the problems experienced by the Administration, and by the president, in developing China policy in a highly pluralistic policy-making arena. Foot's *The Practice of Power* is particularly good on the issue of the domestic legitimisation of China policy. Further a number of articles that appear in the *Washington Post* and the *New York Times* provide excellent insights into the policy-making process at particular times.

This thesis attempts to fill a gap in the current literature by examining in greater detail the degree to which the Clinton Administration's China policy-making was predicated on domestic political factors. It attempts to address the less-explored area of the policy-making process by looking at Clinton's domestic political calculations and illustrating how this had a detrimental effect not only on the China policy-making process, but also on America's strategic relationship with the PRC. Thus the thesis explores why and how Clinton came to implement a major philosophical change in US strategy toward China, in the form of linkage. It then explains why and how the implications of Clinton's preoccupation with the domestic political environment, and in particular Congress, undermined the pursuit of linkage and US China policy subsequent to the

abandonment of linkage through his first term of office. The general themes of Clinton's approach to China policy-making are also examined in the context of broader models of US foreign policy decision-making. This perspective will be discussed later in the Introduction, and reflected upon in the Conclusion.

Although the thesis draws upon existing literature, it relies heavily on critical primary documents and in particular, personal interviews with key actors and observers of the policies and period in question. The interviews cover a broad range. They include key Administration officials responsible for the design and execution of the Clinton Administration's China policy, at the elite level in the significant form of Assistant Secretary of State for East Asian and Pacific Affairs during this period, Winston Lord, to professional staff and aides such as the State Department's Robert Perito and Frank Jannuzi. The thesis also draws upon an interview with Ambassador Michael Armacost, who played a unique and vital role in the abandonment of linkage. The interviews also cover key figures on the Congressional side of the policy-making process during the period in question, such as Richard Bush (former House Subcommittee on East Asian and Pacific Affairs and aide to Rep. Hamilton), James W. McCormick (former House Subcommittee on East Asian and Pacific Affairs and aide to Rep. Leach) and Bruce Wilson (former House Ways and Means Committee). Bush is acknowledged to have performed one of the most critical roles in the China policy-making process through

1993-94.¹ The interviews also included leading figures in the lobby groups community who participated in the debate on both a philosophical and a political level. Mike Jendrzeczyk was and is the Washington Director of Human Rights Watch:Asia, and Calman J. Cohen is President of the Emergency Committee on American Trade (ECAT). Although the sample of interviews is far from exhaustive, those that are included were able to offer, through their experiences of the policy-making process, valuable insights not reflected in the current literature. A full list of interviewees is provided in the bibliography.

Similarly, a full list of the primary documents used is provided. However a few deserve special note. Of course Executive Order 12850, and President Clinton's statement of MFN 1993 and MFN 1994 are central documents that outline his Administration's strategies on China. Winston Lord's *Confirmation Hearing* before the Senate Foreign Relations Committee on March 31 1993 is significant in that Lord explains in detail his perspective on the importance of China to US interests, the value of a strategy of linkage, and the importance of engagement with Beijing to fulfil the ambitions of linkage. The Hearing before the Subcommittee on Trade of the House Ways and Means Committee on February 24 1994, *United States-China Trade Relations*, is also valuable. Not only does it include Assistant Secretary Lord's Mid-Term Review on China, a document that expresses the Administration's lack of progress

¹ Lampton suggests: "When the definitive history of US-China relations is written, he [Bush] will be seen to have played an important role." David M. Lampton, 'China Policy in Clinton's First Year' Chapter One in James R. Lilley and Wendell L. Willkie (eds), *Beyond MFN: Trade with China and American Interests*; The AEI Press (Washington, 1994) p.25 (note 43).

with the Chinese, but it also illustrates Congress' frustration with the Administration's mismanagement of China policy. Secretary of State Warren Christopher's address of May 17 1996, 'American Interests and the US-China Relationship' is notable for being the Clinton Administration's first full-dress speech dedicated to the issue of China policy. The address is reproduced in Christopher's memoirs *In the Stream of History: Shaping US Foreign Policy for a New Era* (1998).

Levels of Analysis

The thesis is divided into two parts. Part One, comprising of four chapters, provides the context to the central analysis in Part Two by explaining the evolution of US China policy, and the strategy of engagement with China, from the Truman Administration up to and including the Bush Administration. It also explains the domestic political backdrop to evolutions in policy and strategy throughout this period. Two chapters are dedicated to the Bush Administration, regarding the strategic and domestic political dynamics of his China policy respectively. This reflects the importance of this period in establishing the context to the Clinton Administration's approach to China policy.

Chapter One explains the rationale behind developments in US policy toward China from the Truman Administration up to and including the Reagan Administration. Specifically it examines policy-makers' thinking on China policy with regard to their perceptions of US national interests throughout this period.

The chapter reflects four broad stages in the evolution of US strategy toward China from 1948-49 to 1988. These were Truman's deliberation of accommodation with the new People's Republic of China; the pursuit of the isolation and containment of the PRC from 1950 to the early 1960s; the process of rapprochement in the late 1960s and early 1970s; and US China policies following the normalisation of relations in 1979. The chapter also examines the wider philosophical aspect of US China policy, as defined by two eras. The first, triggered by the Korean War of 1950, centred upon a strategy of isolation and containment of Beijing. The second, stimulated by strategic and bilateral reassessments in the mid 1960s concerns the decision to engage Beijing, a strategy that became entrenched over the next twenty years. Chapter One proceeds with the following themes. It demonstrates how the nature and premises for engagement altered over time, and how US strategy for China reflected evolutions in US thinking on the broader geo-strategic perspective. It also shows the symbiosism between US relations with the PRC at the geo-strategic level and the bilateral level. That is to say progress at one level often stimulated progress at the other. Finally, Chapter One highlights the roles of certain individuals in the policy-making process, such as Henry Kissinger and Zbigniew Brzezinski.

Chapter Two illustrates the evolution of the China policy debate within the domestic political environment from the late 1940s to 1988 and the end of the Reagan Administration. Specifically, it highlights the major trends in domestic opinion and how they influenced the design and implementation of US

China policy throughout this period. In doing so, the chapter examines general public opinion, informed opinion, the media, Congress and non-governmental actors. In effect, this chapter introduces the idea of domestic political legitimacy, and its impact on China policy. Thus it also emphasises the governmental task of leadership, and the courting and moulding of domestic political opinion. Chapter Two notes how US domestic opinion toward China swings between fascination and optimism, and fear and pessimism for China and Sino-American relations. This phenomenon had clear implications for successive Administrations' handling of the relationship. It also notes how the US public tend to offer general moods rather than specific ideas of proposals for China policy and US foreign policy in general.

Chapter Three examines the Bush Administration's resolute adherence to a strategy of engagement with the PRC, predicated on the President's belief in continuity and the strategic importance of China to US interests. The analytical perspective of the chapter focuses upon two major challenges faced by the Bush Administration; the Tiananmen Square repression of June 1989, and the decline in Cold War tensions. Tiananmen forced Washington into a reevaluation of its relationship with Beijing and provided a stern test of the benefits of engagement with China. The chapter highlights the debate on the most appropriate strategy for stimulating reform in China. While the Bush Administration defended engagement with the PRC, the great majority of opponents maintained that US leverage ought to be brought to bear through a policy of linkage. Specifically

proponents of linkage demanded that China's MFN trading status should be made conditional on Beijing's conduct in areas such as human rights and proliferation.

The Bush Administration was also forced to reassess US interests in China as Cold War tensions diminished, and the bilateral dynamic of bilateral relations replaced the geo-strategic dynamic. Issues such as China role in the UN Security Council during the Gulf Conflict of 1990-91, and its proliferation of weapons of mass destruction complicated US policy-makers' attempts to place US-China relations on a post-Cold War footing, especially given their struggle to define an suitable response to Tiananmen.

Chapter Three notes that the Bush Administration's reaction to these two major challenges helped to refine, develop and consolidate the strategy of engagement. However, the controversy associated with Bush's adherence to engagement also stimulated and consolidated debates on alternative strategies.

Chapter Four attempts to show the growing importance of the domestic political environment on US China policy-making during the Bush Administration. It begins by noting how the increasingly bilateral nature of the US-China relationship throughout the mid to late 1980s had established a strong degree of domestic political legitimacy for US engagement with the PRC, principally through the growing non-governmental aspect of the relationship. However, it also notes the impact on the China debate of the growing awareness of China, combined with the wider debate on the definition of US foreign policy in

the post-Cold War environment. Thus as the Administration's prerogative to act in foreign affairs diminished, domestic actors became concerned with issues such as human rights, the subjugation of Tibet, and access to China's market.

Chapter Four then focuses upon the impact of Tiananmen on domestic America's attitude toward China and China policy. Almost overnight, the prevailing mood of optimism and enthusiasm was replaced by one of pessimism and antipathy, particularly amongst the Democratic majority in Congress. The chapter explores the collapse of the domestic consensus on China by emphasising four specific factors. Firstly, it highlights growing frustration with China's lack of contrition for Tiananmen. Secondly, and concomitantly, the chapter explores Congress' growing frustration with the Bush Administration's reliance on conciliatory engagement of the PRC. Thirdly, it reflects upon Bush's elitist approach to China policy that led him to resist attempts by Congress to shape the post-Tiananmen debate. This factor in particular prompted Republicans as well as Democrats to protest against the Administration. Fourthly, the chapter explores in some detail the politicisation of China policy, and the emergence and significance of partisanship. By investigating the Democratic party's politically motivated assaults on Bush, this analysis establishes the specific context to Clinton's approach to China during the election and thereafter. Chapter Four draws the conclusion that, whatever the merits of the Bush Administration's attempt to engage China, it failed to balance its preoccupation with strategic relations with Beijing, with

acknowledgement of attitudes within the domestic political arena. Such an absence of domestic legitimacy undermined the Bush Administration's management of relations with Beijing.

Part Two of the thesis explores the development of Clinton's stance on China during the 1992 presidential campaign, and the formulation and implementation of China policy throughout his first term of office.

Chapter Five explains how and why Clinton came to advocate a strategy of linkage during the 1992 election. Thus it illustrates how the pursuit of the Democratic Congressional initiatives on China benefited Clinton's fight for the Democratic candidacy nomination, and then his campaign for the White House. It also shows how the stance complemented his political objectives beyond the election, and in particular his desire to concentrate on his ambitious domestic policy agenda. Further, Chapter Five highlights the role and impact of senior policy advisors such as Winston Lord and Anthony Lake, who would become members of his first Administration. Finally, the chapter explores the expectations of Clinton's China policy in line with his advocacy of such significant alteration in US strategy toward Beijing. It notes the number of analysts who viewed the stance from a political rather than a bilateral strategic perspective.

Chapter Six focuses upon the policy-making process behind Clinton's implementation of linkage in the form of Executive Order 12850. It details how Administration and Congressional officials handled Clinton's three objectives for China policy; adherence to his campaign pledge to pursue a strategy of

linkage, the forging of consensus with Congress, and the retention of presidential flexibility in the conduct of China policy. Chapter Six asserts that the policy-making process in line with these objectives was flawed, and thus it led to a flawed policy. Specifically, it illustrates how Clinton carried his political impulses from the election into his Administration, and thus established a politically orientated pattern of policy-making. Accordingly the chapter establishes the essential problems with Clinton's approach to China, that would persist throughout his first term. These were Clinton's failure to define a hierarchy of US priorities in China, to articulate a specific vision of relations with China, and his reluctance to commit and lead on China policy unless prompted by political concerns.

Chapter Seven analyses the Administration's pursuit of China policy in line with the Executive Order, from the May 1993 MFN recommendation, to the May 1994 MFN recommendation. Employing the themes introduced in Chapter Six, this chapter demonstrates how the essential flaws in the Executive Order policy-making process manifest themselves in China policy-making and implementation through 1993-94. In particular, Chapter Seven shows how the failure to define a hierarchy of US-China interests, to articulate a framework for China policy, and Clinton's neglect of commitment and leadership led to deep splits within the Administration, and the presentation of a contradictory, inconsistent and incoherent China policy. The chapter indicates how this undermined the Administration's credibility both in Beijing and in Congress, and contributed to

the failure of Clinton's linkage strategy. Further, it notes that in spite of the attempt to reassess strategy on China as early as September 1993, and the final abandonment of linkage and reversion to engagement in May 1994, Clinton still failed to address the major flaws in the policy-making process. Indeed, Clinton's predominant concern was to effect a climbdown on China policy along the route of minimum political cost.

Chapter Eight gathers the themes and conclusions discussed in the preceding three chapters and highlights their implications for the Clinton Administration's China policy from delinkage in May 1994 to the end of his first term of office. Three phases within this time-frame are identified; initial uncertainty in 1994, the rapid deterioration of relations through 1995 to 1996, and the recovery of Sino-American relations following the Taiwan Strait crisis of spring 1996. The failure to address persistent and fundamental policy-making flaws had two clear consequences. Firstly, it contributed to a critical decline in bilateral relations that ended in nadir in spring 1996. Secondly, it unhinged the unstable Congressional consensus on China policy created with the decision to re-embrace engagement with Beijing. Thus this period saw the return of partisan politics and inter-branch conflict following the Republican sweep of the mid-term Congressional elections in November 1994, to the further detriment of China policy-making. This vociferous domestic and bilateral environment also saw the return of the issue of Taiwan for the first time since the early 1980s. Chapter Eight concludes by noting that only with the critical Taiwan Strait crisis did the Administration

finally begin to seriously address the essential flaws in its China policy-making. It was assisted in this effort by greater moderation from Congress and the PRC government. The extent to which the reassessment was working is reflected in the improvement in bilateral relations through the rest of 1996, and the fact that Clinton prevented China policy becoming an issue in the 1996 presidential elections.

The thesis concludes by contending that President Clinton's preoccupation with domestic political calculations, to the detriment of the identification of America's long term strategic interests in China, resulted in a fundamentally flawed China policy-making process. Indeed, despite the presence within the Administration of officials with a more considered strategic view of US relations with China, Clinton's political sensitivities obstructed or overruled their counsel. The conclusion reiterates that the imbalance of domestic political imperatives and bilateral strategic imperatives led to the failure to define a clear hierarchy of US interests in China, the failure to articulate a coherent framework for US-China relations, and Clinton's failure to commit himself to and lead on US China policy. Accordingly, this encouraged splits within the Administration whereby different agencies were able to pursue their own bureaucratic agendas with Beijing. As a result the Administration's China policy appeared confused, incoherent and inconsonant. This served to seriously undermine both the US strategic relationship with Beijing and domestic legitimacy for US China policy.

The Clinton Administration's China Policy

This thesis is essentially a historical investigation of the policy-making processes behind the Clinton Administration's China policy during its first term of office. Nevertheless, to understand the degree to which the Clinton Administration, and more specifically, President Clinton, was responsible for the defects in China policy-making through the period 1993 to 1996, it is important to examine various explanations of US foreign policy decision-making.

Many theories have been developed regarding the nature of American foreign policy-making. Indeed a number of valuable studies have been written that attempt to compare and contrast different decision-making models with reference to empirical case studies.² The discussion below will consider four broad approaches; the rational actor model, the bureaucratic model, the inter-branch model, and the pluralistic 'shifting constellations' model. Each respective model considers a greater number of actors in the decision-making process, and therefore, it can be argued, offers a greater level of sophistication. It will be found that while the bureaucratic model highlights critical problems associated with the Clinton Administration's attempts to develop China policy, the pluralistic model articulated by James M. Scott presents the

² See for example Graham T. Allison, 'Conceptual Models and the Cuban Missile Crisis'; *American Political Science Review* September 1969, Graham T. Allison, *The Essence of Decision*; Little, Brown (Boston, 1971) and Glen H. Snyder and Paul Diesing, *Conflict Among Nations: Bargaining, Decision-Making and System Structure in International Crises*; Princeton University Press (Princeton, 1977).

most compelling conclusions. However, it will also be shown that Scott's analysis does not adequately explain Clinton's China policy-making deficiencies through 1993-1996, in that it fails to incorporate the President's persistent preoccupation with domestic political considerations.

THE RATIONAL ACTOR MODEL OF DECISION-MAKING

The rational actor model was, and perhaps is the dominant theory concerning foreign policy decision-making. The model's association with the classical international relations tradition of realism is reflected in its treatment of the state as a 'unitary actor', and its assertion that all policy-makers pursue the same processes in the development of foreign policy.³ Rational actor decision-making identifies four basic stages. Firstly, the foreign policy problem or goal must be identified, in the context of the state's wider objectives and values. This stage requires the policy-maker to define a hierarchy of goals to be achieved. Secondly, all possible options and alternative courses of action must be identified. Thirdly, the likely consequences of each option must be appreciated. Finally, the most effective and appropriate option must be chosen and pursued.⁴

As Theodore C. Sorensen, an aide close to President

³ See Sydney Verba, 'Assumptions of Rationality and Non-Rationality in Models of the International System'; in James N. Rosenau (ed), *International Politics and Foreign Policy*; Free Press (New York, 1969) p.225.

⁴ John Spanier, *Games Nations Play: Analyzing International Politics*; Praeger Publishers (New York, 1978) pp.462-463.

Kennedy during the 1962 Cuban Missile Crisis, has noted, the rational actor model presented in these terms is a somewhat idealized prescription for decision-making.⁵ For example, policy-makers never have full knowledge of all relevant information, and a clear hierarchy of national interests, and of all possible options and likely consequences are almost always impossible to define absolutely.⁶ Further, the way in which policy-makers, and specifically the president as the supreme policy-maker, perceive the foreign policy challenge in hand must be affected by subjective rather than objective valuations to a greater or lesser degree.⁷

However, the general rule that policy-makers attempt to select and execute a particular policy, from various alternatives, with regard to the state's national interests, is a persuasive one.⁸ It can be argued that various US presidents pursued initiatives with Beijing, in spite of domestic controversy, because they judged them to be in interests of the United States. Examples include Nixon's rapprochement with Mao, Carter's normalisation of US-China relations, and Bush's defence of the strategy of engagement following the Tiananmen

⁵ Theodore C. Sorensen, *Decision-Making in the White House*; Columbia University Press (New York, 1963) pp.19-20. See also Tan Qingshan, *The Making of US-China Policy - From Normalisation to the Post-Cold War Era*; Lynne Reinner (1992) pp.12-14 and 150-153.

⁶ See Charles W. Kegley Jr and Eugene R. Wittkopf, *American Foreign Policy: Patterns and Processes*; Fourth Edition, St Martin's Press (New York, 1991) pp.459-462.

⁷ See for example Robert Jervis, *Perception and Misperception in International Politics*; Princeton University Press (Princeton, 1976).

⁸ See Sydney Verba, 'Assumptions of Rationality and Non-Rationality'; op cit p.231.

Square repression of 1989.

Accordingly, it might also be argued that Clinton's adoption of a strategy of linkage in May 1993, and his subsequent reversal back to engagement with the PRC in May 1994 were decisions taken in US national interests as perceived by the President at the time.⁹ Such an argument would be wholly misleading. As this thesis will demonstrate, Clinton's China policy decisions reflected domestic political calculations and considerations more than they did perceptions of US national interests viz-a-viz the People's Republic. Even when crises arose in bilateral relations, an environment in which the rational actor model, it is argued, is most salient, the President continued to respond primarily to their repercussions on domestic US politics.¹⁰ Further, this thesis also stresses the importance of domestic legitimacy to the successful pursuit of US China policy. Reflecting the examples given above, it must be noted that both Carter's normalisation of relations, and Bush's defence of engagement were controversial and less than successful partly because they lacked domestic legitimacy.¹¹ By contrast, the issue of opening relations with

⁹ For a discussion of the consequences of 'non-rational' decision-making see Paul A. Anderson, 'What do Decision Makers Do when they Make a Foreign Policy Decision?' in Charles F. Hermann, Charles W. Kegley and James N. Rosenau (eds), *New Directions in the Study of Foreign Policy*; Allen and Unwin (Boston, 1987).

¹⁰ For crisis decision-making see, for example, Graham T. Allison, *The Essence of Decision*; op cit, and James E. Dougherty and Robert L. Pfaltzgraff Jr, *Contending Theories of International Relations*; Harper Collins Publishers (New York, 1990) pp.482-499.

¹¹ See for example Rosemary Foot, *The Practice of Power: US Relations with China Since 1949*; Clarendon Press (New York, 1995), and Chapter Three of this thesis.

China had been debated in elite and societal circles within the US from the mid 1960's, providing stronger domestic foundations for Nixon's rapprochement with Beijing.

Given that the object of this study is to contend that Clinton's policy-making approach through 1992/93-1996 was flawed, and thus detrimental to US-China relations, it might be argued that the rational actor model's validity is found precisely in these failures. In other words, because Clinton did not pursue the general prescriptions of the rational actor model, his China policy failed. This perception would also be misleading. It would, for example, ignore the critical role played by a highly partisan Democrat-controlled Congress in establishing a China policy stance Clinton would later pursue for political ends. It would ignore the fact that Clinton's China policy-making strongly reflected the state of relations between the White House and Congress, particularly after the Republican sweep of the mid-term Congressional elections in 1994. It would also ignore the devastating impact of a discordant and undisciplined Clinton Bureaucracy on bilateral relations.

THE BUREAUCRATIC MODEL OF DECISION-MAKING

The bureaucratic model dismisses the idea of the policy-maker as a unitary actor pursuing the interests of the state. Instead, it examines the roles and influence played by government agencies, such as the State Department, the Pentagon, the Central Intelligence Agency and other departments

with major or minor interests in foreign policy-making.¹² The model highlights the subjective realities held by bureaucratic actors or agencies in their approach to decision-making. Important works by Robert Jervis and Morton H. Halperin exemplify this approach.¹³

In *The Essence of Decision*, Allison recognised the appeal of the rational actor model, but argued that the complexity of US foreign policy processes require a more sophisticated explanation.¹⁴ Allison started with a model of 'organizational process' in which bureaucratic actors, within the State Department for example, search for minimally acceptable solutions to the policy problems delegated to them. Their solutions closely reflect the interests, remit, and standard procedures of the specific department, rather than national interests or the prescriptions of the White House. From this framework, Allison developed a model of bureaucratic decision-making. Like Halperin, Allison argued that the input of bureaucratic actors reflected the values, interests and stakes of the agency within which they worked. Thus policy developed by bureaucratic decision-making was a product not of rational assessment, but of bargaining, conflict and dynamics of power between different agencies and departments in competition. This kind of policy-making process, Allison noted, is less reliant

¹² For a comprehensive discussion on the difference between the rational actor and bureaucratic models of decision-making, see Graham T. Allison, 'Conceptual Models'; op cit.

¹³ Robert Jervis, 'Perception and Misperception'; op cit and Morton H. Halperin, Priscilla Clapp and Arnold Kantor, *Bureaucratic Politics and Foreign Policy*; The Brookings Institution (Washington D.C., 1974).

¹⁴ Graham T. Allison, *The Essence of Decision*; op cit p.5.

on, or even more resistant to, White House control.¹⁵

Authors such as Alexander L. George have argued that a comprehensive and competitive decision-making process of this kind could lead to better, more democratic and representative policy-making, if managed effectively by the Executive.¹⁶ Others, however, have suggested bureaucratic policy to be 'dysfunctional, inefficient decision-making'.¹⁷ Most obviously, unless carefully managed, bureaucratic decision-making can lead to inertia as agencies compete to promote their parochial interests and fiefdoms, to the detriment of 'national interest'.¹⁸ If compromise between competing agencies is found, the result may be representative, but not necessarily good, policy. If compromise is not found, different agencies may pursue different, often contradictory policy agendas. The need for presidential management and control of inter-agency competition and parochialism is clear.¹⁹

Despite these problems, the bureaucratic model of decision-making raises valuable analytical questions, with clear applications to the Clinton Administration's policy on

¹⁵ Kegley and Wittkopf reason that it can lead to the sabotage of presidential initiatives. Charles W. Kegley and Eugene R. Wittkopf, *American Foreign Policy*; op cit pp.473-474.

¹⁶ George referred to this process as the 'multiple advocacy model'. Alexander L. George, 'The Case for Multiple Advocacy in Making Foreign Policy'; *American Political Science Review* LXVI September 1972.

¹⁷ Tan Qingshan, *The Making of US-China Policy*; op cit p.15.

¹⁸ See for example Morton H. Halperin, 'Why Bureaucrats Play Games'; *Foreign Policy* Spring 1971.

¹⁹ Kegley and Wittkopf discuss this point at length, citing problems encountered and tactics employed by different presidents facing these problems. Charles W. Kegley and Eugene R. Wittkopf, *American Foreign Policy*; op cit pp.473-480.

China. As will be shown in later chapters, China policy through 1993-1996 was a highly pluralistic exercise. Thus, analysis through the bureaucratic lens highlights the interests, interplay and impact of agencies such as the Departments of State, Defence, Commerce, Agriculture and the Treasury, as well as their interaction with White House agencies such as the presidency, the National Security Council (NSC) and the newly formed National Economic Council (NEC). Certainly the roles played by agencies such as Commerce, the Treasury, the NEC, and the Pentagon conform to the bureaucratic model proposition that 'you stand where you sit'; that the actors' preferences reflect their particular policy responsibilities.

Further, the fact that different agencies pursued different, often contradictory policy agendas, resulting in a confused, incoherent and discordant China policy, highlights President Clinton's overall failure to manage and discipline the policy-making process. The model also helps the observer to ascertain which agencies possessed the greatest influence at various points in the policy-making process, and at which points the process was subject to competition, compromise, and presidential control. Accordingly, it can be seen that the State Department's initial lead on the Clinton Administration's China policy, with its focus on human rights and linkage, was in time undermined by the growing influence of economic agencies such as Commerce and the NEC, and their preference for engagement. The latter's influence on the president proved crucial to this development.

Despite its uses, however, the bureaucratic model of

decision-making omits critical elements of the China policy-making processes during the Clinton Administration's first term of office. In its simpler forms, the model fails to acknowledge that individual actors do not necessarily reflect the organisational or traditional views of the department they represent. For example, both Secretary of State Warren Christopher and his Assistant Secretary for East Asian and Pacific Affairs Winston Lord strongly supported the strategy of linking China's human rights progress to the renewal of MFN status. This contradicted the long-standing support for engagement with Beijing held at lower levels of the State Department, as the thesis will demonstrate. Similarly, National Security Advisor Anthony Lake's 'missionary' zeal for human rights improvements in China contradicted the NSC's traditional defence of engagement.

The bureaucratic model also neglects the influence of Congress, and of non-governmental actors such as the business community, on the China policy-making process, and in particular, Clinton's approach to the issue. In broader terms, it ignores both the importance of domestic political legitimacy, and the impact of Clinton's preoccupation with domestic political considerations on his Administration's treatment of China policy. Therefore, although bureaucratic politics had a significant bearing on the evolution of China policy through 1993-1996, it fails to recognise that the origins of Clinton's initial stance on China lay with Democrat-led Congressional attacks on the Bush Administration's China policy, and that Clinton adopted this stance largely for

partisan political reasons.

The bureaucratic model of decision-making offers valuable insights into the problems of the Clinton Administration's policy on China. Nevertheless, it cannot account for the original motives for, and defects of, the policy. Nor does it fully explain Clinton's subsequent failure to address persistent flaws in the policy and the policy-making process.

THE INTER-BRANCH MODEL OF DECISION-MAKING

The inter-branch model fills an analytical void left by the rational actor and bureaucratic models, by highlighting the policy-making role played by Congress. Thus, the inter-branch model in its basic form looks at the relationship between Congress and the Executive, treating each branch as a unitary actor. The model focuses upon a number of conceptual issues. Starting with the assumption that the two institutions possess and pursue their own respective interests and agendas, it attempts to determine the issues that stimulate Congressional input, and to what extent Congress influences the Executive in the policy-making process (and vice versa). It also discerns whether the relationship is one of exclusion, competition, negotiation, consultation, or cooperation, and why this is so.²⁰

Observers differ on the nature of inter-branch

²⁰ See for example Frans R. Bax, 'The Legislative-Executive Relationship in Foreign Policy: New Partnership or New Competition?'; *Orbis* vol.20 Winter 1977.

interaction. John Lehman, for example, argues that the policy-making relationship can largely be viewed as a zero-sum game, in which both institutions attempt to limit the influence of the other.²¹ Frans Bax, on the other hand, highlights the degree of compromise throughout the policy-making process.²² More broadly, however, the product of Congressional-Executive interactive decision-making is reliant on institutional will, Executive leadership, Congressional unity, their respective bargaining skills, and the strength of the presidential party in Congress.²³

Given that the Office of the Presidency, and a wide variety of Executive departments have an explicit responsibility for foreign policy, it is essential, when considering the inter-branch model, to investigate the motives for Congressional action on the issue. Certainly, Congress holds a constitutional duty to oversee the actions of the Executive, exemplified most tangibly by committees such as the Senate Foreign Relations Committee, and the House Foreign Affairs Committee. Beyond scrutiny, however, Congress may also wish to lead on foreign policy issues, obstruct specific Executive initiatives, inform a foreign policy debate, or influence a policy's final outcome. In doing so, Congress may employ a wide range of tactics, including direct legislation,

²¹ John Lehman, *The Executive, Congress, and Foreign Policy: Studies of the Nixon Administration*; Praeger (New York, 1976) pp.25-28.

²² Frans R. Bax, 'The Legislative-Executive Relationship'; op cit.

²³ Robert Pastor, 'Inter-branch Politics and US Foreign Policy'; American Politics Group paper (unpublished) January 1990.

the threat of legislation, the manipulation of committee powers, linkage to other issues, and consultation with the Executive.²⁴

Traditionally, it is assumed that members of Congress exhibit far greater interest in domestic affairs than foreign affairs. Accordingly, if Congress turns its attention to foreign policy, most members rely on key Congressional players (with whom they broadly respect) to lead them on the issue in hand. Further, it is assumed that members of Congress are primarily motivated by re-election, and issues that might aid this course.²⁵ While these traditional assumptions contain strong elements of truth, they provide a misleading picture of the influence of Congress in foreign policy-making in the post-Cold War environment.

Clinton was correct, when campaigning for the presidency in 1992, when he asserted that many of the distinctions between 'foreign policy' and 'domestic policy' had evaporated in the post-Cold War environment. For example, economics and employment had become an issue of foreign policy, as well as domestic policy. Thus, in this emerging 'intermestic' arena, members of Congress have found that they have a stake in influencing foreign policy, if only to protect constituency interests and aid their re-election. This provides a valuable

²⁴ Ralph G. Carter, 'Congress and Post-Cold War US Foreign Policy'; in James M. Scott (ed), *After the End: Making US Foreign Policy in the Post-Cold War World*; Duke University Press (London, 1998). See also James M. Lindsay, *Congress and the Politics of US Foreign Policy*; The John Hopkins University Press (London, 1994).

²⁵ Tan Qingshan, *The Making of US-China Policy*; op cit pp.18-19.

new dynamic to inter-branch theory, of great relevance to the Clinton Administration's China policy-making processes. Members of Congress were unwilling to accept Executive proposals on China policy if they were deemed detrimental to their own interests.²⁶ For example, through May 1993 to May 1994, members of Congress of both parties became increasingly hostile to Clinton's China policy. Not only were they dissatisfied with the Administration's handling of US China relations, but many viewed the strategy of linkage as harmful to their own, often economic, interests.

Yet this point raises the first of a series of reasons the inter-branch model is incapable of explaining the China policy-making processes of 1993-1996. Congressional support for linkage (and its subsequent opposition to the strategy) rested upon a complex and fluid coalition of forces on the Hill. Given this fact, Congress could not be regarded as a 'unitary' actor in the decision-making process. Rather, groups within Congress worked with like-minded groups within the Executive to advance their particular arguments, in competition with similarly structured groups holding different views. Although blocs within Congress had a very significant impact on China policy, this did not represent a Congress versus Executive institutional pattern.

The role partisan politics played in the motivations of

²⁶ Congressional deference to the president on China policy had been on the wane since the mid 1980s. See Steven I. Levine, 'China and America: The Resilient Relationship'; *Current History* vol.91 no.566 September 1992 p.243. More generally, traditional Congressional deference on foreign policy came to a end with the Vietnam War. See James M. Lindsay, *Congress and the Politics of US Foreign Policy*; op cit pp.24-25.

both Congressional and Executive actors, and the way they interacted, also confounds the prospect of an inter-branch explanation of Clinton's China policy. Firstly, partisan politics fuelled divisions within both the Legislature and the Executive. Secondly, partisan politics, rather than institutionally defined opposition, played a pivotal role in Democrat-led criticism of the Bush Administration's China policy, a lead that Clinton would pursue for his own political objectives. Partisan loyalty (as opposed to policy consensus) also facilitated Clinton's pursuit of a strategy of linkage through 1993-1994 and his potentially damaging reversal of policy in May 1994.²⁷

Finally, the inter-branch model of decision-making also neglects the role played by non-governmental actors such as interest groups. At best, the model fails to appreciate the influence groups such as the business community had on the evolution of the Clinton Administration's China policy. Organisations such as the Emergency Committee on American Trade worked with members of Congress, Congressional staff, Executive officials, and even officials of the Chinese government, to influence the direction of Clinton's approach to China. The process of China policy decision-making during the Clinton Administration was a highly pluralistic exercise. The inter-branch model of decision-making fails to take account of this fact.

²⁷ For example, Representative Lee Hamilton, a key figure on foreign policy within the Democratic Party, remained loyal to Clinton's policy of linkage despite his personal opposition to the strategy.

THE PLURALISTIC MODEL OF DECISION-MAKING

Like the bureaucratic and inter-branch models, the pluralistic model of decision-making examines conflict and compromise between participants of the policy-making process, viewing the result not as 'policy' per se, but as the 'product of political processes'. However the pluralistic model offers a more accurate reflection of foreign policy decision-making than its bureaucratic and inter-branch counterparts. Not only does it recognise governmental actors such as the White House, the Bureaucracy, and Congress, it also recognises the roles played by non-governmental actors such as interest groups, the media, and public opinion.²⁸

Although some pluralistic theorists defend the principle of organizational identity, the 'you stand where you sit' principle²⁹, other authors recognize that differences of opinion are manifest within organizations.³⁰ Thus conflict and bargaining will occur within the Oval Office, within the State Department, within Congress, and within the human rights community, as well as between these actors.

The unfolding of the intermestic environment has served to fuel these inter-agency, and intra-agency, decision-making processes. More often than not, a myriad of different agencies

²⁸ John Spanier, *Games Nations Play*; op cit pp.470-472 and p.489.

²⁹ Ibid pp.472-473.

³⁰ See for example, Halperin in Morton H. Halperin and Arnold Kanter (eds), *Readings in American Foreign Policy*; Little, Brown (Boston, 1973).

will feel that they have an interest, and thus a stake, in how a policy decision is reached. For example, when assuming the presidency, Clinton was determined to be seen to abide by his pledge to secure human rights improvements in China, and to place conditions on China's MFN status if necessary. The President delegated the lead role to the State Department, yet other agencies such as Defence, Commerce, Treasury and Agriculture felt that their interests in US-China relations necessitated an input on the China policy-making process. Further, members of Congress who claimed a moral, economic or other interest in China policy, also demanded a say. Furthermore, interest groups such as the business community, labour unions, and the human rights community, argued that their views and interests be recognised in the policy. The obligation to manage this web of interactive policy-making fell back to the President, given the fact that he was ultimately responsible for the development and conduct of US China policy.

The pluralistic model offers many valid observations of the shifting nature of power between policy-makers. In certain circumstances, at certain times, particular actors or agencies may dominate the decision-making process.³¹ Most decision-making theories broadly agree that the president possesses significant policy-making power when security crises arise, due to the presidency's constitutional position, not least the role as Commander in Chief.³² The presidency holds a clear institutional

³¹ See James M. Scott (ed), *After the End*; op cit pp.10-18.

³² See for example Graham T. Allison, *The Essence of Decision*; op cit and James E. Dougherty and Robert L. Pfaltzgraff Jr, *Contending Theories of International Relations* pp.482-499.

advantage in the development of foreign policy, and it is the source of most foreign policy initiatives. However, the president also relies on the service of elite members of the Executive (hand-picked, of course, by the president), and must invest the level of commitment necessary to manage the decision-making process. Clinton's lack of commitment on China policy undermined the policy-making power of those in the Bureaucracy, such as Winston Lord, Warren Christopher, and Anthony Lake, who supported his strategy.

The source of decision-making power for bureaucratic departments is found in their day to day responsibility for aspects of foreign policy. For example, bureaucrats often have the greatest access to information required for policy formulation, and are relied upon to implement policy. Nevertheless, the extent to which the Bureaucracy influences the decision-making process depends on the degree of conflict within and between departments. Hence, explicit competition between the State Department and economic agencies such as the Commerce Department over the direction of the Clinton Administration's China policy facilitated Congressional attempts to seize the initiative on the issue.

Beyond its constitutional role of the scrutiny of the Executive, Congress, when united on an issue, can have an important impact upon foreign policy decision-making. For instance, the weight of Congressional support for the visit to the US of Taiwanese President Lee Teng-hui in 1995, and the corresponding threat of legislation, persuaded the Administration to drop its opposition to the visit. Congress

can also take advantage of Executive vacillation, confusion, or disengagement on a policy, and assume leadership in the decision-making process. This is particularly the case when a strong consensus on a policy issue exists on the Hill, and when it is able to ally itself with powerful voices within the Executive and/or outside the government. Thus a powerful centrist bloc in Congress, cooperating with the business community and with the economic agencies within the Executive, heavily influenced Clinton's decision to drop MFN conditionality and the strategy of linkage in May 1994.

The pluralistic model also stresses that non-government actors, particularly interest groups, can also find avenues of influence on foreign policy decision-making. Indeed, the evolution of an intermestic environment has promoted the roles of interest groups in two ways. Firstly, the erosion of traditional distinctions between foreign and domestic policy in areas such as economics, has encouraged entities such as the business community to promote their interests in the policy-making arena. Secondly, the redefinition of post-Cold War US national interests has led to the promotion of issues such as human rights and the environment. This has induced organisations focusing on such issues, but previously excluded from foreign policy-making, to add their voice to the decision-making process.

As noted, interest groups can ally with and support like-minded actors in the Executive and Congress. They can also attempt to promote their agendas through consultations with government officials, representations to Congressional

committees, and exercises focusing on the media and public opinion. Scott notes that interest groups can also exploit political opportunities arising from a lack of Executive fortitude and leadership on an issue.³³ For instance, major corporations reminded Clinton of their support for his ambitious domestic economic agenda, and moreover, their support for his presidency, when attempting to dissuade him from imposing conditionality on China's MFN status. Nevertheless, despite this acknowledgement of the political factor, the pluralistic model is rather weak on the impact of domestic political considerations on foreign policy decision-making.³⁴

James M. Scott, in his edited work *After the End: Making US Foreign Policy in the Post-Cold War World*, offers a model of pluralistic decision-making that addresses the impact of the post-Cold War, intermestic environment on US foreign policy.³⁵ Specifically, Scott asserts that this environment has presented two significant challenges for US foreign policy-making. Firstly, he notes the struggle to define a hierarchy of US interests in an international arena that simultaneously appears to justify integration as well as competition, moralism as well as pragmatism, in the absence of the kind of guiding principles that governed US foreign policy throughout most of the Cold War.³⁶ Secondly, Scott observes how the evolution of intermestic policy has democratized the policy-making process. In other

³³ James M. Scott, *After the End*; op cit p.403.

³⁴ See for example John Spanier, *Games Nations Play*; pp.492-493.

³⁵ Op cit.

³⁶ See for example *ibid* pp.389-341.

words, a process once dominated by the president and the bureaucracy has fragmented to the point where a large number of governmental and non-governmental actors, promoting a wide variety of interests, can influence policy-making. The author concludes that these challenges have resulted in foreign policy dissensus.³⁷

As a consequence, Scott insists that US foreign policy-making in the post-Cold War environment can be described as a process of 'shifting constellations'. It is argued that although the president remains central to the policy-making process in an institutional sense, he is no longer necessarily at the centre of decision-making.³⁸ Thus, Scott builds upon existing pluralistic theory in identifying the circumstances, the policy issues, and the points in the policy-making process where different actors, and coalitions of actors may have the greatest opportunity to influence policy outcome.³⁹ For example, the human rights communities responded to an invitation from the White House to participate in the development of China policy during the first few months of the Clinton Administration. However, as will be shown, they soon found their influence usurped by a business community aided and abetted by pro-business factions within Congress and the bureaucracy.⁴⁰

³⁷ Ibid p.19 and p.406. See also David Deese, 'Making American Foreign Policy in the 1990s', in David Deese (ed), *The New Politics of American Foreign Policy*; St Martin's Press (New York, 1994).

³⁸ Ibid pp.393-395.

³⁹ Ibid. See Part One, *Actors and Influence*.

⁴⁰ This form of 'sub-governmental leadership' resists the

This framework of 'shifting constellations' can have both positive and negative implications, according to Scott. On the positive side, a democratized decision-making process can result in a representative and 'legitimised' policy. In other words, the policy may reflect the opinions of all governmental and non-governmental actors with a stake in the final product of the decision-making process. However, this is somewhat idealistic. Given the complexities and uncertainties of the post-Cold War intermestic environment, the process is likely to reflect conflict, contradiction, and political horse-trading. Irresolute and equivocal policy can be the result.⁴¹

Scott maintains that the Clinton Administration has attempted to adapt to the new policy-making environment, citing the creation of the National Economic Council, its emphasis on democratization, assertive multilateralism, and its attempt to address rising powers such as China.⁴² More generally, Scott identifies the progression towards 'shifting constellations' of decision-making as a response to the new environment.⁴³

Nevertheless, Scott suggests that these adaptations are flawed and incomplete, and offers mitigating factors for their inadequacies.⁴⁴ Firstly, he notes the constraints imposed by the

influence of foreign policy elites, often to powerful effect. Ibid p.11. This is exemplified by the business community's collusion with the centrist bloc in Congress through 1993-1994.

⁴¹ David M. Scott, *After the End* op cit p.406.

⁴² Ibid pp.391-392. See also Jerel Rosati and Stephen Twing, 'The Presidency and US Foreign Policy after the Cold War'; ibid pp.51-52.

⁴³ Ibid pp.405-406.

⁴⁴ See for example ibid pp.392-393.

uncertainty concerning US foreign policy interests in the post-Cold War world. Secondly, the surge in posited interests has led to a multiplication of actors and voices in the foreign policy-making process. In particular, this has circumscribed the president's ability to manage and lead the development of policy. The third factor concerns public ambivalence towards foreign policy. This may be explained by the absence of a homogenizing threat to, and ambiguous nature of, US interests in the post-Cold War world, and the concomitant desire to concentrate on domestic issues after fifty years of geo-strategic preoccupation.

James M. Scott builds upon valuable insights of bureaucratic and pluralistic models of decision-making to create a compelling portrait of contemporary US foreign policy-making. In defining a framework of 'shifting constellations', he highlights salient issues such as the fragmentation of interests, the democratization of policy processes, and the erosion of the ability to dominate or lead on policy. In doing so, Scott emphasises the complexities of the environment in which these decision-making structures function. Further, by stressing the importance of the domestic context, he incorporates the necessary ingredient of domestic legitimacy to US foreign policy. Scott's model appreciates crucial structural and environmental changes that necessitate transformations in the patterns of US foreign policy-making, but also continue to present the greatest challenges to it.

Nevertheless, the model offered by Scott does not adequately explain the Clinton Administration's China policy-

making deficiencies through 1993-1996. Although the mitigating factors for problematic foreign policy performance are valid, it fails to account for the impact of domestic political calculations. This is illustrated by the following examples.

Scott, along with other theorists, notes that presidential dominance of the policy-process often comes to the fore during strategic and diplomatic crises. Clinton indeed committed himself to China policy during such crises, but he was motivated by their domestic political implications. Once Clinton was confident that he had resolved the domestic political element of the crisis, he disengaged himself from the policy process. Only with the Taiwan Strait crisis of 1996, did the President finally commit himself to the long-term strategic perspective of China policy. Clearly, Clinton's failure to provide concerted leadership contributed to the existence of splits between and within bureaucracy agencies.

Political calculations also underscored many Congressional attempts to influence China policy. Democrats in Congress waged a largely successful political assault against the Bush Administration's defence of engagement with China after Tiananmen, a lead Clinton adopted in the belief that it would aid his 1992 presidential campaign. Similarly, the erosion of Congressional deference to the White House on issues of foreign policy was informed by political interests on the Hill. Further, the growth in Congressional participation in China policy-making reflected not only members' specific interests in US relations with China, but more generally a bipartisan dissatisfaction with President and his Administration's

management of the relationship, particularly through 1993-1994.

Finally, while Scott's contention that the US public remains broadly ambivalent about foreign policy, Clinton was able to exploit widespread antipathy towards human rights in China when contrasting his stance on China policy with that of Bush. In fact, Clinton did not interpret domestic legitimacy as participation in China policy-making debates, comprehension of the issues, and the creation of consensual policy. Rather, he viewed legitimacy in politically popularist terms (or at least politically expedient terms). He may have noted how President Bush's neglect of domestic legitimacy had undermined his Administration's policy towards Beijing.

This thesis explains the dynamics behind the Clinton Administration's approach to China policy-making throughout its first term of office. While not a primarily theoretical study, the thesis accommodates the levels of analysis employed by Scott's pluralistic model of decision-making. However, it provides a more accurate explication of the Clinton China policy by also incorporating the impact of domestic political calculations on the policy-making processes.

PART ONE

TRUMAN TO BUSH THE EVOLUTION OF ENGAGEMENT AND THE POLITICIZATION OF CHINA POLICY

CHAPTER ONE

AMERICAN CHINA POLICY FROM TRUMAN TO REAGAN THE EVOLUTION OF ENGAGEMENT

This chapter traces the development of American foreign policy towards China, from the Truman Administration's reaction to the declaration of the People's Republic of China (PRC) in 1949, to the end of the Reagan Administration in 1988. Specifically, it explains the origins, rationales, and entrenchment of a strategy of engagement towards the People's Republic of China throughout this period. Thus, the chapter focuses upon a number of conceptual questions vital to understanding the formulation of US-China strategy.

The first question highlights the impact of both the international and domestic environments on China policy-making. From the international perspective, China policy was, of course, heavily influenced by America's geo-strategic rivalry with the Soviet Union. Towards the end of the period in question, however, US China policy-making was increasingly predicated on bilateral interests and issues, especially as relations between Washington and Moscow improved. Thus, US interests in China became self-perpetuating rather than being driven by wider foreign policy concerns.

On the domestic side, policy-makers had to pay attention to opinions expressed by members of Congress, the media, informed observers, and the general public. In other words, successive Administrations had to secure domestic legitimacy,

and therefore authority, from within the political arena. Presidents were required to demonstrate leadership on China policy, either in the form of maintaining a present policy stance (Eisenhower in the 1950s), or to promote new approaches to China strategy (Johnson and Nixon in the 1960s and early 1970s). This entailed the necessary though often complex tasks of socialising, moulding and courting domestic opinion.¹ Further, presidents, and indeed other actors, pursued these tasks in an attempt to preserve jurisdiction, flexibility and prestige in the policy-making process. This became increasingly important as traditional deference to the president in the realm of foreign policy began to wane in the aftermath of the Vietnam conflict, and as bilateral issues replaced geo-strategic issues at the centre of China policy-making.

It must be noted that the US public often presented general moods and attitudes regarding the objectives of China policy (such as sympathy for the Nationalists on Taiwan) but offered very little in terms of specific recommendations.² These moods were often represented as either favourable or unfavourable views of China. As is often noted, the American public mood swung between optimism and fascination with China,

¹ See Rosemary Foot, *The Practice of Power*; Oxford University Press (New York, 1995) pp.82-84, and James M. Scott (ed), *After the End: Making US Foreign Policy in the Post-Cold War World*; Duke University Press (London, 1998) pp.2-4 and p.6.

² See for example Karlyn H. Bowman, 'Public Attitudes Towards the People's Republic of China'; in James R. Lilley and Wendell L. Willkie II (eds), *Beyond MFN: Trade with China and American Interests*; The AEI Press (Washington, 1994) Appendix, p.145 and p.151.

and pessimism and fear of China, depending on bilateral events, developments in the Cold War, stances adopted by the Administration and so on.³ These moods either restrained progress in US-PRC relations (as it did in the 1960s and mid-1970s) or stimulated progress (the 1980s).

Cognitive of the features and themes outlined above, the views held by successive Administrations were generally in step with views held within their domestic environments throughout the period in question. When there was a divergence in their respective standpoints, as occurred during the Carter Administration, this proved detrimental to the legitimacy and authority of the Administration's pursuit of China policy. Following acceptance of the strategy of engagement in the mid to late 1960s, the domestic political environment generally favoured the further development of US-China ties. At the very least, there was no substantial domestic demand to reverse or dismantle the Sino-American relationship.

An appreciation of the impact of the international and domestic environments on policy-making is therefore vital to understanding the evolution of US engagement with China. It highlights the need for policy-makers to balance their interpretations of US strategic interests in China, with their perceptions of domestic legitimacy, a balance that both

³ This phenomenon persists to this day. Interview with Stephen Yates, November 5 1997, Heritage Foundation, Washington D.C., and Kenneth Lieberthal, 'Domestic Forces and Sino-US Relations'; in Ezra F. Vogel (ed), *Living with China: US-China Relations in the Twenty-First Century*; The American Assembly, W.W. Norton and Company (New York, 1997) pp.256-257.

President Bush and President Clinton failed to achieve.

The second conceptual question relating to the development of engagement concerns the circumstances in which different actors proved to have an influential role on the policy-making process. The Cold War presidents obviously retained the greatest influence on China policy, due to their institutional position, unparalleled access to resources, and the deference they were shown. However, other actors proved to have a significant bearing on the development of engagement. In particular, members of Congress often demonstrated an ability to circumscribe, or indeed stimulate, developments in Sino-American relations. Congressional influence was heavily dependent on how the president of the time approached the issue of domestic legitimacy. Hence, members of Congress would find themselves encouraged to take a lead role in the policy-making process, as occurred in the mid 1960s, or could be motivated to act when they felt excluded by the White House, as happened during the Carter Administration. The importance of domestic legitimacy ensured that the relationship between the president and Congress remained a vital ingredient of China policy-making.

Bureaucratic agencies, and indeed non-governmental interest groups also shaped the policy-making process. In fact, as US bilateral interests in the PRC expanded, both bureaucratic and non-governmental actors found that they had a greater stake in the design and pursuit of US relations with China.

The third conceptual question concerns the identification of a hierarchy of US-China interests, the articulation of that hierarchy, and the degree of commitment and leadership accorded to them. A clearly defined policy, to which the president was committed, strongly benefited both the pursuit of US interests in China, and the procurement of domestic legitimacy. However, when America's interests in China were unclear or insufficiently pronounced, or the president neglected China policy, problems arose in the bilateral and domestic spheres. This is illustrated by first term of the Reagan Administration. The absence of a clear hierarchy of US-China interests encouraged splits within the bureaucracy as different departments proposed conflicting objectives, a situation a disinterested Reagan failed to resolve. Beijing became frustrated by the contradictory positions adopted by the Administration, and the Sino-American relationship went into free-fall.

The fourth and final conceptual question concerns the impact of domestic political calculations on the development of policy. Distinct from the issue of domestic legitimacy, this perspective examines presidential and Congressional actions that were determined by partisan political and electoral motives. While there is clear evidence that domestic political calculations sometimes played a role in debate and development of China policy during the Cold War, it is also clear that Clinton pursued this determinant of policy to an extent unprecedented in the history of US-China relations.

Using the conceptual questions discussed above, this chapter will highlight the primary causal factors underpinning the evolution of China policy from Truman to Reagan, and explain how and why a strategy of engagement had become entrenched by 1988.

The Isolation and Containment of China

THE US REJECTS ACCOMMODATION WITH BEIJING

By 1950, US fears of Soviet and Soviet-sponsored expansionism had become entrenched. The consolidation of US opposition to communism, and the strategy of Containment, informed President Truman's support for Chiang Kai-shek's nationalist Kuomintang (KMT) in its 1947-49 struggle with Mao Zedong's Communists. However, Truman had little regard for the defeated KMT's corrupt and often incompetent leadership. Further, he was initially sceptical of the likelihood of close Sino-Soviet ties, a view shared by other senior members of the Administration and extra-governmental sinologists.⁴ Accordingly, the Administration flirted with the idea of accommodation with Mao's Chinese Communist Party (CCP) in 1949-50.⁵ Although an 'anti-China' bloc was emerging within Congress, some non-governmental actors supported the idea of accommodation, while

⁴ Rosemary Foot, *The Practice of Power*; op cit p.86.

⁵ Harold C. Hinton, 'Historical Overview of US-China Relations'; Chapter One in Frederick Tse shyang Chen (ed), *China Policy and International Security*; Transnational

the American general public were largely indifferent to the issue.⁶

Nevertheless, accommodation seemed at odds with maturing definition of Containment, especially in the light of developments such as the Sino-Soviet Treaty of February 1950.⁷ The appointments of Dean Rusk and John Foster Dulles hardened the Administration's attitude towards China, and together with General MacArthur, they persuaded Truman of the strategic importance of South-East Asia and of Taiwan/Formosa in particular.⁸ This geo-strategic perspective was complemented by the growth in the domestic arena of the anti-communist movement, and the protests of the vociferous anti-PRC bloc within Congress.⁹ Accordingly, the Administration chose not to pursue accommodation with the People's Republic.

THE KOREAN WAR AND THE ISOLATION AND CONTAINMENT OF BEIJING

China's participation in the Korean War of 1950-1953, that

Publishers Inc. (1984) p.1.

⁶ Nancy Bernkopf Tucker, *Patterns in the Dust: Chinese-American Relations and the Recognition Controversy, 1949-1950*; Columbia University Press (New York, 1983) pp.156-159.

⁷ Robert G. Sutter (with Seong-Eun Choi), *Shaping China's Future In World Affairs: The Role of the United States*; Westview Press (Oxford, 1996) p.147.

⁸ J.P.D. Dunbabin, *The Cold War: The Great Powers and their Allies*; Longman (New York, 1994) p.105.

⁹ Despite its relatively small number, this anti-China bloc on the Hill would dominate the Congressional debate on China policy until well into the 1960s.

brought it into direct military conflict with the US, firmly established American hostility towards Beijing. In essence, it entrenched the Cold War blueprint on US China policy within both governmental policy-making and the domestic political environment. The Administration's overt denunciation of the Chinese regime reflected its conviction that China and the Soviet Union had formed an expansionist strategic alliance. Official recognition of the People's Republic was inconceivable. Further, the US was outspoken in its opposition to Beijing's membership of the United Nations (the KMT on Taiwan held China's seats in the Permanent Security Council and the General Assembly), and Western trade with 'Red China'. This stance received wholehearted support throughout the domestic political arena.¹⁰

Truman's advocacy of a strategy of isolation and containment of China, and its commitment to defend the territorial integrity of Taiwan unified the Administration and secured domestic legitimacy. Nevertheless, those who accused Truman of being insufficiently resolute in opposing communism and of 'losing China', welcomed the victory in the 1953 presidential election of Dwight Eisenhower, who made his antipathy for Beijing and his support for the Nationalists on Taiwan explicit.¹¹

¹⁰ See for example Leonard Kusnitz, *Public Opinion and Foreign Policy: America's China Policy 1949-1979*; Greenwood Press (Westport, 1984) chapter four.

¹¹ Eisenhower was convinced his predecessor's presidential authority had been considerably undermined by the charge that he had been 'soft on communism'. Rosemary Foot, *The Practice of*

The Taiwan Strait crises of 1954 and 1958, when mainland launched limited military offensives against the island, tested Eisenhower's stance on China. While he wished to avoid direct US military intervention, particularly so soon after the Korean War, he was determined to prevent the collapse of the KMT regime on Taiwan and the possibility of further communist expansion in the region.¹² Indeed, the first crisis led to the United States-Republic of China Mutual Defence Treaty of 1954.

The crises expedited Eisenhower's attempts to consolidate domestic support for the strategy of isolating China. To this end, the President appointed several known Beijing-critics to influential positions in the Administration, worked closely with Senator William F. Knowland and others in the influential anti-PRC bloc on the Hill, and solicited the support of non-governmental interest groups such as the pro-Taiwan Committee of One Million.¹³

The Origins and Emergence of Engagement

THE ORIGINS OF ENGAGEMENT

Power; op cit p.89.

¹² In both cases, Mao aborted the offensives not least because he feared the United Nations would assume administration of the island, and because the Soviets refused to support his attempts to reunify the two Chinese entities. See J.P.D. Dunbabin, *The Cold War*; op cit pp.139-141.

¹³ Nancy Bernkopf Tucker, 'A House Divided'; op cit pp.35-37, and James L. Lindsay, *Congress and the Politics of US Foreign Policy*; The John Hopkins University Press (London, 1996) p.28.

Despite the Administration's espousal of a strategy of isolation, and strong support for the stance within a conservative domestic arena, crucial developments were occurring both at the policy-making level and within the domestic environment.

In contradiction to the Administration's official strategy, US ambassadors in Geneva had in fact embarked upon a series of negotiations with their Chinese counterparts, a process stemming from the 1954 Geneva Conference on Indo-China and Korea and consolidated by the 1954/55 Taiwan Strait crisis.¹⁴ These were supplemented by ambassadorial talks in Warsaw following the 1958 Taiwan Strait crisis.¹⁵ Eisenhower had conceded to the Geneva and Warsaw talks in the hope of stabilizing the Taiwan situation, a hope that met with success on a number of occasions.¹⁶

The Administration's indulgence in direct negotiations with Chinese officials carried significant implications for overall US strategy towards Beijing, and indeed for the China policy-making process. Bilateral talks were in effect a form of recognition of the regime in Beijing, and this represented a crucial shift in strategy. Not only were policy-makers

¹⁴ Rosemary Foot, *The Practice of Power*; op cit p.91.

¹⁵ Arnold Xiangze Jiang, *The United States and China*; The University of Chicago Press (Chicago, 1988) pp.148-149.

¹⁶ Michel Oksenberg, 'Taiwan, Tibet and Hong Kong in Sino-American Relations' chapter one in Ezra F. Vogel (ed), *Living with China*; op cit p.65.

accepting the fact that the People's Republic was here to stay (and that the Nationalists were in no position to regain the sovereignty of the mainland), but that US national interests could be pursued through diplomacy with the Chinese. The acceptance of this basic strategic principle brought to US China policy the potential for a vast range of bilateral contacts and procedures. These were the origins of Engagement, and the understanding that US China policy should be used to influence Beijing's values and behaviour in ways consistent with US interests, and that disputes should be resolved, if possible, through dialogue.¹⁷

Thus, the Eisenhower Administration appeared to be pursuing a Two Chinas' policy at this point in time. While the President remained opposed to official recognition of the People's Republic and protective of relations with Taiwan, the Administration had conferred de facto recognition on Beijing through the Geneva and Warsaw bilateral talks. Such a perception spread throughout the US domestic scene. There was the growing acceptance that China was here to stay, and the American public were encouraged to believe that a direct meeting between Chinese Premier Zhou Enlai and Secretary of State Dulles was a distinct possibility.¹⁸

¹⁷ Disagreement did exist as to the degree of flexibility to be adopted when engaging Beijing, and regarding the most appropriate form (politically, economically and societally) China should take. See Arthur Dean, 'The United States Foreign Policy and Formosa'; *Foreign Affairs* vol.3 April 1955 pp.360-375.

¹⁸ Henry Kissinger, *The White House Years*; Little, Brown and Company (Boston, 1979) p.742.

Further, having played a leading role in fortifying the China strategy of isolation, Congress now played host to new thinking on China policy. Although the prevailing mood on the Hill remained highly suspicious of China, the influence of the anti-China bloc began to diminish, and dissatisfaction with the current isolationist strategy continued to grow. Influential members of Congress such as Senators John F. Kennedy and Theodore F. Green maintained that US China strategy was too inflexible.¹⁹ Senior sinologists such as A. Doak Barnett, and members of the business community such as the US Chamber of Commerce and the Wall Street Journal, similarly called for a reassessment of the strategy of isolation.²⁰

In spite of serious contemplation of engagement with Beijing in both policy-making and domestic circles, the popularity of Eisenhower and the conservative nature of domestic political opinion precluded any concrete development in the Sino-American relationship.²¹ Indeed, domestic opinion prevented Eisenhower's presidential successor, John F. Kennedy, from fostering an improvement in US-PRC relations. Although

¹⁹ A report on US China policy, commissioned by Congress and authored by Professor Robert Scalapino, criticised Eisenhower's intransigent attitude towards Beijing. See Stanley D. Bachrack, *The Committee of One Million: 'China Lobby' Politics, 1953-1971*; Columbia University Press (New York, 1976) pp.133.

²⁰ A. Doak Barnett, *Communist China and Asia: Challenge to American Policy*; Harper (New York, 1960), and Rosemary Foot, *The Practice of Power*; op cit p.91.

²¹ Moreover, Beijing's overtly anti-American attitude also prohibited positive developments in Sino-American ties. See Arnold Xiangze Jiang, *The United States and China*; op cit pp.145-153.

Kennedy was more concerned with relations with Moscow, he had advocated greater flexibility in US strategy towards Beijing in the 1960 presidential election campaign. Yet he was advised by his Special Counsel, Theodore Sorensen, that any initiative on China "...would require a friendlier Congress and more public understanding."²² Nevertheless, Kennedy oversaw structural and attitudinal refinements in his Administration that allowed more progressive thinkers on China greater access to decision-making.²³

RE-EVALUATION OF US STRATEGY TOWARDS CHINA

The major breakthrough in the US debate on strategy towards China came in 1966, when the Senate held committee hearings of unprecedented depth and detail on China policy, with the findings attracting broad media coverage.²⁴ In effect, the Hearings called for a new strategy of 'containment without isolation'. The conclusions reached by the debate did not reflect any substantial change in sentiment towards China, nor complete disregard for the strategic importance of Taiwan. Rather, they confirmed what was now perhaps the prevailing belief in the US that China was indeed a dangerous and

²² Theodore C. Sorensen, *Kennedy*; Pan Books Ltd (London, 1966) pp.735-736.

²³ This included the creation of an independent 'mainland China' desk within the State Department. Ibid.

²⁴ Hearings before the Senate Committee on Foreign Relations, 89th Congress, 2nd Session, 1966, Washington D.C. (United States Government Printing Office, 1966).

destabilizing force in international politics and security, but that the best way to meet this challenge was through engagement with, not isolation of, the People's Republic.²⁵

The Hearings confirmed that the need to engage Beijing had been established within domestic political circles, and that the balance of power on the Hill between those advocated isolation of China, and those advocating engagement had tipped in favour of the latter. A poll of American public opinion conducted by Harris in the June of 1966 corroborated this new consensus.²⁶ This breakthrough in the domestic debate allowed the Administration to publicly contemplate these new initiatives. In March 1966, Vice-President Hubert Humphrey endorsed the strategy of engagement without isolation in a television interview, while later in July, President Johnson himself spoke of reconciliation, and in favour of bilateral cultural, trade and travel exchanges.²⁷

Two important obstacles to the development of Sino-American relations remained, however. Firstly, internal power struggles, ideology and the Cultural Revolution prohibited China's concurrence with rapprochement with the United States. Secondly, America's growing involvement in the Vietnam conflict arrested enthusiasm for détente with a state that supported

²⁵ The Hearings' conclusions also proposed direct contacts with China, the liberalization of non-strategic trade, and Beijing's membership of the United Nations.

²⁶ Rosemary Foot, *The Practice of Power*; op cit pp.100-101.

²⁷ Ibid.

North Vietnam's political and military campaign.²⁸

US Engagement with China and the Geo-Strategic Rationale

US RAPPROCHEMENT WITH THE PEOPLE'S REPUBLIC OF CHINA

President Nixon's decision to pursue rapprochement and engagement with China, a decision that culminated in the Shanghai Communiqué of 1972, was predicated on his perspective of the geo-strategic environment, and his re-evaluation of US strategic interests. Nixon was concerned with the growing intensity of America's Cold War rivalry with the Soviet Union, and believed that the US no longer possessed the political will nor the resources to sustain its considerable strategic commitments overseas.²⁹ Further, Nixon was determined to withdraw from the Vietnam Conflict, albeit 'with honour'. He identified domestic turmoil, the surge in domestic anti-internationalism, and the erosion of US foreign policy credibility as direct consequences of America's participation in the war.

The President was convinced that a Sino-American relationship based upon strategic cooperation, rather than hostility and suspicion, would be instrumental in resolving

²⁸ J.P.D. Dunbabin, *The Cold War*; op cit p.285.

²⁹ Nixon accepted the presumption that Moscow had established atomic parity with the US, while enjoying conventional superiority in the European theatre, by the end of the 1960s. Harold C. Hinton, 'Historical Overview'; op cit p.3.

these challenges. Nixon reasoned that a Soviet Union confronted by nuclear-armed China to the south-east, and NATO forces in Europe, would persuade Moscow of the wisdom of accepting détente with Washington.³⁰ Indeed, while Nixon's official position was that an improvement in US-China ties would not lead to an alliance against the Soviets, the Administration understood that rapprochement would disconcert Moscow.³¹ Rapprochement would also facilitate the withdrawal of the US commitment to East Asia, as China would contribute to the efforts of other US allies in the region in acting to deter Soviet influence and expansionism. In addition, regional stability, and Beijing's relationship with the North Vietnamese could ease America's withdrawal from the Vietnam War.³² The Sino-Soviet split, manifest in the 1969 border clashes, helped to convince Mao, and Premier Zhou Enlai, of the appeal of a Sino-American strategic relationship.

While specific preparations for rapprochement with Beijing were conducted largely in secret, including National Security Advisor (NSA) Kissinger's first trip to China in July 1971³³,

³⁰ Banning Garrett, 'China Policy and the Constraints of Triangular Logic'; Chapter Eight in Kenneth A. Oye, Robert J. Lieber and Donald Rothchild (eds), *Eagle Defiant: United States Foreign Policy in the 1980s*; Little, Brown and Company (Boston, 1983) p.240.

³¹ Henry Kissinger, *The White House Years*; op cit pp.191-2. See also Richard M. Nixon, *US Foreign Policy for the 1970s: The Emerging Structures of Peace*; February 9 1972 (United States Government Printing Office, Washington D.C. 1972)

³² Ibid (Kissinger) p.194.

³³ Kissinger's second trip in October 1971 received an enormous degree of attention.

Nixon had socialised the domestic political environment in favour of the establishment of US-China ties. For example, in a 1967 article in *Foreign Affairs*, Nixon first spoke in favour of engagement with an increasingly powerful and influential People's Republic, and he continued this theme into his presidency.³⁴

His concerns for domestic attitudes regarding the potential threat of communist China, and US commitments to and the strategic and ideological appeal of Taiwan, did persuade Nixon to temper his public advocacy of engagement with elements of caution.³⁵ It also persuaded him to consult extensively with Congress, and thus Nixon went to great lengths to secure the support, or at least the acquiescence of leading critics of rapprochement, both before and after his February 1972 trip to China.³⁶ Despite enduring sympathies for Taiwan, the domestic environment strongly endorsed Nixon's rapprochement with Beijing, the general public being captivated by the President's momentous mission to Beijing.³⁷

President Nixon's visit to China, February 21 to 28 1972, and the Shanghai Communiqué, achieved more symbolically than it

³⁴ Richard M. Nixon, 'Asia After Viet Nam'; *Foreign Affairs* vol.46 no.1 October 1967. See also Richard M. Nixon, *US Foreign Policy for the 1970s: The Emerging Structures of Peace*; op cit.

³⁵ Kissinger, *The White House Years*; op cit pp.1094-1095. See also Raymond L. Garthoff, *Détente and Confrontation*; The Brookings Institute (Washington D.C., 1985) p.215.

³⁶ Ibid (Kissinger) p.761 and pp.1093-1094.

³⁷ Richard Brooks, 'Nixon 'Sabotaged' Vietnam Peacetalks to Capture White House'; *Observer* January 4 1996 p.21.

did in terms of serious, specific policy developments. Yet it did confirm the existence of a 'strategic triangle' balance of power relationship between the US, the PRC and the Soviet Union, in line with Nixon and Kissinger's broader strategic vision.³⁸ Kissinger has argued of rapprochement process and the Communiqué:

"Its significance lay not only in words but in the assumptions underlying it...the Communiqué was not about Taiwan or bilateral exchanges, but about international order. It brought together two previously hostile nations not because they desired to settle bilateral problems...but to deal across the gulf of ideology with common security concerns."³⁹

Moreover, rapprochement with the People's Republic confirmed the fundamental philosophical transformation of US strategy from one of isolation and containment to one predicated on engagement. It was the culmination of a China policy debate that had evolved cautiously at elite and non-elite levels since the mid-1950s. Further, it established a framework of principles that would govern US China policy up until the present day. Nixon did not establish bilateral

³⁸ See Kissinger's memorandum to the President on his return from his second trip to China, having negotiated the detail of the Shanghai Communiqué with Zhou Enlai. Kissinger, *The White House Years*; op cit pp.754-755. Kissinger, in fact, engineered a strategic 'tilt' in favour of Beijing. Ibid pp.191-192, p.763, and p.1090. See also Martin Kettle, 'Kissinger Traded US Intelligence with Beijing'; *Guardian* January 11 1999 p.10.

³⁹ Ibid p.1086.

relations on the basis of a new-found affection and veneration for the Chinese communists. Rather rapprochement was founded on American concerns for a growing and increasingly confident China. Thus, in accordance with the conclusions of the Senate Hearings of 1966, the US considered it in its national interests to engage with Beijing, to attempt to influence the beliefs and activities of the Chinese Communist Party regime.

Rapprochement also appeared to have the desired effect upon the Soviets, who moved quickly to consolidate détente with the US.⁴⁰ Further, it facilitated progress towards the American withdrawal from Vietnam, following the January 1973 ceasefire.

It is important to note that Kissinger also acknowledged the need to engage the PRC for reasons in and of itself. He argued that China deserved engagement on the basis of its immense population, its ancient civilization, and the possibilities of economic and other exchanges.⁴¹ This bilateral focus of engagement, a momentum for relations that fell outside the specific context of the Cold War, would grow in importance over the forthcoming years until it would become the defining rationale for engagement in the post-Cold War era.

The rapprochement process also exhibited a number of important features concerning US China policy-making. Firstly, there was a strong awareness of a hierarchy of US interests viz a viz China. For example, the Administration indicated that it

⁴⁰ See for example Garthoff, *Détente and Confrontation*; op cit pp.240-243.

⁴¹ Kissinger, *The White House Years*; op cit p.192 and pp.1092-1093.

was prepared to sacrifice commitments to Taiwan if it proved a necessary condition to establishing relations with Beijing. This is illustrated by the Administration's tacit acceptance of Beijing's usurpation of Taipei's seat at the UN.⁴² Secondly, Nixon, and Kissinger, were prepared to lead on rapprochement. Indeed, had they not, there were actors within Congress willing to assume such leadership.⁴³ Thirdly, strong leadership on a clear hierarchy of interests facilitated bureaucratic cohesion on China policy. Kissinger's oversight of a series of National Security Study Memorandums and departmental review groups on China policy ensured that a pro-engagement stance became instilled within the bureaucracy.⁴⁴ Fourthly, the President and his National Security Advisor established a process by which the presidency and the Executive retained as much control and flexibility for the design of China policy as possible. This was achieved both through strong leadership, and through the use of highly secret decision-making procedures.⁴⁵

Lastly, domestic political calculations did have an impact on Nixon's decision-making process. He saw rapprochement with Beijing not only as a way of stimulating confidence in his Administration, but also as a means of boosting his own prestige and popularity. Further, Nixon determined to prevent

⁴² See for example Martin Kalb and Bernard Kalb, *Kissinger*; Little, Brown and Company (Boston, 1974) pp.253-255.

⁴³ Rosemary Foot, *The Practice of Power*; op cit p.104.

⁴⁴ Kissinger, *The White House Years*; op cit pp.693-694, and Garthoff, *Détente and Confrontation*; op cit p.216 and p.229.

⁴⁵ Ibid (Kissinger) pp.719-721.

the opposing 'pro-engagement' wing in Congress from taking the lead on rapprochement with China. More precisely he wanted the presidency, rather than Congress to take the credit for the establishment of full unofficial Sino-American relations. Certain members of Congress, predominantly Democrats such as Senators Edward Kennedy, Muskie and McGovern had attempted to take the lead and push the boundaries of the engagement debate. Despite it being an election year (and therefore to the surprise even of Mao) Nixon was resolved to visiting China at the earliest possible opportunity, that is to say in February of 1972. Indeed, during the Kissinger-Zhou preparatory negotiations prior to Nixon's visit to Beijing, Nixon demanded of the Chinese a promise not to invite other US politicians or political rivals.⁴⁶

THE IMPASSE IN RAPPROCHEMENT

The Sino-American relationship stalled after the establishment of Liaison Offices in the respective capitals in 1973. Three causes stand out: Watergate and President Nixon's resignation in 1973, the dissatisfactory conclusion to and humiliating final withdrawal from Vietnam, and the disintegration of détente with the Soviet Union. These developments left the US confused, insecure and self-critical, resulting in a domestic environment prohibitive to major advances in US relations with China.

⁴⁶ Rosemary Foot, *The Practice of Power*; op cit p.106.

While the Ford Administration deferred on such bilateral initiatives, it did attempt to consolidate engagement and the post-rapprochement relationship with China. Washington was aware of Beijing's growing frustration and scepticism regarding US commitment to the Sino-American strategic relationship. Accordingly, Ford, Kissinger, and former president Nixon paid visits to Beijing.⁴⁷ Washington also implied possible military retaliation when Soviet hostility towards the People's Republic intensified in 1976, and considered, but ultimately rejected, the sale of military resources to China.⁴⁸

Nevertheless, the political impact of Watergate, Vietnam, and the disintegration of détente with the Soviet Union had important implications for the domestic context to China policy. Watergate and America's humiliating withdrawal from the Vietnam Conflict severely undermined the authority of the presidency, and the deference traditionally deferred to the position. As a result, Congress resolved to play a much stronger, pro-active role in foreign policy-making.⁴⁹ This determination had a significant impact on US geo-strategic policy, and therefore, China policy.

Widespread perceptions of American weakness and strategic inferiority led to the rise of right-wing, neo-conservative

⁴⁷ Robert G. Sutter, *Shaping China's Future in World Affairs*; op cit p.153. China was experiencing its own political turmoil in the shape of the rise of the 'Gang of Four'.

⁴⁸ Henry Kissinger, *Years of Upheaval*; Little, Brown and Company (Boston, 1982) pp.50-53.

⁴⁹ See James L. Lindsay, *Congress and the Politics of US Foreign Policy*; op cit pp.24-25.

sentiments exemplified by the rebirth of the Committee on the Present Danger.⁵⁰ This environment facilitated the advent under Ford of the conservative backlash feared by Presidents Johnson and Nixon as they sought accommodation with Beijing. Even strong proponents of engagement with Beijing became disillusioned, and Americans began to question the value of the US relationship with the PRC. The majority of public opinion, reflected in Congress, continued to support parallel links with both the People's Republic and Taiwan, though if anything their sympathies lay with the Nationalists.⁵¹ In the face of such an environment, President Ford was too weak, and by this time Kissinger too discredited, to provide Executive leadership on China policy. Interestingly, however, in spite of American doubts about the benefits of the US-PRC relationship, domestic anxieties regarding the US strategic position did prevent a revocation of engagement. In other words, while there was no appetite for new initiatives in China policy, and although a clear majority of the American public viewed Beijing unfavourably⁵², it appeared to make little sense to rescind the US strategic relationship with the PRC in the current strategic context.

⁵⁰ See for example Garthoff, *Détente and Confrontation*; op cit pp.538-540.

⁵¹ Rosemary Foot, *The Practice of Power*; op cit pp.108-109.

⁵² Harry Harding, *A Fragile Relationship: The United States and China Since 1972*; The Brookings Institute (Washington D.C., 1992) Appendix A, Table A-1 'US Public Opinion of China' p.363, and Karlyn H. Bowman, 'Public Attitudes Towards the People's Republic of China'; op cit Table A-1 'US Feeling Toward China, Selected Years, 1954-1993' p.147.

THE CARTER ADMINISTRATION'S FAILURES
AND THE ENDURING IMPASSE IN US-CHINA RELATIONS

Carter assumed the presidency in January 1977 convinced of the need to develop Sino-American relations.⁵³ Carter understood this to mean the normalisation of relations. However, the Administration encountered serious difficulties in its attempts to lead and legitimise China policy domestically. Although Carter faced complex and often volatile international and domestic political environments, many of the problems he encountered were of the Administration's own making.

Firstly, despite his belief in the importance of normalisation, China policy initially did not feature highly on a foreign policy agenda designed by Carter and his Secretary of State Cyrus Vance. They shared a determination to reinvigorate US-Soviet détente, conclude the SALT II treaty with Moscow, strengthen NATO, and to resolve other outstanding issues such as peace in the Middle East and sovereignty of the Panama Canal. On the broader front, Carter and Vance wished to diminish the degree to which US-Soviet relations dominated all other aspects of US foreign policy-making.⁵⁴

⁵³ Carter was disconcerted by Beijing's frustration with the lack of Sino-American progress, fearing that it could lead to Sino-Soviet rapprochement. See Zbigniew Brzezinski, *Power and Principle: Memoirs of the National Security Advisor 1977-1981*; Farrar, Straus, Giroux (New York, 1985) p.196.

⁵⁴ Rosemary Foot, *The Practice of Power*; op cit p.109, and Garthoff, *Détente and Confrontation*; op cit p.576.

This led to a second problem. Like President Clinton after him, Carter wanted to pursue all his foreign policy objectives simultaneously in the face of complex international challenges, but he neglected to define a framework through which this could be achieved. As a result through 1977 and into 1978, Carter failed to provide convincing leadership on any issue. This was reflected in China policy. The Administration's initial review of China policy revealed broad agreement on the need to pursue normalisation, but provided no clear framework or timetable for the process.⁵⁵ Carter's stance on China policy mirrored splits within his foreign policy team highlighted by the review. He wished to cooperate with Moscow, like Vance, but agreed with NSA Brzezinski in the need to confront and contain it as domestic pressure to do so grew.⁵⁶ As a consequence, Carter failed to resolve the split and neglected to commit himself, the Administration's China policy appeared discordant and inconsistent, and Sino-American relations deteriorated as a result.

The third problem concerned the Administration's wider foreign policy problems. Détente was collapsing, and Carter struggled to define a response to Soviet and Cuban interventions in Africa. This fuelled deepening hostility

⁵⁵ Presidential Review Memorandum (PRM)-24. Zbigniew Brzezinski, *Power and Principle*; op cit pp.196-198, and Banning Garrett, 'China Policy'; op cit pp.245-246.

⁵⁶ Brzezinski argued that Washington should advance its strategic relationship with Beijing, with or without normalisation, and that doing so would put Moscow on the back foot. Ibid (Brzezinski) pp.197-199.

towards the Soviet Union with the US domestic arena, and undermined domestic confidence in the Administration. This dilemma related to the fourth problem.

The President had a deep disdain for the impact of domestic politics on foreign policy-making, and he was reluctant to engage in political bargaining with Congress and interest groups.⁵⁷ Yet an awareness and concern for the likely domestic reaction to normalisation was a consistent factor in the Administration's China policy-making, either for its implications for the pursuit of China policy itself, or its impact on other aspects of Carter's foreign policy agenda. As a result, the Carter Administration neglected to sufficiently prepare and socialize the American public for normalisation and the development of US-PRC ties. Indeed, as Rosemary Foot notes, the Administration regarded Congress as "...a hurdle to be surmounted, not as an important body to be wooed."⁵⁸ This helped to further undermine the authority of the President.

Somewhat ironically, the further hardening of domestic attitudes towards US foreign policy, and the growing perception that Carter was weak on international affairs contributed to the revigoration of the pursuit of normalisation and the development of US-PRC relations.

Redefining the Rationale for US Engagement with China

⁵⁷ Ibid p.521.

⁵⁸ Rosemary Foot, *The Practice of Power*; op cit p.110.

NORMALISATION AND ITS IMPLICATIONS FOR ENGAGEMENT WITH CHINA

Carter's frustration with the growth in domestic neo-conservative hostility, and the disintegration of his foreign policy agenda, persuaded him to back NSA Brzezinski's desire for the pursuit of a stronger strategic relationship with China.⁵⁹ Clandestine bilateral negotiations, led by Brzezinski, resulted in the Joint Communiqué on the Establishment of Diplomatic Relations, January 1 1979.⁶⁰ The decision to normalise Sino-American relations represented a critical development in US China policy on a number of levels.

Normalisation was motivated primarily by geo-strategic concerns and interests, and was a natural consequence of a decade of bilateral rapprochement. It confirmed the signatories' "...common opposition to global or regional hegemony by any single power [the Soviet Union]", and met Washington's desire to encourage China's greater participation in an international system dominated by the US.⁶¹ Thus, the

⁵⁹ Garthoff, *Détente and Confrontation*; op cit p.703, and Michael Oksenberg, 'A Decade of Sino-American Relations'; *Foreign Affairs* vol.61 Fall 1982 pp.185-185.

⁶⁰ Brzezinski, *Power and Principle*; op cit pp.408-414, and Robert G. Sutter, 'Shaping China's Future in World Affairs'; op cit p.154.

⁶¹ 'President Carter's Instructions to Zbigniew Brzezinski for his Mission to China, May 17, 1978' reproduced Brzezinski, *Power and Principle*; op cit Annex I. It also reflected Washington's belief that a US-PRC relationship would benefit East Asian regional stability. Brzezinski, *The Power and the Principle*; op cit p.542.

Administration retained a key long-term principle of US engagement with China, that US strategic interests would be served by an expanding Sino-American relationship.⁶²

Of far greater significance to the rationale underscoring engagement with China was the acknowledgement that long-term US-PRC relations now possessed their own internal logic. Revealing his thoughts prior to his visit to Beijing, Brzezinski explains:

"Most important, I felt that normalisation of US-Chinese relations gave us an opportunity to build a long-term, lasting relationship with one of the most important global powers, and that this ought to be pursued for its own sake, even if at some point the US-Soviet relationship were to improve."⁶³

The establishment of Sino-American diplomatic relations paved the way for an enormous expansion in direct and indirect contacts and visits, and an explosion in bilateral economic and scientific agreements and geo-political cooperation. For example, the PRC played host to many senior members of the Carter Administration, many members of Congress, and a large number of state and business delegations all within the first

⁶² Brzezinski considered the strategic value of China so great that he established a clear tilt towards Beijing within the framework of the US-China-Soviet strategic triangle, with the result that a de facto Sino-American 'quasi-alliance' had been established by the end of the Carter Administration. Ibid pp.424-425.

⁶³ Ibid (Brzezinski) p.404.

six months of 1979.⁶⁴ Further, a bilateral trade agreement signed on May 14 enabled the US to grant Most Favoured Nation (MFN) trading status to the China, while the first joint business venture was signed in the October.⁶⁵

The new bilateral sphere provided US businesses, scientists, academics, interest group activists, and indeed politicians, the opportunity to gain greater awareness and knowledge of China. Accordingly, as their interests in China developed, domestic actors found that they had a stake in influencing China policy-making.

This aspect of the bilateral sphere also manifest itself within the bureaucracy. To sustain the momentum of the US-PRC relationship, Brzezinski established bureaucratic structures promoting inter-agency coordination on China policy, and encouraged departmental representatives to visit China for themselves.⁶⁶ This not only entrenched the philosophy of engagement with the PRC within US China policy-making, but also allowed different governmental agencies the opportunity to pursue their own conflicting interests in China. When, in subsequent years, this situation arose, it would severely

⁶⁴ For an indication of the number and nature of visits to China during this short period, see Garthoff, *Détente and Confrontation*; op cit p.748.

⁶⁵ Robert G. Sutter, 'Shaping China's Future in World Affairs'; op cit p.154. It is important to note that the Administration also retained the practice of promoting bilateral ties, both before and after normalisation, as a means of consolidating and stimulating the wider strategic relationship.

⁶⁶ Brzezinski, *The Power and the Principle*; op cit pp.416-417.

complicate the definition and implementation of a clear China policy framework.

The normalisation of US-China relations also exposed important features of China policy-making. Firstly, once Carter had decided to turn his full attention to the issue, it demonstrated the value of presidential leadership, commitment, and management of the policy-making process. However, prior to that point, Carter's hesitancy and lack of interest had contributed to policy incoherence, a failure of resolve bureaucratic splits, and ultimately, a deterioration in Sino-American relations. Further, Carter's disinclination to debate the issue of normalisation in public and to consult with Congress seriously undermined the authority of the president, and the domestic legitimacy of the project.⁶⁷ Although fascination with the diplomatic initiative resulted in opinion polls indicating favourable public opinion of the PRC, Carter encountered a virulent backlash from a conservative Congress. Accusing the Administration of betraying commitments to Taiwan, Congress passed the Taiwan Relations Act in February 1979.⁶⁸

It is interesting to note political calculations, stemming from a fear of domestic hostility to normalisation, influenced

⁶⁷ Ibid pp.543-545, and Rosemary Foot, *The Practice of Power*; op cit pp.109-110.

⁶⁸ Harry Harding, *A Fragile Relationship*; Appendix A Table A-1 op cit p.363, and Karlyn H. Bowman, 'Public Attitudes'; Table A-1 op cit p.147. The Act confirmed America's treatment of Taiwan as a de facto independent state, eligible for diplomatic, financial, and most controversially, military assistance. Ibid (Harding) pp.84-87, and Michael Oksenberg, 'A Decade of Sino-American Relations'; op cit p.189.

Carter's decision-making. This is illustrated most obviously by the President's adherence to State Department advice to delay the declaration of intent to normalise Sino-American relations until after the anticipated intensity of the 1978 mid-term Congressional elections.⁶⁹

POLITICAL SENSITIVITY AND THE NADIR IN US-CHINA RELATIONS

China policy under the Reagan Administration was characterised by two contrasting periods. From 1984/85, enhanced American knowledge of China led to a transformation both of China policy and of US-China relations. However, in the early years of the Administration, political sensitivities disabled US China policy-making, resulting in an unprecedented disintegration in bilateral relations.

Reagan entered the White House with a mandate to right the perceived wrongs of his predecessor.⁷⁰ In the realm of foreign policy, Reagan rode a wave of prevailing opinion, pledging not only to roll back Soviet geo-strategic influence, but to restore America's role as leader of the 'free world'. Yet despite the apparent ideological clarity and resolution of this message, policy-makers failed to define a clear framework for

⁶⁹ Garthoff, *Détente and Confrontation*; op cit p.707, and Rosemary Foot, *The Practice of Power*; op cit p.110.

⁷⁰ For example, Carter's mishandling of the 1980 Iranian hostage crisis contributed strongly to his presidential defeat.

China policy.⁷¹ This failure reflected a split within Reagan's foreign policy-making team, and the fact that the balance of power favoured those who dismissed the strategic value of the PRC to US security and foreign policy interests.⁷²

These contradictory perspectives were reflected in the President himself. While Reagan would sometimes speak of the importance of the People's Republic, and advocate policies such as US arms sales to the PRC, at other points he would declare his ideological enmity for the communist regime in Beijing, and express his support and commitment to relations with Taiwan. Senior policy-makers such as NSA Richard V. Allen, and other right-wing political appointees, robustly promoted this overtly pro-Taiwan stance, despite conflicting proposals from State Department officials.⁷³

The prevailing attitude on China within the Administration through 1981-1984 represented a clear departure from the established rationale underpinning US engagement with Beijing since the late 1960s. In other words, it rejected the idea that the two states possessed enduring mutual strategic interests within the Cold War context, and that US interests benefited

⁷¹ Banning Garrett, 'China Policy'; pp.251-252. Like Carter, China policy was low on the incoming Administration's list of foreign policy priorities.

⁷² While Secretary of State Haig endorsed a strong strategic relationship with China, Defence Secretary Weinberger disagreed, arguing for an enormous unilateral military build-up to sustain an American 'go it alone' strategy. Ibid p.252 and p.260.

⁷³ Ibid p.254, Garthoff, *Détente and Confrontation*; op cit p.1038, and Rosemary Foot, *The Practice of Power*; op cit p.227.

from a progressive relationship with the PRC. On closer inspection, however, Washington's position was not so clear. Paradoxical statements regarding US commitments to Beijing and to Taipei, for example, gave the impression of a 'two Chinas' policy at best, and policy incohesion and inconsistency at worst. This reality was due, to a large degree, to the Administration's sensitivity to domestic political calculations.

Despite its fierce ideological anti-communism, and its projections of US idealism and normative values, the Reagan foreign policy platform was also designed to maximise political support. In this sense it was one of style over substance, one dependent on courting and responding to prevailing neo-conservative domestic moods rather than one based in a clear strategic structure.⁷⁴ Domestic legitimacy, therefore, was founded on political popularism, rather than considered support for an articulated longer-term policy framework. The lack of framework for China resulted in a policy driven by events and political calculations. Beijing began to doubt very seriously and very publicly America's value as a strategic partner, and bilateral relations on strategic, diplomatic, economic and other fronts deteriorated rapidly.⁷⁵

⁷⁴ For example, sympathies for Taiwan ran deep within the Republican right-wing, the bed-rock of Reaganite support, and among key members of Congress such as Senators Barry Goldwater and Jesse Helms. Interview with David Shambaugh, Director, Gaston Sigur Centre of East Asian Studies, George Washington University, October 27 1997, Washington D.C.

⁷⁵ Banning Garrett, 'China Policy'; op cit p.252 and p.257, and Garthoff, *Détente and Confrontation*; op cit pp.1040-1041.

An apparent breakthrough came with the 1982 Joint Communiqué on United States Arms Sales to Taiwan.⁷⁶ From the geo-strategic perspective, the Soviet Union's imposition of martial law in Poland persuaded the Reagan Administration of the need to cultivate relations with Beijing. Indeed, it suggested that mutual strategic interests could still surmount mutual suspicions. Nevertheless, domestic political calculations played an influential role in the Administration's management of the Communiqué. Washington recognised the political value of confronting, and been seen to confront, Moscow, through its relationship with Beijing. Further, it felt compelled to court the sentiments of those key members of Congress who were bound to disparage such a bilateral agreement, by underplaying the significance of America's subsequent commitments to China.⁷⁷ Thus it did not represent a fundamental change in policy. The Communiqué failed to re-establish a strong strategic basis for long-term US-PRC relation, nor did it persuade the Reagan Administration of the need to engage with Beijing over the long run.

The Reagan Administration's greater dependency on responding to and courting prevailing domestic opinion had a

⁷⁶ The US agreed not to exceed current levels of arms sales to Taiwan, either in qualitative or quantitative terms, and to reduce such levels in line with the resolution of the Beijing-Taipei dispute. The Communiqué also reaffirmed Beijing's desire for peaceful unification with the island, and Washington's disavowal of a 'two Chinas' policy. 'Documents on US Arms Sales to Taiwan' (August 17 1982), reproduced in Harry Harding, *A Fragile Relationship*; op cit Appendix D.

⁷⁷ See for example Harry Harding, *A Fragile Relationship*; op cit pp.117-118.

number of implications for its formulation of China policy during the 1981-84 period. Firstly, it contributed to its failure to establish a clear long-term framework for China. While the most influential actors in the bureaucracy dismissed the strategic value of the PRC, the Administration rhetoric failed to reject this line of thinking entirely. However, the primacy of political calculations and the pursuit of domestic political support not only led to the neglect of comprehensive strategic assessments, it also failed to provide any consistency to the Administration's China policy. Political popularity does not necessarily equate domestic legitimacy and authoritative policy.

Secondly and correlatively, the Administration failed to resolve the bureaucratic split between those who continued to advocate the long-term strategic relationship with Beijing on the one hand, and those who dismissed this thinking allied with those offering politically motivated advice on the other.

Thirdly, the Administration's preference for style and imagery over substance, and its courting of highly dogmatized domestic opinion, instilled and deepened domestic opposition to US ties with Beijing. In the absence of a long-term vision and framework for US China policy, the manipulation and exploitation of domestic attitudes in pursuit of political support could be a hazardous game, both politically and strategically.⁷⁸

⁷⁸ As will be seen, Clinton reaped the penalties of manipulating and exploiting domestic opinion on China policy for unrelated (political and electoral) reasons.

Fourthly, these problems associated with the Administration's approach to China policy contributed to the most serious deterioration in Sino-American relations ever experienced, and threatened to bring to an end the strategy of US engagement with China.

THE REDEFINITION OF ENGAGEMENT AND THE PEAK IN US-PRC RELATIONS

The period 1984/85 to 1988 provided a remarkable contrast to the preceding years of the Reagan Administration. The experience of direct contacts altered the image of China in the eyes of governmental policy-makers and domestic citizens alike, and in turn, led to the further expansion of bilateral ties. By 1988, US Ambassador to Beijing, Winston Lord, felt compelled to describe the year as the "most positive ever" in the history of Sino-American relations.⁷⁹ Moreover, the underlying rationale for engagement had evolved from the geo-strategic, to the bilateral.

Three diplomatic exchanges were fundamental to the transformation of China policy, and the perception of China held by American policy-makers, politicians, observers, businesspeople, and public.⁸⁰ Firstly, Secretary of State

⁷⁹ Garson, *The United States and China Since 1949: A Troubled Affair*; Pinter (London, 1994) p.185. The Tiananmen Square massacre the following year greatly circumscribed Lord's enthusiasm for US-PRC relations, and had a large influence on his views on China policy.

⁸⁰ See for example *ibid* p.178, and Garthoff, *Détente and Confrontation*; *op cit* pp.1042-1043.

Shultz's greater enthusiasm for the exploration of deeper bilateral ties with the PRC resulted to a large extent from his trip in 1983, when he finally witnessed first hand the progress achieved by the reform and modernisation process. Premier Zhao Ziyang's trip to Washington in January 1984 proved even more portentous. Zhao, perhaps the most reform-minded of Beijing's leaders engaged and stimulated his American audiences with his comments on the PRC's economic achievements and objectives. Indeed, Zhao reflected Deng Xiaoping's implications that America provided the role model for Chinese economic development. The image of the People's Republic portrayed in such diplomatic initiatives proved pivotal. Rather than viewing the PRC with anti-communist antipathy and doubting its relevance, the Administration began to view the PRC with a certain fascination and optimism. The PRC appeared to be leading the way for the transition from communism to capitalism, offering the hope that it might also pave the way for the transformation of 'communist' authoritarianism to western democracy. Correspondingly, Reagan's own views of Beijing were somewhat transformed by his visit to the PRC in April 1984.⁸¹ Reagan was impressed by the PRC's economic achievements, objectives and potential. Noting Beijing's embracement of capitalist principles, Reagan spoke enthusiastically of his experiences in "so-called Communist

⁸¹ See for example Paul H.B. Godwin, 'The US and Asia: The Success of Continuity?'; chapter two in William P. Snyder and James Brown (eds), *Defence Policy in the Reagan Administration*; National Defence University Press (Washington, 1988) pp.51-53.

China".⁸² And while he highlighted the essential differences in the ideologies and political societies of the two countries, Reagan argued that they need not eclipse fresh developments in the US-PRC relationship.

Within this new environment US-PRC bilateral relations expanded at an unprecedented rate between 1985 and 1988, with economic and trading relations acting as the major catalyst to this progress.⁸³ The long anticipated development of military ties finally took off, with bilateral military negotiations and exchanges at the forefront of the developing official relationship.⁸⁴ The two governments signed a wide range of agreements on issues such as trade and nuclear cooperation, and cultural, technical and scientific contacts. Further, many thousands of mainland Chinese entered the US on educational exchanges, and tourism and cultural exchanges boomed.

The expansion of ties reflected a vital transformation of China policy and US engagement with China at both governmental and non-governmental levels. The Administration now recognised that US strategic interests could be pursued through a

⁸² Robert G. Kaiser, 'Another Western 'Barbarian' Honours the Middle Kingdom'; *Washington Post* May 6 1984.

⁸³ During this period, for example, the US became the second largest direct investor in the PRC. Between 1981 and 1984 Deng Xiaoping and Hu Yaobang had liberalized the PRC's economic system, establishing an economic growth strategy based on international trade. Robert Garson, *The United States and China Since 1949*; op cit pp.174-175 and pp.184-185, and Garthoff, *Détente and Confrontation*; op cit p.1044.

⁸⁴ Interview with Dr. Ronald N. Montaperto, Senior Fellow, National Defence University, November 12 1997, Washington D.C., and Rosemary Foot, *The Practice of Power*; op cit pp.235-236.

relationship with China in a bilateral context, and that Sino-American ties possessed their own internal logic.⁸⁵ Policy-makers realized that a committed bilateral policy of 'engagement' could induce economic, political and societal reform within the PRC, and that a deeper level of engagement could ensure that the reforms would be irreversible. Indeed, given the Administration's enduring enthusiasm for Cold War rhetoric, PRC liberalization would demonstrate the appeal and superiority of the western capitalist system. More practically, the Administration was determined not to lose out to its (Western European and East Asian) economic competitors in the race to exploit the opportunities presented by PRC modernisation and development.

Of greater significance is the impact of the positive culture of engagement on the domestic non-governmental scene. Greater knowledge and awareness of China, and in particular its economic and market potential, meant that domestic actors developed their own interests in the PRC. As a consequence, they developed a growing stake in the definition and implementation of China policy. This not only helped to legitimise the Administration's policy of engagement, it actually contributed to the definition of that engagement.⁸⁶ In addition, as the Cold War faded and the geo-strategic element

⁸⁵ See for example, Garson, *The United States and China Since 1949*; op cit pp.173-174 and pp.178-182.

⁸⁶ Through the 1980s and into the 1990s, non-governmental ties and engagement would wholly outstrip the level of governmental contacts.

of engagement evaporated, the impulse of domestic actors to defer to the Administration on China policy-making diminished.

In fact, as the nature and extent of bilateral engagement developed, an increasing number of domestic constituencies felt more able to voice protest at certain aspects of US China policy and the conduct of the regime in Beijing.⁸⁷ The issue of Taiwan continued to disconcert a section of conservative right-wing opinion, while broader Congressional protest centred on allegations concerning Beijing's role in the proliferation of weapons of mass destruction. Further, a notable level of public, interest group and Congressional criticism arose on the questions of human rights and self-determination, especially with respect to Tibet.⁸⁸ The Administration's defence of its China policy in the face of such protests revealed its belief in the importance of engagement with the PRC.⁸⁹

At this stage in the relationship, the various protests possessed insufficient momentum and popular appeal to threaten the Administration's position. Indeed, the majority of domestic public, elite and media favoured further development of the Sino-American relationship. The Administration also benefited from the fact that while the relationship was no longer

⁸⁷ For example see Winston Lord, 'China and America: Beyond the Big Chill'; *Foreign Affairs* vol.68 no.4 Fall 1989 pp.22-23.

⁸⁸ See Robert S. Ross, 'National Security, Human Rights and Domestic Politics: The Bush Administration and China'; Chapter Ten in Kenneth A. Oye, Robert J. Lieber and Donald Rothchild (eds), *Eagle in a New World: American Grand Strategy in the Post-Cold War Era*; Harper Collins (New York, 1992) p.286 and Garson, *The United States and China Since 1949*; op cit p.185.

⁸⁹ Ibid (Ross) op cit p.286.

predicated on geo-strategic motives, its bilateral relationship with the PRC was still relatively novel and immature. The PRC's own transformations through the 1980s had encouraged the US to view it with increasing favour, while knowledge of aspects of Beijing's behaviour less acceptable to Americans had yet to be gathered and disseminated. Thus the Reagan Administration still held a significant balance of power in the formulation of foreign and China policy.

Conclusion

By the close of the Reagan Administration in 1988, a platform for US-PRC relations that would transcend the end of the Cold War had been established. While geo-strategic factors had yet to be dismissed, most China policy-makers were convinced that engagement could and should be sustained on a bilateral basis. America recognized a range of strategic interests in China in the broader sense of economics, diplomacy, culture, and academia, as well as regional and global security. What is more, the US recognized its normative interests in the PRC, according to its belief that engagement would foster economic, societal, and political reform in China. The Administration was able to define a clear hierarchy of positive US China policy interests, shared throughout the bureaucracy.⁹⁰

⁹⁰ This positive outlook was facilitated by a favourable international and bilateral context. Détente with Gorbachev's Soviet Union freed the Administration from many of its Cold War geo-strategic obligations, while Beijing was a willing partner in the expansion of Sino-American ties.

The Reagan Administration's learning curve and commitment to engagement was complemented by growing fascination and interest in China exhibited within the domestic arena. A distinct consensus supported the expansion of the bilateral US-China relationship. Moreover, flourishing domestic stakes in China policy meant that domestic legitimacy had become an even more vital ingredient to engagement with the PRC.

However, the Bush and Clinton Administrations were unable, and incapable, of capitalizing upon this platform. The seeds of domestic protest at China policy had already been sown, but new bilateral and domestic circumstances arose that challenged the validity and legitimacy of the US strategy of bilateral engagement. Not only did Presidents Bush and Clinton struggle to define a hierarchy of US foreign policy, and China policy, interests in the post-Cold War world, but events such as the Tiananmen Square massacre of June 1989 precipitated the collapse of the domestic consensus concerning American relations with China. The task of balancing strategic bilateral interests with domestic legitimacy proved much harder to resolve. President Bush's management of China policy suffered due to his focus upon strategic concerns to the detriment of domestic legitimacy, while President Clinton's preoccupation with domestic political calculations undermined both the credibility of his strategic designs, and the domestic legitimacy of his China policy.

CHAPTER TWO

THE BUSH ADMINISTRATION AND CONSTRUCTIVE ENGAGEMENT LEARNING CURVES IN AN UNCERTAIN ENVIRONMENT

Continuity was the byword of George Bush's approach to China policy when he entered office in January 1989. Although bilateral disputes on issues such as PRC proliferation and policy towards Tibet were drawing greater attention, this was counter-balanced by Bush's belief in the strategic importance of China.¹ Therefore in the mind of the new President, a very strong basis existed for the long-term development of the Sino-American relationship. However, the Bush Administration encountered a number of serious challenges and changes of circumstance in its pursuit of China policy through its four year term of office.² The most obvious challenge was presented by the need to reevaluate China policy in the light of the Tiananmen Square massacre of June 3/4 1989. The roots of the policy-making crisis prompted by Tiananmen were primarily domestic, and these will be discussed in the following chapter.

¹ Bush's thinking on China reflected that of Kissinger, Brzezinski and Haig, and thus reestablished an aspect of China policy dismissed by policy-makers such as Reagan, Weinberger and Shultz. Robert S. Ross, 'National Security, Human Rights and Domestic Politics: The Bush Administration and China'; Chapter Ten in Kenneth A. Oye, Robert J. Lieber and Donald Rothchild (eds), *Eagle in a New World: American Grand Strategy in the Post-Cold War Era*; Harper Collins (New York, 1992) p.287.

² Perhaps the greatest specific challenges faced by the Bush Administration emanated from the domestic political environment. These challenges form the focus of the next chapter.

However, Tiananmen had a number of crucial implications for the strategy of engagement with the People's Republic. First and foremost, it tested the philosophy of engagement, and the notion that US governmental and non-governmental participation in China's development stimulated economic, societal and political reform in the PRC. The Bush Administration remained committed to this philosophy, in the face of posited alternatives, the most significant of which centred on the issue of leverage. Essentially, this impugment of engagement insisted that the Administration should exploit China's economic and technological dependence on America by linking access to these resources to improvements in China's conduct on human rights and other issues. Nevertheless, the vociferous China policy debate provoked by Tiananmen also forced policy-makers to focus their minds on vital US interests in China. In other words, they were required to recognise and justify a hierarchy of China policy interests, and determine the most effective way of pursuing them.

This ends and means problem led to a second challenge facing the Bush Administration, that concerning the need to redefine US national interests and foreign policy in light of diminishing Cold War tensions. Policy-makers had to determine the importance of China in the context of a new and uncertain international environment. The 1990-91 Gulf Conflict highlighted China's vital role within the reinvigorated United Nations. On the other hand, the PRC's proclivity for arms sales and the transfer of nuclear and military technology ran counter to the Bush Administration's embracement of anti-proliferation

policies. The need to address China policy in the context of a changing international environment, particularly after Tiananmen, highlighted Bush's limitations. While regarded as a safe patriarchal and often prudent leader, Bush was not a visionary. His Cold War experience and credentials left him vulnerable to accusations that he was incapable of adapting to the new international environment.

Bush assumed office with a framework for engagement with the PRC that he largely adhered to in the face of significant bilateral and international challenges. His Administration's pursuit of China policy in these circumstances did much to refine and consolidate the strategy of engagement, though it did provoke a debate that in a similar vein cultivated alternative strategies such as the use of direct leverage and linkage. Indeed, while many of the realities of conducting a relationship with the PRC on a non-geostrategic basis were brought home to policy-makers during 1989-1993, these realities constantly called into question the wisdom of defending US interests through engagement.

Tiananmen and the Challenge to Engagement with the PRC

BUSH AND THE DESIGN FOR CONTINUITY

The Bush Administration inherited a vibrant US relationship with the People's Republic. On a practical level, the last two to three years of the Reagan Administration had witnessed a massive expansion in contacts and ties, particularly in the

realm of economics.³ The US benefited from highly promising export markets and investment opportunities, and cheap consumer imports, while the PRC reaped the benefits of the enormous US consumer market, the supply of technology, and the financial stimulus of dollar investment.⁴ On a philosophical level, US China policy-makers maintained that US engagement and participation in the PRC's development not only played a critical role in its economic modernisation and growth, but also stimulated political and societal reform.⁵ The growing wealth of Chinese citizens, and the limited though significant degree of political and societal relaxation that had occurred particularly in the more prosperous south eastern coastal regions appeared to justify these assertions. Another longstanding objective of US engagement appeared to be vindicated by China's increasing participation in the international system. This seemed to suggest that Beijing was willing to accept international norms and principles, more often than not defined by the US.

The relationship was not without its problems. The declining strategic rationale for engagement had focused

³ Commercial and non-commercial military sales to China had taken off, academic exchanges and tourism was booming, US foreign investment was strong, and bilateral trade had reached an unprecedented figure of over \$13.5 billion. See Harry Harding, *A Fragile Relationship: The United States and China Since 1972*; Brookings Institute (Washington D.C., 1992) Appendix A 'Tables and Figure' pp.363-372.

⁴ Ibid p.215.

⁵ This was achieved, it was argued, through the creation of wealthier middle class PRC citizens who were more inclined to demand such reforms, and through the transmission of Western ideas and values along burgeoning bilateral ties.

increasing attention on areas of bilateral dispute.⁶ Government officials and the US business community were frustrated by barriers to China's market, and by an onerous investment climate complicated by a immature and often chaotic economic infrastructure. In addition, issues such as China's respect for human rights, especially in Tibet, arms sales to volatile regions such as the Middle East (supplying both combatants in the Iran-Iraq war for example), allegations of the transfer of nuclear technology to states such as Pakistan, and Beijing's connections with groups such as the Khmer Rouge in Cambodia concerned policy-makers in Washington.⁷

Nevertheless, Bush was determined to reestablish the strategic importance of the PRC within US China policy-making, and in fact saw the many areas of bilateral dispute as further reason for engagement with Beijing. Bush had served as head of the Washington's Liaison Office in Beijing through 1974-75. This experience, according to his own frequent assertions, had endowed him with a deep and valuable knowledge of Chinese affairs.⁸ That this experience came at a time when US-PRC relations were almost entirely rooted in mutual strategic interests, and when US China policy was dominated by Kissinger

⁶ The strategic rationale had eroded due to diminishing Cold War tensions, and the Reagan Administration's dismissal of the importance of the PRC to US national security policy as it defined it. Robert S. Ross, 'National Security, Human Rights and National Security'; op cit pp.284-285.

⁷ Ibid p.286 and Rosemary Foot, *The Practice of Power*; Oxford University Press, (New York, 1995) p.243.

⁸ See for example his toast at the Welcoming Banquet in Beijing, February 25 1989. *Public Papers of the Presidents of the United States-George Bush 1989*; Book I, January 20 to June 30, 1989, Washington D.C. (United States Government Printing Office, 1990) pp.139-140.

had a strong bearing on the President's outlook.⁹ Similarly Bush's closest advisors on Foreign and China policy shared the President's tutelage under Nixon-Ford-Kissinger. As a consequence, Bush's confidence in the pertinence of his approach to China policy, and his determination to retain control of China policy-making throughout his term of office was consolidated by the support he received from National Security Advisor Brent Scowcroft, Deputy Secretary of State Lawrence Eagleberger and Secretary of Defence Richard Cheney.¹⁰

The Bush Administration believed that the long-term trends in China and in the US-PRC relationship were positive and strong in spite of certain specific bilateral disagreements. This view was critical to the framework for China policy established at the outset. Bush argued that China's size and population, location, strategic importance to world politics and stability, and economic potential, necessitated a US strategy of engagement with Beijing. US (and global) economic interaction with China's development, he urged, would inevitably encourage economic, political and human rights progress within the PRC. Unavoidable economic, political and normative disputes arising from respective differences in economic, political and societal systems could and should be resolved through quiet engagement and diplomacy. Thus

⁹ Rosemary Foot, *The Practice of Power*; op cit p.243, and same author, 'Neither Friends nor Enemies: Sino-American Relations After the Cold War'; *The Oxford International Review* vol.5 no.2 Spring 1994 p.19.

¹⁰ Robert D. Schulzinger, *American Diplomacy in the Twentieth Century*; Oxford University Press (Oxford, 1994) p.356 and Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.287.

engagement served US strategic, economic and normative interests.¹¹

Bush demonstrated his commitment to US ties with Beijing by including China on his first foreign trip in February 1989. Indeed he indicated an application to the issue of human rights by referring to the issue on a number of occasions during his trip, and more conspicuously, inviting a number of Chinese dissidents to a US Embassy Reception on February 26. The Beijing authorities reacted angrily to the invitation and prevented leading dissident Fang Lizhi from attending the reception.¹² Nonetheless, this diplomatic spat proved to be an exception in the early months of the Bush Administration's relations with the PRC, during which the President established a pattern of direct contacts with the Chinese leadership.¹³

TIANANMEN: ENGAGEMENT IN PRACTICE

Through the spring of 1989, awareness of growing though peaceful demonstrations of protest in Beijing and in other

¹¹ Robert G. Sutter, 'Tiananmen's Lingering Fallout on Sino-American Relations'; *Current History* vol.90 no.557 September 1991 p.248. See also George Bush, 'Toast at the Welcoming Banquet in Beijing'; op cit pp.139-140 and remarks at the President's News Conference, March 7, 1989, *Public Papers of the Presidents of the United States-George Bush 1989*; Book I op cit p.179.

¹² Kerry Dumbaugh, *China's Future*; Congressional Research Service (CRS) Issue Brief IB85108 March 2 1989 p.10 and Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.292.

¹³ Ibid (Ross) pp.291-292 and Rosemary Foot, *The Practice of Power*; op cit p.243.

Chinese towns and cities spread to Washington.¹⁴ The timing of the demonstrations was significant. In part they were triggered by the death of leading reformer Hu Yaobang on April 15, but they also presaged a trip by the Soviet reformist President Gorbachev in the May. The publicity that would surround the trip promised to shed the global media spotlight on the protests.¹⁵ The causes for the protests, like the composition of the demonstrators themselves, were many and varied. Essentially the demonstrations centred on the alienation of the Chinese regime from its citizens, and its lack of accountability particularly in the face of mounting economic and social problems prompted by a downturn in the Chinese economy. Through the filter of the American media, however, the protests represented a pro-democracy movement led by students. The building of an effigy called the 'Goddess of Democracy' bearing a slight resemblance to the Statue of Liberty in Tiananmen Square in Beijing confirmed this US perception.¹⁶

The demonstrations highlighted a fissure within the Chinese leadership. Pro-reform moderates and liberals led by Chinese Communist Part (CCP) General Secretary Zhao Ziyang

¹⁴ For an excellent overview of causes behind the spring 1989 protest movement, the Tiananmen Square massacre of June 3/4, and the subsequent imposition of martial law and political repression by the PRC regime see Harry Harding, *A Fragile Relationship*; op cit pp.217-224.

¹⁵ Also the Chinese National People's Congress convened in the March.

¹⁶ For example Stephen Yates of the Heritage Foundation argues that by focusing on the student minority calling for democracy and the overthrow of the PRC regime, the vast majority of Americans wholly misunderstood the events of spring/summer 1989. Interview with Stephen Yates, November 5 1997, Heritage Foundation, Washington D.C.

urged further economic liberalization accompanied by a process of limited political reform. Conservatives and hardliners such as Premier Li Peng rejected such proposals. They believed that further reform would increase China's economic dependence on foreign states, and also serve to undermine the power and authority of the CCP.¹⁷ Their view was heavily influenced by the reform movements in the Soviet Union and East and Central Europe, and the political, societal and economic chaos they perceived as its consequence.¹⁸ The imposition of martial law on May 20 (and the subsequent resignation of Zhao Ziyang who advocated dialogue with the protesters) indicated that the balance of power within the regime had swung the way of hardliners who wished to suppress the growing demonstrations. Still the repression of June 3/4 in and around Tiananmen Square surprised and shocked the watching world.

The Bush Administration had reacted cautiously to the developing protest movements within the PRC. Bush was willing to identify the US with the protesters and their demands, and he urged further political and democratic reform in China.¹⁹ However, in counselling restraint from both the Chinese authorities and the protesters, the Administration emphasised

¹⁷ Maintaining independence was and is a critical component of Chinese foreign policy decision-making. See Michael B. Yahuda, 'Sino-American Relations'; Chapter Nine in Gerald Segal (ed), *Chinese Politics and Foreign Policy Reform*; Royal Institute of International Affairs, Kegan Paul International (1990) especially pp.181-182.

¹⁸ See Winston Lord, 'Misguided Mission'; *Washington Post* December 19 1989 and Rosemary Foot, *The Practice of Power*; op cit p.243.

¹⁹ Question and Answer session May 5 1989, *Public Papers of the Presidents of the United States-George Bush 1989*; Book I op cit p.519.

that the long-term trends in China were positive and that an imprudent US reaction to the protests could undermine the short and long-term stability of the PRC.²⁰ Further, he did not wish to provoke Beijing's anger by being seen to interfere in China's internal affairs.²¹

Bush and his close advisors were convinced of the need to find a delicate balance in their response to the Tiananmen Square suppression. Firstly, they had to demonstrate their repulsion at the use of force by the PRC authorities and convey their criticism and denunciation of the repression. To an important extent, the Administration had to weigh domestic horror and condemnation in formulating this response. On the other hand, Bush wanted to retain US ties with Beijing and was determined that this crisis would not derail the Sino-American relationship.²² The President's initial statements on the incident reflected this balance. Thus while the President 'deeply deplored' the use of force, he highlighted the long-term "constructive relationship" between the US and the PRC and expressed his hope that "...China will rapidly return to the path of political and economic reform and conditions for stability so that this relationship...can continue its

²⁰ Harry Harding, *A Fragile Relationship*; op cit pp.224-225.

²¹ Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.292.

²² Winston Lord, 'China and America: Beyond the Big Chill'; *Foreign Affairs* vol.68 no.4 Fall 1989 p.10 and Robert G. Sutter, 'Sino-American Relations in Adversity'; *Current History* vol.89 no.548 September 1990 pp.241-242. See George Bush's remarks during the President's News Conference June 8 1989, *Public Papers of the Presidents of the United States-George Bush 1989*; Book I op cit pp.695-699.

growth."²³

The Bush Administration led the international reaction to Tiananmen. It immediately suspended all military sales to the PRC and suspended all military contacts.²⁴ Further, Bush offered to coordinate humanitarian assistance to the injured, met with Chinese scholars studying in the US and offered them sanctuary, and gave refuge to leading dissident Fang Lizhi in the US Embassy in Beijing.²⁵ When it became clear by June 20 that Beijing would meet these measures not with contrition or concession but with defiance and justification for its actions, the Administration imposed a second wave of sanctions. These included the suspension of ceremonial governmental exchanges at Cabinet level, and measures to postpone lending and assistance to China from international financial institutions.²⁶ The ban on diplomatic contacts came as a response to growing misgivings in Congress about the Administration's relatively concessionary reaction to Tiananmen. However, responding in this way undermined the very essence of the Administration's strategy; Bush had curtailed high-level contacts in spite of the fact

²³ George Bush, 'Statement on the Chinese Government's Suppression of Student Demonstrations' June 3 1989, and see also remarks made at the President's News Conference June 5 1989; *Public Papers of the Presidents of the United States-George Bush 1989*; Book I op cit pp.669-670.

²⁴ These measures reflected the predominant role of the People's Liberation Army (PLA) in the Tiananmen repression.

²⁵ Harry Harding, *A Fragile Relationship*; op cit p.225.

²⁶ Other sanctions included the suspension of the 1985 bilateral nuclear cooperation agreement, and of export licences for satellite technology. See *ibid* p.226 and 'Statement by Press Secretary Fitzwater on United States Sanctions Against the Chinese Government' June 20 1989; *Public Papers of the Presidents of the United States-George Bush 1989*; Book I op cit p.764.

highlighting the need to engage with the PRC.³¹ A further reason for the Administration's caution and restraint from hostility was the inability to predict the political direction the CCP regime would adopt in the aftermath of Tiananmen. Policy-makers understood that Chinese leaders would be reluctant to show signs of weakness while they jockeyed for position in the post-Deng secessionist struggle. Furthermore, Washington was aware of the hardline PRC attitude towards the reforms in the Soviet sphere, and their fears for the implications of domestic instability.³² Thus the President refrained from personalised criticism of the PRC leadership. He did not wish to undermine the position of Deng, whom the President regarded as a moderate and a key figure to Bush's plans to resume full bilateral relations.³³

Bush also emphasised other reasons for his Administration's diplomatic track following Tiananmen. On June 8, he cited an argument central to the rationale for engagement in the post-Tiananmen era. Responding to calls for a tougher economic sanctions, Bush asserted: "I think that would be counterproductive and would hurt the people."³⁴ This argument

³¹ Bush referred not only to the global context, but to regional security issues such as Cambodia, Vietnam and the Korean Peninsula. President's News Conference June 27; op cit p.815.

³² Ibid p.242 and Robert G. Sutter, 'Tiananmen's Lingering Fallout'; op cit p.248. These uncertainties were reflected by US China specialists. See for example *Crisis in China: Prospects for US Policy*; Conference Report of the Thirtieth Strategy for Peace, US Foreign Policy Conference 1989, The Stanley Foundation pp.4-6.

³³ Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.293.

³⁴ The President's News Conference June 8 1989; op cit
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insisted that the imposition of tough economic sanctions would hurt those sections of the Chinese community such as entrepreneurs who provided an essential dynamic for reform in China. In other words, it ran counter to the idea that US economic engagement in China's development would inevitably foster improvements in economic, political and societal conditions.³⁵

Bush also maintained that a severe US response would threaten growing US economic interests in the PRC, and he even went as far as to note the value of bilateral cultural and educational ties.³⁶ Believing that Beijing shared his desire to reestablish normal US-PRC relations, he urged their observance of human rights and invited positive gestures and responses from the regime.³⁷

The Bush Administration reinforced its rhetoric with significant diplomatic gestures and concessions of its own, some of which were designed to mitigate the effect of the

p.697.

³⁵ This argument formed a central criticism of Congressional attempts to impose stringent sanctions on China through 1990-1992, and indeed Congress refined their measures to take account of its central assertions. This is discussed in the following chapter. It also used by President Clinton in his decision to delink China's Most-Favoured-Nation status (MFN) from human rights in 1994.

³⁶ Ibid and Robert G. Sutter, 'Sino-American relations in Adversity'; op cit p.271.

³⁷ For example the Administration called for the lifting of martial law, flexibility towards the issue of Fang Lizhi, an end to the jamming of Voice of America broadcasts and permission for US Peace Corps to start a volunteer programme in the PRC. Robert G. Sutter, 'Sino-American Relations in Adversity'; op cit p.271.

sanctions imposed in June.³⁸ As early as July 1989, Bush waived existing sanctions to allow the sale of four Boeing 747 commercial aircraft to the PRC. He followed this up in October by allowing PLA military officers in the US to resume their cooperation with American engineers on Chinese fighter aircraft.³⁹ Further, on December 19, Bush waived restrictions to permit the export of three communications satellites to the PRC. Of equal salience were the measures taken by the President to ensure that the management of China policy remained in his hands. On November 30, Bush vetoed the Emergency Chinese Immigration Relief Act. While conceding that he agreed with its prescriptions, Bush maintained: "My Administration has opposed congressional micromanagement of foreign policy. Such legislation puts America in a straitjacket and can render us incapable of responding to changing circumstances."⁴⁰

Similarly, on December 19 the President announced that he would not enact new Export-Import Bank funding restrictions passed by Congress. Bush's resistance to Congressional action on China policy facilitated his chosen strategy of concessions and positive though cautious diplomacy. In other words by

³⁸ See *ibid* and Harry Harding, *A Fragile Relationship*; *op cit* pp.228-229.

³⁹ Though the ban on arms sales remained in place, this controversial measure appeared to disregard the ban on military exchanges.

⁴⁰ George Bush, 'Statement on the Disapproval of the Bill Providing Emergency Immigration Relief' November 30 1989; *Public Papers of the Presidents of the United States-George Bush 1989*; Book II, July 1 to December 31, 1989, Washington D.C. (United States Government Printing Office, 1990) pp.1612-1613. See also 'Memorandum of Disapproval for the Bill Providing Emergency Chinese Immigration Relief'; *ibid* pp.1611-1612.

retaining control of policy, he could protect engagement with Beijing in the political aftermath of Tiananmen. However, Bush also justified his resistance to interference on the basis that he 'knew China', an argument he returned to constantly over the forthcoming months.⁴¹ As will be discussed in greater depth in the following chapter, the President's elitist approach and his determination to exclude Congress from the policy-making process, even in cases such as the Immigration Relief Act where he agreed with the policy proposals, intensely annoyed members of Congress. This standoff stiffened Congressional resolve to play a leading role in defining US policy towards China, and contributed to the disintegration of the bipartisan consensus on China policy.

To complement the series of concessions and mitigatory gestures, the Bush Administration also pursued direct contacts with the leadership in Beijing. As early as June 8, the President made an unsuccessful attempt to contact Deng Xiaoping directly by telephone.⁴² Further, Secretary of State Baker embarked upon a series of negotiations with Chinese officials.⁴³ On June 10 1989 Baker began talks with the Chinese Ambassador to Washington Han Xu, primarily on the issue of Fang Lizhi. Baker also met with Chinese Foreign Minister Qian Qichen at the Paris Conference on Cambodia in July, and at the United Nations

⁴¹ For example, Bush frequently made this point during the President's News Conference June 8 1989; op cit pp.695-701.

⁴² The President's News Conference June 8 1989; op cit p.698. Bush also sent a note to Deng via US Ambassador to Beijing James Lilley. Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.293.

⁴³ Harry Harding, *A Fragile Relationship*; op cit p.228.

in September. While these meetings were designed to convey US concern for human rights and the use of repression in China, they were also used to confirm the Bush Administration's commitment to US ties with the PRC. The Administration even participated in bilateral discussions regarding China's application to the General Agreement on Tariffs and Trade (GATT) in September.⁴⁴

The US domestic political environment had initially given their broad approval for the President's post-Tiananmen strategy, responding to his request for patience in anticipating PRC reciprocation. Nevertheless domestic opinion, and in particular Congress and opinion leaders, began to get frustrated with the Administration's China policy for two main reasons. Firstly, Chinese progress was simply not forthcoming.⁴⁵ Indeed, the Chinese blamed the US for the deterioration in bilateral relations. Through quiet diplomatic channels, however, Chinese leaders had declared their own desire to avoid a regression in Sino-American relations and suggested that US concessions would stimulate PRC reciprocation.⁴⁶

The second catalyst for domestic hostility towards the Administration's China policy was the implications and interpretations of Bush's decision to engage in secret

⁴⁴ Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.297.

⁴⁵ See for example ibid pp.295-296.

⁴⁶ For example, such messages were conveyed by Nixon, Kissinger, and US academic Professor T.D. Lee on their return from private trips to the PRC, and to Secretary of State Baker in his meetings with Qian Qichen. Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit pp.297-298 and pp.299-300.

diplomacy. The President sent a small delegation led by NSA Scowcroft to China December 9-10 1989, announcing the visit on its return. This led to the disclosure that Bush had sent the NSA and Assistant Secretary of State Lawrence Eagleberger to Beijing as early as July 1-2. The rapid intensification of domestic criticism and doubt in the Administration's post-Tiananmen strategy that resulted from these two factors presented the most serious challenge to engagement with the PRC since the establishment of relations in 1972. It also contributed strongly to the President's decision to reevaluate his China policy in 1990.

THE CHALLENGE TO ENGAGEMENT

Bush's decision to employ these secret diplomatic missions highlighted two aspects of the Administration's post-Tiananmen strategy. Firstly they demonstrated the President's commitment to engagement with Beijing. Secondly, and with particular regard to the December mission, they also reflected his optimism that the Chinese would reciprocate US gestures and retreat from its policy of repression.⁴⁷ Indeed the validity of Bush's concessionary strategy depended on evidence of improvements in China's conduct on human rights. Further, their secrecy highlighted the extent to which Bush had impeded his own strategy of engagement by responding to domestic reproof with the ban on high-level exchanges in late June.

The secret missions triggered significant doubts as to the

⁴⁷ Ibid p.300.

wisdom of pursuing US interests through engagement with Beijing following the Tiananmen Square massacre. In defending the decision to send Scowcroft and Eagleberger to Beijing, Bush attempted to justify his strategy towards China. In fact his first response was to place the December mission in the context of the strategic triangle, arguing that Scowcroft's visit was the latest in an established process of informing Beijing of developments in US-Soviet relations.⁴⁸ In a wider vein, Bush reiterated his belief in the broad strategic importance of the PRC and his belief that US interests were best served through dialogue and the pursuit of common ground with the PRC. He expressed his commitment to human rights and his determination not to take action detrimental to Chinese citizens. Again, he emphasised his personal knowledge of China, suggesting that critics of his policy "...simply do not know what they are talking about."⁴⁹

The President's defence of the missions and of engagement was helped by a number of PRC concessions early in January 1990, and a slight improvement of relations. Following a verbal promise not to export missiles to the Middle East, Beijing lifted martial law on January 10, and released 573 political prisoners detained since spring 1989.⁵⁰

⁴⁸ George Bush, 'Remarks and a Question-And-Answer Session with Newspaper Editors' December 11 1989; *Public Papers of the Presidents of the United States-George Bush 1989*; Book II op cit pp.1682-1683 and Robert G. Sutter, 'Sino-American Relations in Adversity'; op cit p.243.

⁴⁹ Ibid (George Bush) p.1683.

⁵⁰ The US responded to the lifting of martial law by adopting a more flexible attitude towards World Bank loans to the PRC. Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit pp.302-303.

Nevertheless, irrespective of whether Bush's justification of his strategy was legitimate or not, the rationale for engagement with the PRC had been substantially undermined. In particular, revelations that Scowcroft had toasted his hosts in Beijing and that he had referred to "negative forces" within the US and PRC that "seek to redirect or frustrate our cooperation" provoked considerable domestic hostility. Scowcroft's comments appeared to condemn domestic critics of the Bush Administration's China policy, rather than Beijing's responsibility for severe human rights violations and the lack of progress, for the deterioration in bilateral relations.⁵¹ Indeed it also disregarded the possibility that the lack of PRC progress could have been due to the conciliatory approach taken by the Bush Administration.⁵²

One of the most pertinent criticisms came from Winston Lord, a former fervent enthusiast of the Bush Administration's China policy. Indeed, Lord had served as US Ambassador to China from November 1985 to April 1989, and was a confirmed advocate of engagement with Beijing. However, having concluded that China was making satisfactory progress towards reform through

⁵¹ Repeating a diplomatic tactic used by officials of previous Administrations, Scowcroft and Eagleberger told the PRC leadership that President Bush's room for manoeuvre was restricted by domestic political forces, and that the Chinese would have to demonstrate progress to prevent the US Congress from taking action that would destroy US-PRC relations. Ibid pp.300-301.

⁵² Stephen Yates argues that while the second mission may have played a constructive role in improving relations between the two governments, this secretive and elitist style of diplomacy had been made obsolete by the decline in Cold War tensions. In the new environment, domestic actors expected greater transparency and greater influence in US foreign policy-making. Interview op cit.

the late 1980s he felt shocked and betrayed by the Tiananmen Square massacre.⁵³ As he indicated in an article for the *Washington Post* on December 19 1989, he had supported the Administration's strategy following Tiananmen believing that it had "...struck the right balance between condemnation and connection..."⁵⁴ Yet Lord insisted that the Scowcroft mission had destroyed the credibility of US China policy and forsaken US values and principles. Castigating the Administration for siding with the Beijing regime "...against the Chinese and American people...", Lord disparaged the Bush policy rationale and rejected the President's defence of his post-Tiananmen policy. He stressed that the Administration's conciliatory approach fortified the hardline wing within the regime, at the expense of encouraging reform-minded figures.⁵⁵

Lord restated many of his criticisms in an op-ed in the *New York Times* the following May. Further, he outlined his belief in an alternative policy framework for a more productive pursuit of US interests in China.⁵⁶ While explaining his opposition to an immediate revocation of China's Most-Favoured-Nation (MFN) status, Lord proposed a one year renewal with further renewals conditional on human rights progress.⁵⁷ Such a

⁵³ Susumu Awanohara, 'Caution to Peking'; *Far Eastern Economic Review*; February 4 1993 p.15.

⁵⁴ Winston Lord, 'Misguided Mission'; op cit.

⁵⁵ Ibid. Lord accused the Administration of double-standards and "cultural, if not racial, bias" in comparing its policy on human rights in China with that towards Eastern Europe.

⁵⁶ Winston Lord, 'Bush's Second Chance on China'; *New York Times* May 9 1990 p.A31.

⁵⁷ Lord agreed with the arguments that harsh economic sanctions, in the form of immediate MFN revocation, would hurt

policy had two specific objectives according to the author. Firstly, it would reestablish the bipartisan consensus, and unity of purpose between the Executive and the Legislature that had underpinned US policy towards the PRC for most of the previous twenty years. This would boost the credibility and resolve of America's post-Tiananmen goals.⁵⁸ Secondly, it would promote Chinese human rights and serve and protect US long-term interests and engagement in the PRC.

Two convictions supported Lord's proposals. Firstly he shared the Administration's belief that the Chinese wanted to restore and retain a full, long-term relationship with the United States. Indeed he reasoned that China's modernisation and development programmes were dependent on US resources, markets and economic engagement with the PRC.⁵⁹ However, he disagreed with Bush that this justified optimism behind a conciliatory approach to China policy. Rather, it provided the US with significant leverage in its relationship with Beijing. Lord's second conviction allowed the US to use this leverage in the pursuit of human rights and US interests. He argued that in

pro-reform elements such as entrepreneurs, Hong Kong interests, US economic interests, and undermine long-term US objectives and engagement in China. He also advocated measures designed to increase the pressure on the regime such as working on common goals with Taiwan and Hong Kong, increasing Voice of America broadcasts into China, and reaffirming existing sanctions.

⁵⁸ Lord's belief in the value of unity between the Administration and Congress also relates to the efficient use of political capital and the importance of securing domestic legitimacy and support for foreign policy. Interview with Ambassador Winston Lord, November 7 1997, New York. Unity was the governing principle of the China policy-making of the Clinton Administration 1993-94, when Lord was Assistant Secretary of State for East Asian and Pacific Affairs.

⁵⁹ See for example Robert G. Sutter, 'Sino-American Relations in Adversity'; op cit p.242 and pp.243-244.

the context of Soviet and East European reforms and global trends towards democratisation, the Chinese regime's adherence to authoritarianism was doomed to obsolescence. In other words the hardliners in Beijing were inevitably a transitional force, but Bush's conciliatory policy sustained their grip on power and fuelled their confidence. Instead, the use of leverage through linking China's MFN status to progress on human rights and other issues, would undermine their authority and stimulate the transition of power to a younger, more liberal-minded generation of leaders.⁶⁰

Lord remained committed to engagement with Beijing and to the retention of the long established bilateral relationship.⁶¹ However, Lord's proposals reflected a wave of thinking that identified leverage and linkage as the most suitable way of pursuing US interests in the post-Tiananmen era.⁶² While not a direct repudiation of engagement with the PRC, such as the strategy of isolation pursued (superficially at least) in the 1940s to 1960s, linkage asserted that if conditions were not met engagement would in effect be terminated. At this time, little attention was given to the possibility that because of

⁶⁰ Lord emphasised the temporary nature of the current regime in his December *Washington Post* article; op cit, and expanded upon these views the following year. Winston Lord, 'Will Bush Support the Chinese People?'; *New York Times* October 6 1991 Section 4 p.17. The US-China Business Council estimated a cut in PRC exports of the US of 50 per cent if MFN was revoked. Harry Harding, *A Fragile Relationship*; op cit p.260.

⁶¹ Indeed he warned that any serious damage to US-PRC relations would not only be hard to repair, but would undermine America's relationship with China's progressive forces and potential leaders. 'Bush's Second Thoughts on China'; op cit.

⁶² Congress in particular played host to this growing advocacy of leverage and linkage, especially with regard to China's MFN status.

America's abundant economic interests, and its varied global and regional security concerns with the PRC, that Beijing might possess substantial leverage with Washington.

To a great extent, advocates of linkage were not only frustrated with the lack of progress achieved by the Bush Administration's conciliatory engagement with Beijing, but they also doubted the President's commitment to human rights. Reflecting the wider debate on US foreign policy, this view maintained that human rights and democracy should be a central defining aspect of US foreign policy for a post-Cold War environment. Alluding to the accusation that Bush was a 'Cold War' president incapable to adapting to the new international picture, Lord himself argued that the Administration was "...trapped in its own time warp..." and had "...forfeited moral reproof to seek improved bilateral ties."⁶³

Thus by the early months of 1990 the Bush Administration's strategy of conciliatory engagement was in trouble. In spite of the limited concessions offered by Beijing in January, the Bush China policy appeared to be achieving little progress. Bush's refusal to 'get tough' with Beijing brought accusations that the President valued his personal relationship with the leaders in Beijing above the principle of human rights and the welfare of Chinese citizens. Further, the Scowcroft missions fuelled the perception of Administrative duplicity.⁶⁴

⁶³ Winston Lord, 'Misguided Mission'; op cit. Lord himself did note that the Administration had supported human rights and democracy in Eastern Europe, Latin America and Africa, but not in China thus exposing Bush to the accusation of double standards. 'Will Bush Support the Chinese People?'; op cit.

⁶⁴ Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.303 and Harry Harding, *A Fragile*

The President did have his supporters. Those sections of the business community with interests in China applauded his defence of engagement and his efforts to restore bilateral relations, especially in the face of the growing demand for linkage. Nixon and Kissinger also voiced their support, with the former president submitting a report to Congress explaining his security concerns and the need to take account of China's potential power. Further, the Administration's strategy was backed by key members of the China-watching community such as A. Doak Barnett and former China specialist in Carter's NSC, Michel Oksenberg.⁶⁵ Nevertheless, the public debate was swinging heavily against the Administration. Congress, informed media opinion, human rights interest groups and equally eminent China specialists such as Winston Lord supported a tougher approach to China, particularly on the issue of human rights.⁶⁶ This often took the form of calls for the use of leverage and linkage.

BUSH DEFENDS ENGAGEMENT BUT REFINES HIS CHINA POLICY

Encouraged by PRC concessions in January 1990, and in defiance of popular domestic criticism of his policy, Bush persisted with his conciliatory form of engagement into the spring. Knowing that a domestic battle was looming on the issue of

Relationship; op cit p.257.

⁶⁵ Ibid (Harding) p.256.

⁶⁶ The State Department's publication of its annual human rights report in February appeared to back these claims, in its acknowledgement that widespread human rights violations were still occurring in China. Ibid p.258.

China's MFN status in anticipation of his recommendation (required before June 3 every year), Bush sought further concessionary gestures from Beijing. As well as allowing the World Bank to provide its first loan to China since Tiananmen, the Administration announced the first export-import bank loan of its own. Further, it attempted to mitigate the pessimistic State Department human rights report on China by providing preliminary briefings.

Bush also maintained his rhetorical expositions on the importance of remaining engaged with the PRC. Picking up on themes highlighted by Nixon and Kissinger, Bush stressed the geo-political and strategic weight China carried in the East Asian region.⁶⁷ He also argued that engagement induced further reform in the PRC, and linked this rationale with areas in which Beijing had provided progress. Thus on several occasions, the President emphasised that engagement in cultural and education spheres fostered democracy, and noted that Beijing had resumed educational exchanges, lifted the ban on Voice of America broadcasts, and permitted entry to the US Peace Corps.⁶⁸ Bush also provided his own explanations as to why PRC reciprocal progress had not been more forthcoming, citing for

⁶⁷ Bush cited China's key role in the Pacific, with particular regard to Japan, Cambodia and the Korean Peninsula. See 'Question and Answer Session at the Ann Dimer Dinner of the Business Council' January 24 1990; *Public Papers of the Presidents of the United States-George Bush 1990*; Book I, January 20 to June 30, 1990, Washington D.C. (United States Government Printing Office, 1991) p.81.

⁶⁸ See for example, *ibid* p.79; also 'Question and Answer Session for Newspaper Publishers' January 25 1990, and 'The President's News Conference' February 21 1990; *Public Papers of the Presidents of the United States-George Bush 1990*; Book I op cit pp.102-103 and p.254 respectively.

example the possibility of internal political strife in the contexts of the struggle between hardliners and reformers, and post-Deng secessionist manoeuvring. He also mused on how the regime would have interpreted the murder of the ruling Ceausescu family by protesters, arguing that there had been less progress since that incident.⁶⁹

However, by February/March 1990, Bush was expressing his own frustrations with the lack of PRC progress. Although Beijing had lobbied their own strategic importance, and persisted in declaring their commitment to the US-PRC relationship while blaming the US for the breakdown, human rights violations and repression had continued into the spring.⁷⁰ Indeed, Beijing still proved resistant on the symbolic issue of allowing Fang Lizhi to leave the US Embassy and seek refuge in another country. Such a lack of progress would only fuel domestic condemnation of the Administration's policy, and bolster those demanding a strategy of linkage and the conditioning or immediate revocation of China's MFN status.

Bush's form of engagement was experiencing problems in other areas also. Close US allies, led by Japan were wishing to resume their relationships with China. Further they were angry that America's demanded that the international community maintain sanctions against the PRC, while conducting direct

⁶⁹ See for example 'President's News Conference' February 21 1990; *ibid* pp.253-254. Robert G. Sutter similarly argues that the PRC leadership were incapable of responding to the Bush Administration's overtures for a period after Tiananmen. 'Tiananmen's Lingering Fallout'; *op cit* p.248.

⁷⁰ Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; *op cit* pp.304-305.

diplomacy of its own with Beijing.⁷¹ Yet such direct diplomacy was in fact undermining domestic American legitimacy for the strategy too, contravening as it appeared to do the Administration's own sanctions. Furthermore, the uncertainty regarding China's political, economic and social stability deterred US business investment, undermining the economic aspect of US engagement in the PRC.⁷² Similarly, given the PLA's role in the Tiananmen Square massacre plus reports of Chinese proliferation activities. the Administration was unable to reestablish one of the most productive areas of governmental engagement; military ties.⁷³

Having expressed his frustration with PRC progress in the February, Bush toughened the Administration's stance in March.⁷⁴ Specifically it revealed that it had not made up its mind on the question of China's MFN status, implying that it might not opt for unconditional renewal before the June 3 deadline.⁷⁵ Following deliberations of the effects of MFN withdrawal, Beijing made a number of concessions in the spring and summer of 1990. While not offering a reassessment of repressive

⁷¹ The European Community and G-7 states relaxed sanctions and resumed official relations with the PRC through 1990. Harry Harding, *A Fragile Relationship*; op cit pp.263-264 and Rosemary Foot, *The Practice of Power*; op cit pp.247-248.

⁷² Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.307.

⁷³ Ibid pp.307-308 and interview with Kerry Dumbaugh, Specialist in Asian Affairs, November 5 1997, Congressional Research Service, Washington D.C.

⁷⁴ The President's News Conference February 21 1990; op cit and Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit pp.304-305.

⁷⁵ Harry Harding, *A Fragile Relationship*; op cit pp.260-261.

policies, the PRC released more dissidents in May and June, allowing Fang Lizhi to leave China on June 1990, and lifted martial law in Tibet on May 1.⁷⁶ Beijing also announced a \$2 billion deal with Boeing in early June, hinting that further deals of this kind were in the pipeline.⁷⁷ Ultimately, these gestures allowed the Administration to renew MFN without a critical challenge from within Congress.⁷⁸

Although Bush had toughened his political stance to solicit progress from Beijing, he reiterated the need to remain engaged with Beijing when justifying his renewal of MFN in 1990. His defence was predicated on the need to encourage, not hurt, pro-reform elements within Chinese society and economy. He also pointed to the detrimental economic effects on Hong Kong of withdrawing China's MFN status. Further, he implied that the US would be isolated in taking such action, noting that America's European and East Asian allies had urged renewal. Finally, while insisting that existing sanctions would remain in place, he argued that revoking MFN would damage America's economic interests in that it would lead to the loss of jobs, rising consumer prices and the loss of investment and

⁷⁶ Harry Harding, *A Fragile Relationship*; op cit p.264, and Robert G. Sutter (with Seong-Eun Choi), *Shaping China's Future in World Affairs: The Role of the United States*; Westview Press (Oxford, 1996) Chronology p.159. These gestures were aimed at both the Administration and Congress, to undermine the bargaining position of those advocating the conditioning or withdrawal of MFN.

⁷⁷ Ibid. This tactic of timing the announcement of major deals with US corporations to coincide with the annual decision of China's MFN status was repeated by Beijing over forthcoming years.

⁷⁸ Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit pp.305-306.

market opportunities to competitors.⁷⁹ Thus the President highlighted America's long-run interests in China in terms of economic and human rights, rather than regional and global security concerns.⁸⁰

The Administration's decision to stiffen its stance towards China had prompted sufficient PRC progress for Bush to retain his strategy of engagement with Beijing. However, the fact that the PRC had responded to a tougher stance encouraged advocates of conditional MFN renewal to argue that a strategy of linkage rather than open engagement would be more productive.⁸¹

THE GULF CONFLICT, THE IMPROVEMENT IN RELATIONS, AND THE CONSOLIDATION OF ENGAGEMENT WITH THE PRC

Despite reports of continued human rights violations in the PRC, Sino-American relations improved once the renewal of MFN was assured. Bush responded positively to the news of Fang Lizhi's release, further meetings were held between US and PRC officials, and the President went on an offensive praising Beijing's role in the UN's peace programmes in Cambodia.⁸²

⁷⁹ The President's News Conference May 24 1990, and Statement by Press Secretary Fitzwater on the Renewal of Most-Favoured-Nation Trade Status for China May 24 1990; *Public Papers of the Presidents of the United States-George Bush 1990*; Book I op cit p.707 and pp.715-716 respectively.

⁸⁰ This clearly was an attempt to respond to the domestic political environment, and an effort demonstrate that the Administration shared their particular viz-a-viz China.

⁸¹ Interview with Mike Jendrzeczyk, Human Rights Watch: Asia, November 4 1997, Washington D.C.

⁸² Robert G. Sutter, 'Tiananmen's Lingering Fallout'; op cit
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However, while a considerable challenge to US post-Cold War foreign policy-making, Iraq's invasion of Kuwait in early August and the ensuing Gulf Crisis was fortuitous to Bush's strategy of engagement with Beijing. It was, however, even more beneficial to the PRC.

China's political, diplomatic and military connections with states in the Middle East suggested that it could play a role in responding and challenging Iraqi actions.⁸³ Moreover, Beijing's possession of a veto in the UN Security Council presented a potential risk to the Bush Administration's efforts to lead an global alliance against Iraq through the mechanisms of the UN. Thus Beijing cooperated with the US in the implementation of diplomatic initiatives and economic sanctions.⁸⁴ Nevertheless, it stopped short of agreeing to military intervention, and used this issue as a bargaining chip with Washington. The Bush Administration, responding in kind, lobbied Beijing and offered further concessions as a means of securing at least Beijing's abstention on the UN resolution permitting the use of force.⁸⁵ China's decision to abstain

p.248, Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.307 and 'Statement by Press Secretary Fitzwater on Fang Lizhi's Departure from China' June 25 1990; *Public Papers of the Presidents of the United States-George Bush 1990*; Book I op cit p.867.

⁸³ Harry Harding, *A Fragile Relationship*; op cit pp.270-271.

⁸⁴ See *ibid* pp.271-272 for an explanation of Beijing's approach to this opportunity.

⁸⁵ Bush sent Assistant Secretary of State for East Asian and Pacific Affairs Richard Solomon to Beijing in early August, leading to a series of meetings between Secretary of State Baker and Foreign Minister Qian through the Autumn. See Robert Garson, *The United States and China Since 1949: A Troubles Affair*; Pinter (London, 1994) p.197.

secured a highly symbolic visit to Washington for Qian Qichen, which precipitated a personal concession from Bush who consented to meeting the Foreign Minister.⁸⁶

Despite subsequent PRC criticism of America's conduct of the Gulf Conflict, and Bush's insistence on Chinese progress in the areas of human rights and weapons proliferation in his meeting with Qian, US-PRC diplomacy regarding the Gulf crisis facilitated further official bilateral engagement. Assistant Secretary of State for Human Rights and Humanitarian Affairs Richard Schifter visited China in December 1990, Assistant Secretary of State Solomon visited in March 1991, and Under Secretary of State for Security Affairs and arms control specialist Reginald Bartholomew travelled in June 1991.⁸⁷ The Administration also softened its line on the Tiananmen sanctions, agreeing not to obstruct certain World Bank loans to the PRC.⁸⁸

What is more significant is that the Gulf Conflict increased China's perceived importance to American interests within the US China debate. Although Beijing had offered few concessions regarding issues such as human rights, China's strategic cooperation during the crisis stifled American criticisms of Beijing's activities and thus gave the Bush Administration's policy of engagement room to breathe. Moscow's positive contribution to the Bush Administration's Gulf

⁸⁶ Baker had informed Qian that he could meet Bush in the event of an affirmative vote on the UN use of force resolution. Harry Harding, *A Fragile Relationship*; op cit p.272.

⁸⁷ Robert G. Sutter, 'Tiananmen's Lingering Fallout'; op cit p.249.

⁸⁸ Harry Harding, *A Fragile Relationship*; op cit p.273.

Conflict initiatives, and the fact that it was experiencing domestic political and economic problems gave further reason for optimism. Beijing risked being isolated in the face of world trends, and its cooperation with the US in the latter months of 1990 appeared to suggest a willingness to address this problem constructively.⁸⁹ Indeed by the end of 1990 US-PRC trade had continued to grow, and the number of Americans visiting China had recovered from its decline the previous year.⁹⁰

BUSH DEFENDS ENGAGEMENT AGAIN BUT ALTERS HIS CHINA POLICY

Bilateral tensions returned in 1991. Initially suspicious and fearful of Bush's designs for a 'New World Order', and then conversely convinced that the US was a power in decline, Beijing increased its invective against Washington early in the year.⁹¹ With the end of the Gulf Conflict, domestic attention began to focus on unacceptable Chinese activities in areas such as human rights, Tibet, the proliferation of technology weapons of weapons of mass destruction, its trade surplus with America, prison labour exports, its support for the Khmer Rouge and other issues.⁹² Thus it was clear that another, more bitter

⁸⁹ Kerry Dumbaugh, *China and Congress in 1992*; Report for Congress 93-894 F, Congressional Research Service, Library of Congress, October 12 1993 p.3.

⁹⁰ Harry Harding, *A Fragile Relationship*; op cit Appendix A 'Tables and Figure' p.364 and p.367.

⁹¹ See ibid pp.274-275, and Rosemary Foot, *The Practice of Power*; op cit pp.248-249.

⁹² Robert G. Sutter, 'Tiananmen's Lingering Fallout'; op cit pp.249-250. Kerry Dumbaugh attributes this expansion of

political battle was looming on the issue of China's MFN status.

The Administration was sensitive to this impending domestic struggle, determined as it was to retain both MFN and engagement with the PRC.⁹³ Moreover it was beginning to doubt its strategy of concessionary engagement with the PRC. The fact that Beijing had appeared to gain a great deal in its relations with the US and the international system as a result of the Gulf Crisis, while continuing to criticise the US consolidated this view.⁹⁴ A perception grew within the Administration that the domestic political costs of current strategy outweighed any progress it secured from the PRC.⁹⁵ Consequentially, the Administration altered its China policy track in the spring of 1991.

Rather than make concessions in the hope of Chinese reciprocation, Bush decided that such gestures would come only as a result of clear improvements in Beijing's conduct. The Administration would still pursue engagement, but US officials would adopt a tough and uncompromising stance on the full range of issues of concern. Further, the Administration would still renew China's MFN status for 1991 (though it did not declare this position initially), but would impose specific sanctions

specific concerns to Congress diversifying its approach to China policy. *China and Congress in 1992*; op cit pp.3-4.

⁹³ Ibid (Dumbaugh) p.4.

⁹⁴ Harding reports that Secretary of State Baker was particularly disillusioned with the existing China strategy. Harry Harding, *A Fragile Relationship*; op cit p.273.

⁹⁵ Ibid pp.280-281.

if Chinese progress was not forthcoming in specific areas.⁹⁶ In fact this new strategy came as a result of the first substantive interagency review of policy towards China since June 1989, and from recommendations from Secretary of State Baker that a firmer stance was required.⁹⁷

Thus through the spring of 1991, the Bush Administration launched initiatives in the three major areas of human rights and Tibet, trade and proliferation. In April, Bush made the symbolic gesture of meeting the Dalai Lama in Washington and expressed his support for human rights in Tibet.⁹⁸ That same month, the Administration took the first in a series of trade steps, when it launched an investigation under Section 301 (of the 1988 Trade Act) citing Chinese violations of US intellectual property rights. This investigation was expanded in the November on the conclusion that insufficient progress was being made on the issue.⁹⁹ Similarly in October, Bush established a Section 301 investigation of unfair Chinese trade barriers to US exports. Finally, late in 1991 in response to growing Congressional concern for the issue, the Administration imposed a ban on certain imports suspected of being produced by

⁹⁶ Ibid p.283 and Robert G. Sutter, 'Tiananmen's Lingering Fallout'; op cit pp.249-250.

⁹⁷ Harry Harding, *A Fragile Relationship*; op cit p.282.

⁹⁸ Bush was the first US president to meet with the Dalai Lama, and the meeting triggered a Congressional resolution supporting Tibetan independence, a measure denounced in Beijing. Ibid p.281 and Robert G. Sutter, 'Tiananmen's Lingering Fallout'; op cit p.249.

⁹⁹ This signalled America's intention to take retaliatory action on imports from the PRC if the problem was not resolved. Ibid (Harding) and Kerry Dumbaugh, *China and Congress in 1992*; op cit p.15.

prison and forced labour.¹⁰⁰

The Administration also reacted to continued reports of Chinese arms sales and proliferatory activities; in particular the transfer of M-11 missiles and missile technology to Pakistan. Firstly in April 1991, the Administration prohibited the export of components for a PRC satellite. The following month it denied licences for high technology exports to the PRC, and sent Under Secretary of State for Political Affairs Robert Kimmitt to Beijing to press Chinese officials on the issues of nuclear and conventional proliferation, and human rights.¹⁰¹ Further in June, Bush imposed Missile Technology Control Regime (MTCR) sanctions on two Chinese arms companies.¹⁰² Measures of this kind were complemented by the tougher rhetorical stances adopted by officials such as Schifter, Solomon and Bartholomew on their visits to Beijing.¹⁰³

In the run up to the MFN for the decision of China's MFN status in June, Bush became increasingly concerned by the prospect of Congressional legislation threatening sanctions against the PRC. This spurred further action by the Administration. For example Bush also placed restrictions on the sale of high-performance computers to the PRC, and on the

¹⁰⁰ Ibid (Dumbaugh) p.16.

¹⁰¹ Harry Harding, *A Fragile Relationship*; op cit p.281 and Robert G. Sutter, 'Tiananmen's Lingering Fallout'; op cit p.250.

¹⁰² The Chinese had refused to sign or abide by the MTCR. Kerry Dumbaugh, *Congress and China in 1992*; op cit p.13.

¹⁰³ The Office of the United States Trade Representative (USTR) was particularly active in the area of direct negotiations through 1991-1992.

launching of US satellites on Chinese rockets in May.¹⁰⁴ Moreover, while continuing to proclaim on the need to maintain US engagement with Beijing, Bush again employed the tactic of suggesting that he had not made up his mind on the renewal of MFN status for China.¹⁰⁵

The tougher platform pursued from the spring of 1991, and the adoption of a 'carrot and stick' approach of prudently targeted incentives and disincentives did achieve a certain amount of success. Although Beijing denounced America's demands, in the spring of 1991, it promised progress on nearly all the issues raised by Washington.¹⁰⁶ Further, over 1991-1992 it made moves towards fulfilling these promises. In the area of intellectual property rights, the use of Section 301 and pressure from the USTR led to a bilateral Memorandum of Understanding (MOU) on January 16 1992.¹⁰⁷ Beijing also agreed to increase access to US exports, and reduce barriers to trade, and under serious threat of retaliatory sanctions, it signed a MOU with Washington on October 10 1992, pledging to remove a

¹⁰⁴ Robert G. Sutter, 'Tiananmen's Lingering Fallout'; op cit p.250.

¹⁰⁵ See for example The President's News Conference April 29 1991, *Public Papers of the Presidents of the United States-George Bush 1990*; Book I, January 20 to June 30, 1991, Washington D.C. (United States Government Printing Office, 1992) p.442.

¹⁰⁶ Harding notes that concessions on a wide range of economic and proliferation concerns were promised in a pamphlet produced by the Chinese Embassy in Washington. *A Fragile Relationship*; op cit p.279 (endnote 80). Beijing proved far more resistant on the issues of human rights and Tibet, insisting they were sovereign concerns.

¹⁰⁷ Kerry Dumbaugh, *China and Congress in 1992*; op cit p.15. Rosemary Foot reports one Chinese analyst who claimed that the US promised to support China's application to GATT in return for this MOU. *The Practice of Power*; op cit p.252.

broad range of barriers within five years.¹⁰⁸ US-Chinese diplomacy led to another MOU, this time forbidding the export of products of prison or forced labour from the PRC to the US, on August 7 1992.¹⁰⁹

Washington also secured verbal agreements with the PRC in the area of proliferation. Firstly it declared that it would join international efforts to curb arms sales, and proliferation to the Middle East.¹¹⁰ Secretary of State Baker on a visit to Beijing in November 1991 then secured China's verbal assurances that it would abide by the MTCR, and sign the Nuclear Non-Proliferation Treaty which it did on March 9 the following year.¹¹¹ Beijing also agreed to International Atomic Energy Authority (IAEA) inspections of an Algerian nuclear reactor it had helped to construct.¹¹²

Furthermore the PRC demonstrated closer interaction with the international community on the question of East Asian peace and stability. Beijing continued to support the UN peace process in Cambodia, and stepped up its interest in stability on the Korean Peninsula, establishing diplomatic relations with South Korea on August 24 1992.¹¹³

¹⁰⁸ Ibid (Dumbaugh) pp.15-16.

¹⁰⁹ Ibid p.16.

¹¹⁰ Rosemary Foot, *The Practice of Power*; op cit pp.252-253.

¹¹¹ In exchange for membership of the NPT, Beijing wanted the US to lift sanctions on the two PRC arms companies. Bush lifted the sanctions on March 23 1992. Kerry Dumbaugh, *China and Congress in 1992*; op cit p.13.

¹¹² Rosemary Foot, *The Practice of Power*; op cit p.253.

¹¹³ Ibid and Rosemary Foot, 'Neither Friends Nor Enemies'; op cit p.21, and Robert G. Sutter, *Shaping China's Future in World Affairs*; op cit p.160.

Both the Bush Administration and the regime in Beijing worked to prevent Congress imposing legislative conditions on China's MFN status in 1991 and 1992. While Bush had hinted that he may not renew MFN in 1991, in 1992 he made an early defence of renewal. In a letter to the House of Representatives dated March 2 1992, the President reiterated the reasons why he favoured engagement, and why renewal rather than MFN revocation or conditionality would serve US strategic, economic and normative interests. However, he also asserted that: "Recent agreements by the Chinese are clear achievements of my Administration's policy of comprehensive engagement."¹¹⁴ Indeed, the Chinese had responded to the Administration's tougher 'carrot and stick' strategy. Yet the Chinese had also attempted to influence domestic political forces within the US directly. Thus Beijing repeated the 1990 tactic of releasing political detainees, signing major investment and joint venture deals with US multinational corporations, and insisting it would abide by international trends in arms control, anti-proliferation, global and regional stability. In fact, following a number of concessions and promises in the spring and summer of 1991, China intensified the political gamesmanship by insisting that it had done enough to preserve

¹¹⁴ George Bush, 'China's MFN Status', Letter to the House of Representatives March 2 1992, *US Department of State Dispatch*; vol.3 no.10 March 9 1992 (United States Government Printing Office 1992) p.189. Bush lobbied Congress further with a report highlighting progress but indicating that more improvements would be sought. 'White House Report to Congress' June 2 1992, *US Department of State Dispatch*; vol.3. no.23. June 8 1992 (United States Government Printing Office 1992).

MFN status.¹¹⁵ The degree of progress the Chinese appeared to be making, the toughening of the Administration's approach to China, and changing tactics within Congress led to the unconditional renewal of China's MFN status in 1991 and 1992.¹¹⁶

From mid-1991 Sino-American relations, at least at the inter-governmental level, began to improve, and by late 1991 the relationship had broadly recovered. In spite of the ban on high-level exchanges, official bilateral diplomacy had resumed across all areas with the exception of military exchanges. Trade had reached unprecedented levels (increasing the PRC's trade surplus with the US), while figures for features such as academic and cultural exchanges and tourism had returned to their pre-Tiananmen numbers.¹¹⁷ The post-Tiananmen bilateral crisis had injected a greater sense of pragmatism into the relationship and, as Steven Levine observed, it led to "...stripping away the accumulated layers of hopes and fears on both sides and paring excessive calculations of what each side can do for or to the other."¹¹⁸ By September 1992, most of the

¹¹⁵ Rosemary Foot, *The Practice of Power*; op cit p.253 and Harry Harding, *A Fragile Relationship*; op cit p.279.

¹¹⁶ A group of Senators led by Democrat Max Baucus were reluctant to condition MFN but concerned about PRC conduct. Correspondence with the White House shortly before the 1991 Senate vote on Congressional bill to condition MFN proved vital to the Senate subsequently upholding the President's vetoes of MFN conditionality. Bush responded to the Senators' concerns, by justifying his tougher stance, and promising further pressure on Beijing, and thus persuaded this group to support MFN renewal. Ibid (Harding) pp.282-283. One Congressional staffer interprets this interaction as "conditionality by non-legislative means." Interview with James McCormick, former professional staff on House Subcommittee on Asian and Pacific Affairs, November 7 1997, Washington D.C.

¹¹⁷ Harry Harding, *A Fragile Relationship*; op cit p.289.

¹¹⁸ Steven I Levine, *China and America: The Resilient*

sanctions imposed after Tiananmen were no longer operative, with the exception of the ban on military sales and exchanges. Indeed, Washington and Beijing were able to conduct tough but realistic dialogue across all the major issues of interest including, to a degree, human rights.¹¹⁹

Nevertheless, this did not mean that engagement with the PRC and the Sino-American relationship had managed to overcome the shock of Tiananmen. Governmental and non-governmental China observers were sceptical of Chinese assurances of responsible behaviour, and they urged constant vigilance on compliance with agreements.¹²⁰ Chinese conduct in the areas of non-proliferation, intellectual copyright, trade barriers and trans-shipping remained particular targets of US concern. The revival of the PRC economy in 1992 did serve US economic and business interests, and Beijing's growing willingness to participate in international institutions such as the UN and GATT, and international regimes such as the NPT gratified America's long-term desire to see a more internationally interdependent China. However, Tiananmen had transformed the image of China in the eyes of US policy-makers and observers. Accordingly, while progress was welcomed, the Administration continued to press Beijing on issues such as trade access, intellectual property, adherence to arms control and anti-proliferation, and human rights.

Relationship'; *Current History*; vol.91 no.566 September 1992 p.243.

¹¹⁹ Ibid p.241.

¹²⁰ Rosemary Foot, *The Practice of Power*; op cit p.254.

Conclusion

The Bush Administration entered office intent on keeping its eye on the long-term development of Sino-American relations. To a degree, and in spite of considerable bilateral, international and domestic challenges, it adhered to this idea. By the autumn of 1992, the bilateral and wider significance of US-PRC relations in the areas of trade, investment, economic development, the environment, arms control and proliferation, and political and human rights had grown. Indeed the revival after Tiananmen of US non-governmental interests in China, predominated by economic interests but including academic and cultural exchanges and tourism, had facilitated the consolidation of a relationship grounded in bilateral interests. Further Bush's determination of the strategic importance of China had been enhanced by Beijing's role in the Gulf Conflict, and Beijing's increasingly constructive role in issues such as Cambodia and the Korean Peninsula, arms control and anti-proliferation.

The Tiananmen Square massacre led to two important developments in the strategy of US engagement with the PRC. Firstly it highlighted the realities and the challenges inherent in a relationship between two major powers with significantly different political, societal and cultural systems. Although policy-makers had become increasingly concerned with certain aspects of Beijing's behaviour prior to June 1989, on the issue of proliferation for example, Tiananmen

banished the overall feeling of optimism and expectation that had characterised US China policy. The Bush Administration had been left with a choice; either it could have severely curtailed the Sino-American relationship, in protest at the violent and repressive violation of human rights and in the hope that Beijing would regret its actions, or it could retain engagement with China. The Bush Administration had concluded that America's broad range of interests in China would be better served through engagement rather than isolation. Thus at least at the level of government, the Administration oversaw the continued evolution of the practical rationale for engagement with the PRC from one founded on a geo-strategic, Cold War platform, to one necessitated by mutual bilateral interests.

This conclusion rested upon the second ramification for US engagement with China. Tiananmen, and the domestic protest it provoked, consolidated the Administration's belief that US engagement stimulated economic, societal and political reform in the PRC. In other words, it entrenched the philosophical rationale for engagement that had evolved relatively unchallenged in the latter years of the Reagan Administration. In resisting Congressional attempts to condition or revoke China's MFN status, the Administration had insisted that doing so would only hurt those Chinese citizens and officials whose activities, directly or indirectly, nourished reform. On a wider front it would also hurt entities such as Hong Kong and Taiwan that not only invested heavily in China but provided role models for the future of the mainland Chinese people. This

contention became the centrepiece of the argument to retain China's MFN status. Perhaps of deeper significance was the entrenchment of the idea that bilateral disputes were better resolved through dialogue than through confrontation and isolation. Reassessments of the means and ends of US interests in the wake of Tiananmen, and particularly from 1990-1991 when a tougher stance was deemed necessary, consolidated this purpose of engagement. Beijing's decision to respond to the Bush Administration's 'tough love' appeared to vindicate this rationale.

However this does not tell the whole story. Bush was perhaps 'fortunate' in that the Gulf Conflict quelled domestic opposition to China and the Administration's China policy. It also helped him justify engagement on the basis of China's importance to US strategic interests. Further it allowed the President to define his post-Cold War strategic vision of the 'New World Order'. However, given the uncertainty as to China's economic, political and military future, and suspicions regarding its role in proliferation and the possibility of military adventurism in the region, Bush's China policy did not fit well with his vision for a 'New World Order'.¹²¹ Indeed it initially provoked concerns within Beijing, which regarded the vision as a design for American hegemonism. A reassessment convinced China's leaders that was in fact an indication of America's decline as a major power, and thus inspired hardliners in particular to resist US pressure for reform even

¹²¹ Interview with Shirley Kan, Analyst in Foreign Affairs, Congressional Research Service, November 5 1997, Washington D.C.

more vehemently.¹²² Bush's attempt to reconcile China policy with his wider strategic vision by emphasising China's regional and geo-strategic importance convinced many domestic observers that he was a Cold War president, incapable of defending issues such as human rights as a US foreign policy interest.

Furthermore, the Bush Administration's decision to adopt a tougher stance with Beijing had as much if not more to do with the domestic political pressure as it did reevaluations of the bilateral relationship. Indeed, many domestic critics denounced the President's pursuit of engagement, however 'tough'. Certainly, America could not ignore China's economic strength and potential, especially when this had implications for its political and military power. However critics, like Winston Lord, argued that Bush's concessionary interpretation of engagement served only to consolidate the current regime's hold on power. Indeed, the elder powerbrokers of the CCP believed that economic growth and success would satisfy the expectations and wants of its citizens, and thus consolidate their grip on political leadership.¹²³

Bush's tougher stance with the PRC through 1991-1992 did not convince critics of the efficacy of engagement. Rather it demonstrated the potential of linkage. The fact that the PRC

¹²² See for example Harry Harding, *A Fragile Relationship*; p.274 and Rosemary Foot, *The Practice of Power*; op cit pp.249-250.

¹²³ Steven Levine, 'China and America'; op cit p.244. One China analyst argues that Chinese citizens only recognise the leadership's consent to the economic development occurring in the PRC, they do not credit Beijing with responsibility for it. Interview with Jim Robb, former China specialist at the Asia Business Centre, US Department of Commerce, November 4 1997, Washington D.C.

only responded to the threat of harsher sanctions, and in particular to the possibility that Congress might revoke its MFN status convinced many, especially on the Hill, that US interests would be more effectively pursued through a policy of linkage, such as conditional MFN.¹²⁴ While China had issued its own threats to break-off trading relations with the US, to the concern of some business communities in America, reports from China suggested that Beijing feared the economic costs of a revocation of MFN.¹²⁵ While critics of the Administration regarded Chinese concessions in the face of Bush's tougher stance to be cynical gestures, they believed that a strong and considered strategy of linkage, such as conditional MFN, would generate genuine progress. To some this appeared a particularly appealing argument in the context of the reforms in the reforming Soviet sphere. Although the Administration had resisted Congressional attempts to introduce linkage through legislation, it had not won the domestic China policy debate in favour of engagement. This was in spite of the fact that America's closest allies were anxious to expand their links, especially economically, with the PRC. However America's domestic political environment expected US foreign policy to reflect and project US ideals such as human rights and democracy, and critics were not convinced that the Bush

¹²⁴ Groups outside Congress such as Human Rights Watch: Asia, and certain Chinese student organisations in the US campaigned for linkage.

¹²⁵ For example see Ding Xinghao, 'Managing Sino-American Relations in a Changing World'; *Asian Survey* vol.31 no.12 December 1991.

Administration's engagement strategy met this criteria.¹²⁶

Bush insisted that it was the president's responsibility and indeed it was strategically necessary for him to retain close control on the China policy-making process. The fact that he claimed a privileged knowledge of China further justified this view in the President's eyes. However, this elitist approach angered many members of Congress, including many Republicans, who believed that they had a legitimate role to play in the formulation of foreign policy. As will be explained in the following chapter, this basic tension between the White House and Congress fuelled the flames of partisan politics, with the result that Democrats used China policy as a political tool with which to undermine the Republican President.

The Bush Administration's adherence to broad engagement with the PRC helped to salvage the established framework of Sino-American ties in the wake of Tiananmen. By the end of its term of office, basic governmental and non-governmental bilateral ties had largely recovered. However, the Bush Administration had lost a great deal of domestic credibility and legitimacy for US China policy. As Steven Levine observes, Bush worked hard to restore the substance of US-PRC relations, but neglected to respond to the change in the domestic mood towards China policy after Tiananmen.¹²⁷ The result was the breakdown in the traditional bipartisan consensus on China, and

¹²⁶ For example see Wendell L. Willkie II, 'Why Does MFN Dominate America's China Policy?'; in James R. Lilley and Wendell L. Willkie II (eds), *Beyond MFN: Trade with China and American Interests*; The AEI Press (Washington D.C., 1994) pp.133-137.

¹²⁷ Steven Levine, 'China and America'; op cit p.243.

a severe weakening of US strategy of engagement with the PRC.

CHAPTER THREE

THE DOMESTIC POLITICAL ENVIRONMENT AND BUSH'S CHINA POLICY: THE COLLAPSE OF CONSENSUS AND THE POLITICISATION OF POLICY

Towards the end of the 1980s the strategy of expanding bilateral relations with the PRC enjoyed strong domestic legitimacy. Vibrant non-governmental interests such as trade and investment, cultural and academic exchanges, scientific and technological exchanges and tourism were flourishing, and in general the American public were fascinated and optimistic about US-PRC relations.

However, the domestic seeds of protest regarding China and US China policy had already been sown. A number of reasons may be given for this. Firstly the growing participation of domestic actors in the PRC's economic, political and societal development heightened awareness of the problems of dealing with China, and prompted these actors to demand governmental pursuit of their complaints and protection of their interests. Secondly, the dissemination of information on China by the media and interest groups provoked growing domestic opposition to China's conduct in areas such as human rights, Tibetan rights, and arms proliferation. Such opposition was especially prevalent within Congress.¹ Thirdly, the decline of Cold War tensions had stirred a debate on the definition of America's

¹ Robert S. Ross, 'National Security, Human Rights and Domestic Politics', Chapter Ten in Kenneth A. Oye, Robert J. Lieber and Donald Rothchild (eds), *Eagle in a New World: American Grand Strategy in the Post-Cold War Era*; Harper Collins (New York, 1992) pp.286-287.

post-Cold War foreign policy interests. The opinion that these core interests now included human rights, democracy and the pursuit of US economic concerns thus had strong implications for China policy-making premised on a bilateral rather than a geo-strategic rationale. Fourthly and correlatively, the decline in Cold War tensions eroded the president's prerogative in foreign policy-making. In other words, with the need to confront the Soviet Union diminishing, and in the absence of any other clear and significant threat to US security, domestic actors, and in particular Congress, felt that they had a greater role to play in foreign policy-making.²

Therefore although the Bush Administration's initial platform for continuity and engagement with China drew little significant criticism, the Tiananmen Square massacre of June 3/4 1989 destroyed any sense of domestic consensus on the issue. Domestic attitudes towards China and US China policy underwent a pivotal mood change, especially as the massacre was seen in the context of the largely peaceful reform processes occurring in the Soviet Union and East and Central Europe. For example, media reporting on the PRC in the wake of Tiananmen focused primarily on negative aspects of Chinese conduct and US-PRC relations.³ This contributed to the fact that the China debate became dominated by disputes and specific bilateral

² This reflected the dissolving distinction between 'high' policy such as geo-military strategy and 'low' policy such as economics in the definition of America's post-Cold War foreign policy priorities. See Robert G. Sutter, 'Sino-American Relations in Adversity'; *Current History*; vol.89 no.548 September 1990 p.272.

³ See for example *Crisis in China: Prospects for US Policy*; Conference Report of the Thirtieth Strategy for Peace, US Foreign Policy Conference 1989, The Stanley Foundation p.9.

tensions to the detriment of a long-term perspective of Sino-American relations. Television coverage of the repression of June 3/4 and subsequent media reporting shattered the general public's fascination with China, who interpreted Tiananmen as the suppression of US values.⁴ However, the general public proved to have little influence on the domestic China policy debate and on policy-making through 1989-1992.⁵

The same can not be said of Congress. Tiananmen and the subsequent style and substance of the Bush Administration's China policy led to the collapse of the bipartisan consensus on relations with China that had largely prevailed since the mid-late 1960s. This in turn served to politically delegitimise Bush's China policy to a great extent, and placed Sino-American relations under enormous pressure. Four main motivations explain Congressional opposition to China and the Administration's China policy. Firstly members of Congress became extremely frustrated with China's lack of contrition and lack of progress following Tiananmen. Consequently many members of Congress, of both parties and especially in the House, became genuinely frustrated by Bush's strategy of conciliatory engagement with the PRC. Thirdly, Bush's elitist style, his

⁴ As Karlyn Bowman notes, in general the American public only become aware of foreign policy issues when they hit the headlines. Given the extent and nature of the media's coverage of the spring protest movement and the Tiananmen Square massacre, it is not surprising that it provoked such domestic hostility to the PRC. Karlyn H. Bowman, 'Public Attitudes Towards the People's Republic of China'; in James R. Lilley and Wendell L. Willkie (eds), *Beyond MFN: Trade with China and American Interests*; The AEI Press (Washington D.C., 1994) Appendix p.146.

⁵ Richard Bush, *The Evolution of US Policy Toward China Under the Clinton Administration*; unpublished speech to Chinese foreign policy community, Beijing, December 1993 p.5.

claim to possess a privileged knowledge of China and his resistance to Congressional attempts to influence US China policy aggravated members, again of both parties. Fourthly Bush's China policy became a highly partisan issue. After three terms of Republican presidents, Democrats were determined to take the White House in the 1992 presidential election. China policy became an Achilles heel for a President with high approval ratings and trusted on foreign affairs, especially in the wake of the Gulf Conflict. Democrats, particularly in the House, were resolute in exploiting this weakness, and the Clinton election campaign in 1992-1993 were quick to pursue their lead on this issue.⁶

*BUSH'S CHINA POLICY AND THE DOMESTIC POLITICAL ENVIRONMENT
PRIOR TO TIANANMEN*

Bush's invitation of Fang Lizhi and other Chinese dissidents to a US Embassy banquet during his presidential visit to China, February 1989, was in part a message to his domestic audience. He had hoped to address concerns for China's poor human rights record that had arisen during the latter stages of the Reagan Administration. While the general public paid little attention to the ensuing diplomatic fracas, sections of informed opinion were critical. The press in particular accused Bush of failing to admonish the Chinese authorities for preventing Fang attending the banquet, and deprecated the President's decision not to raise the issue of human rights in his meetings with

⁶ The development of Clinton's stance on China during the election is the subject of chapter four.

Chinese leaders.⁷ Bush responded to criticisms by asserting that he was committed to human rights but would pursue the issue through private rather than public diplomacy.⁸ However this episode aroused domestic suspicions regarding Bush's dedication to human rights, and this was revealed in assessments of the President's response to the spring 1989 protest movement in the PRC.

As US public attention to and empathy with the protesters grew, the press began to question the Administration's cautious response to the rising tensions in the PRC. Critics in the media accused Bush of extending preferential and conciliatory treatment to the Chinese leadership.⁹ Congress too began to voice its concern at the Administration's conservative response, and members such as Representative Stephen Solarz, the Democratic chairman of the House Subcommittee on Asian and Pacific Affairs urged a stronger demonstration of support for the protesters.¹⁰ Thus the seeds of domestic dissatisfaction with the Bush Administration's China policy were established

⁷ Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.292 and Robert G. Sutter, 'Tiananmen's Lingering Fallout on Sino-American Relations'; *Current History* vol.90 no.557 September 1991 p.248.

⁸ See The President's News Conference March 7, 1989, *Public Papers of the Presidents of the United States-George Bush 1989*; Book I, January 20 to June 30, 1989, Washington D.C. (United States Government Printing Office, 1990) p.179.

⁹ See Rowland Evans and Robert Novak, 'Bush's Beijing Caution'; *Washington Post* May 24 1989 p.A25 and Question and Answer session May 5 1989, *Public Papers of the Presidents of the United States-George Bush 1989*; Book I op cit p.519. See also Harry Harding, *A Fragile Relationship: The United States and China Since 1972*; Brookings Institute (Washington D.C., 1992) p.230 and Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.294.

¹⁰ Harry Harding, *A Fragile Relationship*; op cit p.230.

prior to June 1989.

*TIANANMEN AND GROWING DOMESTIC FRUSTRATION WITH THE
ADMINISTRATION'S CHINA POLICY*

The American public, which had closely followed media coverage of the spring protest movement, reacted with abhorrence to the pictures of the Tiananmen Square massacre June 3/4 1989. News reports of the demonstrations had given the heavily misleading impression that their purpose was to press for a US-style democratic system.¹¹ Indeed in the late 1980s the American public had come to believe that China's economic development had been modelled on the US capitalist system, as hinted by Deng Xiaoping. Further, the Reagan and Bush Administrations' espousal of US economic engagement with the PRC had suggested that political reform would be inevitable within China, and given America's participation in China's development, the US would provide a model for this too.¹² The fact that Tiananmen occurred against the backdrop of Soviet and East European reform only served to sharpen American dismay. Thus Tiananmen capsized the public mood on China from fascination and optimism to malevolence and fear.¹³

However, as Harding notes, while there was a consensus of revulsion at Tiananmen, the public were evenly split as to the

¹¹ Interview with Stephen Yates, November 5 1997, Heritage Foundation, Washington D.C.

¹² See Steven Levine, 'China and America: The Resilient Relationship'; *Current History* vol.91 no.566 p.241.

¹³ Robert G. Sutter, 'Sino-American Relations in Adversity'; *op cit* p.272 and Harry Harding, *A Fragile Relationship*; *op cit* pp.242-243.

correct course for US China policy. One body of opinion wanted the Administration to make a stand on the issue of human rights and issue a very tough response. The other body concurred with Bush on the need to maintain good relations with the PRC.¹⁴ As stated above, the press reflected this mood swing, insisting upon a resolute US reaction to Tiananmen. This wave of opinion was informed by vocal human rights groups who had been given the platform to make their case.¹⁵

Public opinion and the press were relatively satisfied with the Bush Administration's first wave of sanctions, and welcomed the second. Members of Congress, however, were more agitated. The Administration managed to mollify Congressional anger with the sanctions imposed on June 5, and requested their patience. Although several members such as Senator George Mitchell were vocal in demanding further sanctions, Congress in general initially accepted the President's lead, voting unanimously to endorse the President's action.¹⁶ Nevertheless as Chinese repression continued, many members of Congress quickly lost their patience and moved to take a tougher lead of their own.¹⁷

In addition to criticising the Administration for its passivity in the face of PRC recalcitrance, members began to

¹⁴ Ibid (Harding) p.243.

¹⁵ Ibid pp.243-244.

¹⁶ Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.294.

¹⁷ As well as publicly warning against an over-emotional response to Tiananmen, the President met with Senators in an attempt to persuade of China's strategic importance and the efficacy of his policy of engagement and quiet diplomacy. Harry Harding, *A Fragile Relationship*; op cit p.227.

introduce legislation before the end of June. Measures proposed by conservative republicans and liberal democrats were finally condensed into one legislative amendment to the Foreign Relations Authorization Act, having passed both the House and the Senate. In effect, the measures placed the Administration's sanctions into law, and added several other sanctions relating to lending and finance.¹⁸ However, the amendment did not adopt proposals to revoke China's MFN status, partly for fear of threatening the strong degree of consensus that had emerged in Congress in June.¹⁹

This legislation represented the first serious Congressional challenge to the Bush Administration's response to Tiananmen. Bush protested that it severely restricted his flexibility in the management of China policy. Nevertheless he accepted the legislation once he had negotiated wider grounds to waiver the sanctions. Yet despite the President's adamance that he had the responsibility and the insight to control policy toward China, the second wave of sanctions imposed by the Administration on June 30 1989 were to a significant degree a response to growing Congressional pressure, backed by the press, human rights organisations, public opinion and organisations representing Chinese scholars studying in the

¹⁸ Ibid pp.232-233, and Kerry Dumbaugh, *China and Congress in 1992*; Report for Congress 93-894 F, Congressional Research Service, Library of Congress, October 12 1993 p.2.

¹⁹ The legislation focused upon human rights, demanding progress in the areas such as the lifting of martial law, an end to executions, political repression and the detention of political detainees, an end to the jamming of Voice of America broadcasts, and greater observance of human rights, throughout the PRC including Tibet. Ibid (Harding) pp.232-233. Many of these measures became features of Congressional action on China policy over the next five or more years.

US.²⁰ It is notable that in consenting to calls from Congress to withdraw high-level diplomatic relations, the Administration removed the central plank to its policy of engagement with Beijing.

Despite these domestic concessions, Congress grew increasingly frustrated and impatient through the autumn of 1989 for three main reasons. Firstly, Beijing had remained resolute and unapologetic in the face of US and worldwide criticism. Secondly the Bush Administration's strategy of pursuing concessions in the hope of securing Chinese reciprocation not only seemed to be failing, but to many appeared weak and ingratiating. Thirdly, members of Congress were enraged at what they considered attempts by the President to exclude them from the China policy-making process. Bush maintained his argument that China policy required a flexible, non-legislative approach. Moreover, he refused to consult Congress, and made few attempts of any distinction to articulate his strategy to the domestic political environment whilst continuing to profess his privileged knowledge of China. Thus the substance, style and practice of the Bush Administration's response to Tiananmen drew criticism from all quarters of the political spectrum. Those on the left reproached Bush for inadequately standing up for human rights in China, and therefore being guilty of double standards in his

²⁰ In his testimony to the Senate Relations Committee on June 20, Secretary of State Baker attempted to pacify Congressional criticism by announcing that he had recommended further sanctions (implemented ten days later). Baker's recommendations bore similarities to proposals brought before Congress. Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit pp.294-295 and Harry Harding, *A Fragile Relationship*; op cit pp.231-232 and p.233.

policies towards China and the reforming Soviet sphere.²¹ Right-wing conservatives charged that China should not have been trusted anyway.²² Republicans as well as Democrats were particularly angry at the Administration's elitist approach to policy-making.²³ For example Republican Toby Roth was scathing of the lack of communication from the State Department.²⁴ Representations from former President Nixon on the strategic and economic long-term importance of the Sino-American relationship, and the wisdom of the Administration's policy had minimal effect.²⁵ The clear problem for the Bush Administration's strategy of concessions and quiet diplomacy was that domestic compliance with his China policy would continue to disintegrate in the absence of reciprocation and progress from the PRC.

THE COLLAPSE OF CONSENSUS AND THE RISE OF PARTISANSHIP

²¹ Interestingly, this criticism of the Administration is held by Republican former Ambassador to China Winston Lord. Interview with Ambassador Winston Lord, November 7 1997, New York.

²² William McGurn, 'The United States and China: Sanctioning Tiananmen Square'; in G. Hicks, *The Broken Mirror: China After Tiananmen*; Longman (London, 1990) p.233.

²³ Interview with Shirley Kan, Analyst in Foreign Affairs, Congressional Research Service, November 5 1997, Washington D.C.

²⁴ Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.298.

²⁵ Following a private visit to China, Nixon issued a report to a bipartisan group of Congressional leaders in the middle of November 1989. Harry Harding, *A Fragile Relationship*; op cit p.251.

The President's veto of Representative Nancy Pelosi's Emergency Chinese Immigration Relief Act on November 30 1989 had a significant impact on Congress.²⁶ The bill had the overwhelming support of both Houses of Congress, and was backed by Chinese student organisations in the US and human rights interest groups. Bush's declaration that he would implement the provisions contained in the Act through Executive Order, included in the announcement of his veto, infuriated members of Congress, and in particular members of the Democratic party. Although the President was anxious not to promote further anti-American antipathy in Beijing, his overwhelming reason for the veto was given as the need to maintain presidential flexibility.²⁷ As Kerry Dumbaugh observes, to many in Congress the veto illustrated Bush's determination to exclude the Hill from the China policy-making process, even when he had no real objections to the substance of their initiatives.²⁸ Indeed Harry Harding argues: "By vetoing the Pelosi bill, the president may have preserved goodwill with the Chinese, but he simultaneously lost much political capital at home."²⁹

²⁶ The bill allowed Chinese students and scholars to remain in the US following the expiration of their visas, and therefore prevent them from being forced to return to the PRC.

²⁷ 'Memorandum of Disapproval for the Bill Providing Emergency Chinese Immigration Relief' November 30 1989; *Public Papers of the Presidents of the United States-George Bush 1989*; Book II, July 1 to December 31, 1989, Washington D.C. (United States Government Printing Office, 1990) pp.1611-1612. See also 'Statement on the Disapproval of the Bill Providing Emergency Chinese Immigration Relief'; *ibid* pp.1612-1613.

²⁸ Kerry Dumbaugh, *China and Congress in 1992*; *op cit* p.2.

²⁹ Harry Harding, *A Fragile Relationship*; *op cit* p.234.

Congress' attempt to overturn the veto in January 1990 proved portentous. The vote in effect became a vote of no confidence on the Administration's China policy. The override received an overwhelming majority in the House, but following heavy White House lobbying, was narrowly defeated in the Senate. However, the vote established three important precedents for the subsequent battles over China policy between Bush and Congress over the next three years. Firstly it presaged the important role the Senate would play in sustaining presidential vetoes and keeping the major aspects of China policy largely in the President's hands. Secondly it marked the rise of partisan politics in the struggle over China policy, in that the Democrats were intent not only in passing the legislation but in inflicting a political defeat upon the President.³⁰ Therefore thirdly, and correlatively it established a pattern whereby the President would win the legislative battle, but lose the political war.³¹ Bush, with his elitist style and self-proclaimed familiarity with the Chinese leaders, was seen to repel Congressional initiatives that appeared both to promote US values such as human rights and democracy, and convey the sense of outrage at repression in China felt by many Americans.

The scene had been set for the showdown over the Chinese

³⁰ In fact partisan appeals to Republican Senators from White House lobbyists proved crucial to sustaining Bush's veto. Robert G. Sutter, 'Sino-American Relations in Adversity'; op cit p.272 and Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.303.

³¹ Interview with Richard Bush, former professional staff, House Subcommittee on Asian and Pacific Affairs, October 29 1989, Arlington, Virginia.

Immigration bill by the revelation of the secret Scowcroft mission to Beijing in December the previous year. Although Scowcroft had raised the issue of human rights, Congress was irate at the tone and nature of the mission. The National Security Advisor's toast to the Chinese leadership drew accusations concerning Bush's disregard for human rights.³² Indeed critics argued that Bush had proved his contempt for domestic opinion on the issue.³³ Further Congress was incensed at Scowcroft's appeal to the Chinese that they overcome 'negative forces'. This remark gave the impression that the Administration was siding with Beijing, and blaming Congress for the crisis in Sino-American relations.³⁴ Bush also stood accused of deceit and duplicity, especially when details emerged of the Scowcroft-Eagleberger mission early in July. The Administration's attempt to distinguish between 'exchanges', which were subject to sanctions, and 'contacts', the word used to describe the missions, did little to assuage anger on the Hill.³⁵ Furthermore there was the implication that Bush had timed the December mission with the Congressional recess, to mitigate domestic criticism.³⁶ In this sense the dispatch of

³² Harry Harding, *A Fragile Relationship*; op cit p.257.

³³ Winston Lord suggested that the pursuit of such diplomacy would appear "callous" to the American public. Winston Lord, 'Misguided Mission'; *Washington Post* December 19 1989. Also interview with Ambassador Winston Lord op cit.

³⁴ See for example *ibid*.

³⁵ Prior to the acknowledgement of the July mission, Secretary of State Baker had insisted that the December mission had been the only official visit since Tiananmen. Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit pp.301-302.

³⁶ Lord adds the suggestion that Bush was hoping for

Scowcroft in December was a decision predicated as much upon domestic politics as it was diplomacy. Thus whatever the merits of the missions in diplomatic bilateral terms, their handling by the Bush Administration proved fatal to the President's goal of minimising Congressional leverage on China policy-making.³⁷

The Administration's attempts at justifying the secret missions and the conciliatory strategy pursued since June only served to incite Congress further. Bush highlighted the steps taken by Beijing early in the new year, and again reiterated his knowledge of China and the need for presidential flexibility.³⁸ To Congress and in particular to Democrats, the Chinese had only provided cynical gestures in return for significant concessions from Washington. Critics of the Administration argued that Beijing continued to commit grave violations of human rights, and the State Department annual human rights report appeared to justify their claims when it was published in February.³⁹

reciprocal gestures from the Chinese before Congress reconvened in the new year. Winston Lord, 'Misguided Mission'; op cit.

³⁷ Interview with Stephen Yates, November 5 1997, Heritage Foundation, Washington D.C.

³⁸ The Chinese released a number of prisoners, lifted martial law, opened discussions on the Fulbright programme, and declared that it would no longer export missiles to the Middle East. See Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.302. See also Joint News Conference with President Mitterrand December 16 1989, *Public Papers of the Presidents of the United States-George Bush 1989*; Book II op cit p.1711 and Question and Answer Session at the Ann Dimer Dinner of the Business Council January 24 1990, *Public Papers of the Presidents of the United States-George Bush 1990*; Book I, January 20 to June 30, 1990, Washington D.C. (United States Government Printing Office, 1991) pp.79-81.

³⁹ Harry Harding, *A Fragile Relationship*; op cit pp.257-258.

The press largely concurred with Congressional criticism of the Administration's China policy. Having voiced concern in the autumn of 1989 that Bush appeared to be conceding too much without progress, and lambasted the secret missions, the leading titles called for a significantly tougher stance in the new year.⁴⁰ The general public however were more split. While they were appalled at the events in Tiananmen, as many favoured the maintenance of good relations as did those who wanted a firmer stance on human rights. They were equally as split as to the wisdom of the secret missions.⁴¹

Although he promised to articulate better his China policies to his domestic audience, Bush faced significant Congressional pressure at the start of 1990.⁴² The secret visits had shattered any remnants of consensus within Congress on China policy. Few members were willing to speak in favour of the Administration, and partisanship on China was now firmly established on the Hill. Further there were few prospects for substantial progress from Beijing. Attention turned to the need for the President to recommend a decision on China's Most-Favoured-Nation (MFN) trading status before June 3 1990.

⁴⁰ Ibid p.256 and Robert G. Sutter, 'Sino-American Relations in Adversity'; op cit pp.271-272.

⁴¹ Harry Harding, *A Fragile Relationship*; op cit pp.293-294. Further, through 1990, those who held an unfavourable view of China only marginally outnumbered those with a favourable view. See Harry Harding, ibid Appendix A Table A-1 p.363 and Karlyn H. Bowman, 'Public Attitudes Toward the People's Republic of China'; op cit p.147.

⁴² President's New Conference January 25 1990, *Public Papers of the Presidents of the United States-George Bush 1990*; Book I op cit p.105.

MFN 1990 AND THE GULF CONFLICT:

THE DOMESTIC CHALLENGE TO BUSH'S CHINA POLICY RECEDES

Genuine frustration with the Bush Administration's China policy, and the awareness amongst the Democrats that the President was politically vulnerable on the issue, meant that Congress was more confident and more determined to play a leading role in the policy-making process.⁴³ Having exercised, unsuccessfully, its legislative authority on US immigration laws with the Emigration Relief bill, Congress turned to the issue of MFN.⁴⁴

As a result of the Jackson-Vanik amendment to the 1974 Trade Act, the president was required to certify that the state in question operated acceptable emigration controls before waiving prohibitions on normal (or 'MFN') trading status with the US. The amendment applied to communist states, and the waiver only lasted twelve months, meaning that the president had to make his recommendation before June 3 every year. Congress then had the option of overturning the president's recommendation by joint resolution within sixty days of the decision. Alternatively, Congress had the option of introducing legislation that would amend the 1974 Act, and therefore allow conditions to be placed on the annual renewal of MFN status.⁴⁵

⁴³ See *Crisis in China: Prospects for US Policy*; The Stanley Foundation op cit p.10.

⁴⁴ See Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.290-291.

⁴⁵ Congress had never acted upon the recommendation for the renewal of China's MFN status before. For a comprehensive explanation of China and MFN see Wayne M. Morrison, Vladimir N. Pregelj, Kerry Dumbaugh, and Jeanne Grimmett, *Most-Favoured-*

To members of Congress dissatisfied with the Administration's performance in the spring of 1990, MFN offered a vehicle by which they could take the lead on China policy.⁴⁶

While Bush himself was frustrated by the lack of PRC reciprocation, he persevered with his policy of concessions. The strategy simultaneously raised domestic expectations, because of Bush's insistence and determination that it would work, and dashed expectations because of the lack of progress.⁴⁷ Further this was taking place in the context of the relatively peaceful reform in East and Central Europe and the Soviet Union. Growing domestic, and in particular Congressional agitation that pointed to a potentially costly political battle over MFN later in the spring, persuaded Bush to adopt a tougher stance from March.

In addition to offering no new concessions, and stiffening his rhetoric regarding the PRC, the Administration implied that it would be unwilling to fight Congress to retain China's MFN status without clear progress from Beijing.⁴⁸ This tactic paid

Nation Status and China: History, Current Law, Economic and Political Considerations, and Alternative Approaches; Report for Congress 96-923 E, Congressional Research Service, Library of Congress, November 19 1996.

⁴⁶ Richard Bush explains that this is because MFN provided an annual procedurally convenient route for Congress to pursue. Richard Bush, *The Evolution of US Policy Toward China Under the Clinton Administration*; op cit p.4.

⁴⁷ Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit 303.

⁴⁸ See Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit pp.304-305. Bush retained a strong grip on China policy within the Administration at this time, ensuring for example that State Department officials remained silent on the issue of MFN. Robert G. Sutter, 'Tiananmen's Lingering Fallout'; op cit p.247.

off for the President in two ways. Firstly, it prompted Beijing to make gestures such as releasing a number of political detainees, and permitting Fang Lizhi to leave Beijing for Britain. More significantly perhaps, Bush's stance on MFN persuaded Beijing to play the political game in Washington. Thus the Chinese announced major deals with Boeing, announced its decision to import a large delivery of US wheat, and went on a diplomatic offensive designed to remind the US business community of the costs of MFN revocation to their own economic interests.⁴⁹

The second advantage of the Administration's tactics concerned the domestic debate on MFN. By indicating his unwillingness to expend political capital on a fight with those in Congress wanting to revoke or condition China's status, Bush impelled domestic advocates of unconditional renewal into taking on the fight themselves. While these advocates believed that they had the ultimate support of the Administration, they also realised that China's MFN status was seriously under threat for the first time. Therefore actors previously fearful of adopting public positions that appeared to support the PRC regime spoke out in favour of MFN renewal. Representatives of the US business community with interests in China led the campaign, supported in particular by representatives of the Hong Kong authorities and business communities.⁵⁰ However, they were joined by certain Chinese student groups in the US, revealing for the first time a profound split in this

⁴⁹ Ibid (Ross) pp.305-306.

⁵⁰ Richard Bush, 'The Evolution of US Policy Toward China Under the Clinton Administration'; op cit p.5.

community's views on US China policy.⁵¹ A symbol of the success of the pro-MFN lobby came in the fact that the leading press titles such as the *New York Times* and *Washington Post* backed their arguments.⁵² Spurred on by the tactics employed by Beijing, the lobby echoed the arguments used by the President. Principally, and in an attempt to retake the moral high ground, they argued that the conditioning or revocation of MFN would hurt those citizens of China America was intending to encourage. However they were also quick to point out the economic costs (and the boost to competitors) such action would inflict on US and Hong Kong business interests.⁵³

Strong evidence of Beijing's continued violation of human rights throughout the spring of 1990, and the perceived policy and political vulnerabilities of the Administrations' current China strategy inspired advocates of MFN conditionality and revocation. Democrats led the fight within Congress, while in the wider public arena they were supported by human rights organisations such as Human Rights Watch:Asia and Amnesty International, certain China experts and opinion leaders, and Chinese student bodies.⁵⁴ Further, growing frustration with the

⁵¹ Harry Harding, *A Fragile Relationship*; op cit pp.266-267. Bush highlighted this latter fact in his defence of his decision to renew MFN. See for example The President's News Conference May 24 1990, *Public Papers of the Presidents of the United States-George Bush 1990*; Book I op cit p.707.

⁵² Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.306.

⁵³ Harry Harding, *A Fragile Relationship*; op cit pp.266-267.

⁵⁴ Previous high-profile champions of engagement such as Zbigniew Brzezinski and Winston Lord added their significant support to those favouring conditions or outright revocation. See *ibid* p.292, and Winston Lord, 'Bush's Second Chance on China'; *New York Times*; May 9 1990 p.A31.

problems of conducting business in China persuaded some members of the business community to support action on China's MFN status.⁵⁵ Deciding not to consider a relatively moderate bill introduced by Representative Dan Pease (D-Ohio), Congress passed Representative Pelosi's stringent bill to condition China's MFN status by a veto-proof vote of 384-30 on October 18 1990. Pelosi's bill established strong precedents for subsequent attempts by Congress to act upon China's MFN status. Firstly, it embodied a wide range of predominantly human rights related criteria by which Chinese progress could be assessed. This reflected the need to incorporate the many and varied concerns of a large number of members of Congress in an effort to maximise the support for the bill. Secondly, it required the President to certify that Beijing had made 'overall significant progress' in the criteria stipulated. Thus the President would be required by legislation to prove that China's conduct was acceptable in many more areas than simply emigration before he could recommend MFN renewal. However, the imprecise definition of 'overall significant progress', a phrase restated in subsequent legislation to condition MFN, appeared to allow the president room for manoeuvre when interpreting China's progress.⁵⁶

Despite continuing unease at China's human rights conduct, and frustration with the achievement of the Administration's China policy, the Democrats were unable to organise a challenge

⁵⁵ Harry Harding, *A Fragile Relationship*; op cit p.392.

⁵⁶ Congress also voted to disapprove Bush's renewal of China's 1990 MFN status, but the size of the majority was insufficient to override the President's veto. Ibid pp.267-269 and Kerry Dumbaugh, *China and Congress in 1992*; op cit p.3.

to Bush's renewal of MFN before Congress went into recess in late October.⁵⁷ The limited concessions and lobbying efforts of the PRC, and campaigns led by the business community had persuaded enough members of Congress, Democratic and Republican, that the conditioning or revocation of China's trading status was too severe a measure at that time.⁵⁸ However, the Hill was also influenced by Iraq's invasion of Kuwait in early August. The need to secure Beijing's acquiescence to the American-led response executed through the United Nations, and the domestic popularity of that response made a challenge to the President over MFN appear both strategically and politically unwise.⁵⁹ Indeed the Gulf conflict dominated US attention until the spring of 1991, paralysing the domestic challenge to the Administration's China policy. Ironically, however, the Gulf conflict actually served to undermine the President on China. Many Democrats became convinced that Bush's vulnerability on China policy could be exploited to undermine the domestic popularity he gleaned from his handling of the crisis.⁶⁰

⁵⁷ Thus Congress adjourned before the Senate had time to vote on Pelosi's bill (HR 4939). Ibid (Dumbaugh).

⁵⁸ Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit p.306.

⁵⁹ The American general public's divisions and ambiguity on China was of little direct political benefit to Congressional critics of the Administration's China policy, while Bush attracted strong approval ratings due to his handling of the Gulf crisis.

⁶⁰ Kerry Dumbaugh argues that given the respect Bush commanded in the conduct of foreign policy following the Gulf conflict, it was inevitable that Democrats would look for a political 'achilles heel'. China policy was the most obvious and promising option. Interview with Kerry Dumbaugh, Specialist in Asian Affairs, November 5 1997, Congressional Research

BUSH FIGHTS TO RETAIN CONTROL OF CHINA POLICY, 1991

While the domestic debate on China policy had become considerably more partisan by the spring of 1991, the battle over that year's renewal of MFN status had wider motives. The President referred to China's cooperation and acquiescence during the Gulf crisis to make the case for China's geo-strategic and geo-political importance, and the need to avoid the isolation of Beijing.⁶¹ However, Congressional and wider concern persisted on the issue of human rights in China, and in fact expanded to include Beijing's conduct in other bilateral, regional and global issues.

Beijing had recommenced programmes of economic reform and liberalization (though at a more cautious rate), yet there had been no essential progress in China's political climate. For example, the authorities continued to arrest and sentence political detainees while simultaneously releasing prisoners in concessionary gestures to the US.⁶² In other words, to many

Service, Washington D.C.

⁶¹ For example see The President's News Conference April 29 1991, *Public Papers of the Presidents of the United States-George Bush 1991*; Book I, January 20 to June 30, 1991, Washington D.C. (United States Government Printing Office, 1992) p.442.

⁶² See for example the testimony of Holly J. Burkhalter of Asia Watch before a Joint Hearing of the House Foreign Affairs Committee, May 29 1991. *Most-Favoured-Nation Status for the People's Republic of China*; Joint Hearing before the Subcommittees on Human Rights and International Organizations; Asian and Pacific Affairs; and International Economic Policy and Trade, of the Committee on Foreign Affairs, House of Representatives, 102nd Congress, 1st Session, May 29 1991, Washington D.C. (United States Government Printing Office, 1992) pp.124-143.

members of Congress and human rights-focused organizations, the Administration's post-Tiananmen strategy had secured virtually no progress in Beijing's human rights conduct. Concerns were also raised regarding the PRC's role in the sale and proliferation of nuclear and conventional technology, in contravention of Chinese assurances given to NSA Scowcroft in December 1989.⁶³ Evidence suggested that Beijing had supplied chemical weapons to Iraq, military support to the Khmer Rouge, and helped Algeria to build a nuclear reactor.⁶⁴ The third major issue of concern in the spring of 1991 was bilateral trade. Figures revealed that China's surplus with the US had risen by approximately sixty per cent over one year to \$10.4 billion in 1990. Although economic recession with the US had contributed to the imbalance, the US accused Beijing of restricting and complicating access to Chinese markets.⁶⁵ In addition, officials continued to cite unacceptable PRC conduct in the areas of intellectual property protection and transshipment of exports.⁶⁶

Growing concerns for proliferation and trade issues in addition to human rights encouraged members of Congress to

⁶³ The Gulf conflict had in fact highlighted China's proliferation of weaponry to the Middle East and Pakistan. Harry Harding, *A Fragile Relationship*; op cit p.277.

⁶⁴ Ibid and Robert G. Sutter, 'Tiananmen's Lingering Fallout'; op cit p.249. See also Shirley A. Kan, *Chinese Proliferation of Weapons of Mass Destruction: Background and Analysis*; Report for Congress 96-767 F, Congressional Research Service, Library of Congress, September 13 1996.

⁶⁵ For example see Office of the United States Trade Representative, *1991 National Trade Estimate Report on Foreign Trade Barriers*; United States Government Printing Office (Washington D.C., 1991) pp.43-52.

⁶⁶ Robert G. Sutter, 'Tiananmen's Lingering Fallout'; op cit p.249.

investigate other areas of unacceptable Chinese behaviour. Consequently, other human rights issues were appended to the China policy debate, such as the export to the US of products made by Chinese prison labour, coercive family planning practices and the future of Hong Kong after the transfer to Chinese sovereignty in 1997. Further, Beijing's unwillingness to curb drug trafficking, its support for the repressive regime in Myanmar (Burma) and inadequate protection of the environment were cited as reasons to examine America's trade relationship with the PRC.⁶⁷

While a small minority in Congress wished to revoke China's MFN status, legislative action focused upon making further renewal conditional on progress in the major areas of human rights, proliferation and trade.⁶⁸ Representative Pelosi and majority leader Senator George Mitchell (D-Maine) introduced similar legislation in the House and Senate respectively. Both pieces of legislation demanded progress on specific issues of human rights, such as an end to the export of prison labour and the release of all prisoners detained in connection with the 1989 demonstrations, and both required the president to provide an assessment of 'overall significant

⁶⁷ See *Sino-American Relations: Current Policy Issues*; hearings before the Subcommittee on East Asian and Pacific Affairs, Committee on Foreign Relations, United States Senate, 102nd Congress, 1st Session, June 13, 25 and 27 1991, Washington D.C. (United States Government Printing Office, 1992).

⁶⁸ Other legislative measures not related to China's MFN status were also introduced though very few received serious support. Kerry Dumbaugh, *China and Congress in 1992*; op cit p.4.

progress' on a range of issues.⁶⁹ The House of Representatives passed the Pelosi bill by a veto-proof 313-112, and the Senate passed the Mitchell bill by 55-44, insufficient to override a presidential veto.⁷⁰ The Administration's success in renewing China's 1991 MFN status and in defeating Congressional attempts to impose conditions resulted from a change in domestic political and bilateral tactics through the spring and summer of 1991.

As explained in chapter two, the Administration quietly adopted a new, tougher strategy in the spring of 1991. It was motivated to do so by frustrations with the lack of progress achieved by the former concessionary China policy. But crucially, the Administration also anticipated a potentially politically damaging fight with determined and partisan Congress over China's 1991 MFN status.

Initially, Bush repeated the tactic of proclaiming uncertainty as to whether he would renew MFN without conditions before the June 3 deadline.⁷¹ However, having announced his intention to do so on May 15, the President and his supporters turned once again to justifying engagement with the PRC,

⁶⁹ Pelosi's bill (HR 2212) required 'overall significant progress' on a range of human rights issues, while Mitchell also included trade and proliferation issues. The Senate version (S 1367) also placed a greater and more specific emphasis on proliferation. See Robert G. Sutter, 'Congress and the Crisis in US-China Policy' in *Congress and Foreign Policy, 1991*; prepared by the Committee on Foreign Affairs, House of Representatives, 102nd Congress, 1st Session, Washington D.C. (United States Government Printing Office, 1992) pp.83-102.

⁷⁰ Only the House had time to act upon the subsequent Conference Report by the time Congress adjourned for 1991. Kerry Dumbaugh, *China and Congress in 1992*; op cit pp.5-6.

⁷¹ See for example The President's News Conference April 29 1991, op cit.

reiterating arguments employed and developed since June 1989.⁷² It became clear that appeals of this kind might not be sufficient to prevent a Congressional override of a presidential veto of legislation, given the lack of Chinese progress in the two years since Tiananmen, the increase in the number of issues subject to Congressional concern, the enduring propensity to view the PRC in an overwhelmingly negative light, and the growth in partisanship.

As a consequence, Bush began to focus his arguments on the merits of his new, tougher strategy with the PRC. He was aided in this respect by the series of gestures and concessions offered by Beijing through the spring and early summer.⁷³ While Beijing maintained its rhetoric of resistance, its desire to see a revival in Sino-American relations caused it to respond to the Bush Administration's new carrot and stick strategy. Further, it was concerned that Congress might be successful in imposing conditions on China's MFN status. Nevertheless, Premier Li Peng's insistence that his government had gone to great lengths to preserve MFN, and Beijing's concomitant threat of retaliatory action if conditionality was imposed convinced

⁷² See for example Remarks to the Asian-Pacific Community, June 16 1991, Fountain Valley, California, *Public Papers of the Presidents of the United States-George Bush 1991*; Book I op cit pp.674-675 and *Renewal of MFN Status for the People's Republic of China*; hearing before the Committee on Foreign Affairs, House of Representatives, 102nd Congress, 1st Session, June 26 1991, Washington D.C. (United States Government Printing Office, 1991).

⁷³ For example, Beijing promised to cease exports of prison-labour products, cease illegal transshipments, improvement its conduct in the areas of proliferation and arms sales, and join international security regimes. Harry Harding, *A Fragile Relationship*; op cit p.279.

some members of Congress of the need for prudence.⁷⁴

The most decisive development came in June and July, with an exchange of correspondence between the White House and a bipartisan group of moderate Senators led by Senator Max Baucus (D-Montana). While Baucus shared many of the concerns for human rights, trade and proliferation held by his Congressional colleagues, he also feared the repercussions of a revocation or stringent conditioning of China's MFN status. Accordingly, Baucus and fifteen like-minded Senators wrote a letter requesting the President to define his proposals for ensuring Chinese progress in the three major issue areas. Bush replied with a comprehensive explanation of the Administration's new strategy, noting recent initiatives and achievements, and specifying proposals for future action. For example, the President defended the importance of continued bilateral dialogue on human rights, and the achievements (past and potential) of tough and selective use of sanctions such as Section 301 of the 1988 Trade Act in the areas of trade and proliferation. He also declared a new policy initiative towards Taiwan that represented the first clear breach with Beijing over the island for almost a decade.⁷⁵ Critically, the

⁷⁴ Ibid and Rosemary Foot, *The Practice of Power*; Oxford University Press (Oxford, 1995) p.253. One former State Department official argues that the Administration's tougher strategy and the Congressional threat to impose legislative conditionality acted as a form of conditionality on Beijing. He adds that more substantive Chinese progress beyond that offered at the time would have required intensive diplomacy over a much longer time frame. Interview with Robert M. Perito, former senior China analyst, US Department of State, December 10 1997, Washington D.C.

⁷⁵ Ibid pp.282-283. Bush declared that the Administration would support a separate Taiwanese accession to GATT, rather than the previous position of simultaneous accession. Bush

Baucus group received Bush's response just as the Senate was preparing to vote on the Mitchell legislation. While the Senate passed the legislation, the President's exposition of the Administration's tougher strategy of engagement persuaded a sufficient number of dissenters to indicate that the Senate would uphold a presidential veto of legislative conditionality.⁷⁶ In an echo of Bush's veto of Pelosi's Emigration Relief Bill, the President found sufficient support within the Senate to ensure that he did not lose the lead on China policy to Congress. However, the degree to which he was forced to respond to Congressional pressure over China's 1991 MFN status illustrated that Bush did not possess complete control of policy either.

A largely ambivalent public generally sympathised with the Administration's objectives. While Tiananmen had prompted American citizens to view the PRC with distaste if not abhorrence, most felt that it was in US interests to maintain a long-term relationship with Beijing. Indeed, many favoured renewal of China's MFN status and the rejuvenation of full economic relations with the PRC.⁷⁷ However, as stated earlier,

noted that while China lagged behind Taiwan in meeting Gatt criteria, he supported its membership once those conditions were satisfied.

⁷⁶ One Congressional staffer argues that the Baucus-Bush correspondence, and its consequences, represented MFN conditionality by "non-legislative means". Interview with James McCormick, former professional staff on House Subcommittee on Asian and Pacific Affairs, November 7 1997, Washington D.C. Kerry Dumbaugh notes that the bipartisan group of Senators represented farm states with strong agricultural trade links with the PRC. *China and Congress in 1992*; op cit p.4 (footnote 4).

⁷⁷ John Rielly (ed), *American Public Opinion and United States Foreign Policy 1991*; Council on Foreign Relations

public opinion had little direct influence on the development of the US China policy debate at this time, particularly in relation to China's MFN status. On the whole, informed opinion was more critical of the form of the Administration's China policy and its unconditional renewal of MFN.

Although the Administration had won the battle over MFN, and retained control of China policy to a large degree, the political and partisan nature of the standoff between the White House and Congress meant that Bush had not won the domestic argument over the rationale for China policy. In other words, the President had not yet repudiated the case for a China strategy incorporating linkage. The survival of the incumbent Chinese Communist Party (CCP) regime was heavily dependent on economic progress and success, a point conceded by senior members of the leadership.⁷⁸ In turn, the PRC's economic modernisation and development appeared heavily dependent on US investment, markets and participation.⁷⁹ Therefore, although a partial or full revocation of China's MFN status would hurt US businesses with economic links with China, it could also threaten to devastate China's economic development and thus undermine the regime's grip on power. Critics asserted that the Administration's current policy was too 'soft' and had secured only superficial improvements. Therefore proponents of a

(Chicago, 1991) p.24.

⁷⁸ Rosemary Foot, 'Neither Friends Nor Enemies: Sino-American Relations after the Cold War'; *The Oxford International Review* vol.5 no.2 Spring 1994 p.21.

⁷⁹ Over 26 per cent of the PRC's exports were absorbed by the US market in 1991, up from 24.5 per cent the year before. *China Trade Figures*; Overseas Trade Division, United Kingdom Department of Trade and Industry, May 1993 p.1.

strategy of linkage continued to argue that China would improve its conduct in the areas of human rights, trade and proliferation if its MFN status was made conditional on such progress.⁸⁰

An example of the de-politicised advocacy of engagement was provided by Republican former US Ambassador to China Winston Lord in a testimony to Congress in May 1991.⁸¹ Lord argued that China had enormous economic stakes in working to preserve MFN. While he acknowledged that the "cosmetic gestures" delivered by Beijing up to that point had been "cynical tokens", he suggested that this proved that the Chinese were willing to make progress even when the conditioning of MFN was only a possibility. Further, in an echo of the President's references to his personal experience of China, Lord argued that Beijing would be unwilling to accept the loss of diplomatic 'face' associated with a revocation of MFN on the basis of insufficient progress. However, he maintained that whilst severe conditions might satisfy the American emotional mood, moderate conditions were more likely to achieve genuine improvements. He also insisted that MFN conditions should only refer to human rights because the inclusion of proliferation and trade issues would only render the policy tool unwieldy and provocative, and establish a

⁸⁰ This argument was opposed by advocates of unconditional MFN, who maintained that unfettered US economic engagement with the PRC encouraged reform in the PRC and in this way undermined the current regime's grip on power.

⁸¹ Statement of Winston Lord before the Joint Hearing of Subcommittees of the House Committee on Foreign Affairs, *Most Favoured Nation Status for the People's Republic of China*; May 29 1991 op cit pp.18-22.

dangerous precedent.⁸² Moreover, Lord stressed the importance of pursuing a strategy that would restore the governmental and political consensus on China policy. He argued that a policy of conditional MFN should be implemented by a presidential executive order rather than Congressional legislation, so that flexibility in policy-making could be retained.⁸³ Finally, Lord contended that a linkage strategy of this kind would preserve valuable long-term engagement with Beijing, whilst promoting US humanitarian, economic and geopolitical interests and conveying American revulsion at continuing human rights violations.⁸⁴ Winston Lord's testimony represented a non-partisan recommendation of linkage. Interestingly, it also bore strong similarities to the Clinton Administration's Executive Order of May 1993, conceived under the stewardship of Lord who by then had become Assistant Secretary of State for East Asian and Pacific Affairs.⁸⁵

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⁸² Ibid p.20.

⁸³ Ibid p.20 and pp.20-21.

⁸⁴ Ibid p.20.

⁸⁵ In his testimony to the April 29 hearing, former Assistant Secretary of State for East Asian and Pacific Affairs Richard Holbrooke, who served during the Carter Administration, urged unconditional renewal of MFN. Reiterating the argument that revoking MFN would hurt the wrong people in China, Holbrooke insisted that economic engagement and "international communication" with Chinese citizens offered the best means of stimulating reform. Statement of Richard Holbrooke before the Joint Hearing of Subcommittees of the House Committee on Foreign Affairs, *Most Favoured Nation Status for the People's Republic of China*; May 29 1991 op cit pp.30-31. Holbrooke, like Lord, advised presidential candidate Clinton on China policy during the summer of 1992.

Broad governmental and non-governmental aspects of the Sino-American relationship recovered after the unconditional renewal of China's MFN status had been confirmed in the autumn of 1991.⁸⁶ However, the domestic governmental battle over China policy had not yet been settled. Chinese progress and promises of improved conduct, prompted in part by the Administration's tougher 'carrot and stick' policy and in part by the genuine prospect of conditions being imposed on China's 1991 MFN status, had not satisfied the President's critics in and outside Congress.

Many members in Congress remained determined to take the lead on policy-making, and redefine US China policy in favour of a strategy of linkage. A number of factors underscored their conviction.⁸⁷ Firstly they maintained that the Administration's strategy was not working. In the light of persistent unacceptable Chinese conduct in the areas of proliferation, trade and in particular human rights, the President's policy appeared submissive. Critics argued that the economic recovery China was enjoying through 1991-1992 would only serve to bolster the present PRC regime and reinforce its intransigence.⁸⁸ This led to the conclusion that the Administration's China policy was inconsistent with world trends. In the context of reform, liberalization and

⁸⁶ Harry Harding, *A Fragile Relationship*; op cit p.289.

⁸⁷ See Kerry Dumbaugh, *China and Congress in 1992*; op cit pp.4-5.

⁸⁸ Winston Lord had warned in May 1990 that an over-concessionary Bush policy would have such implications. Winston Lord, 'Bush's Second Chance on China'; op cit.

democratization throughout the (former) Soviet sphere, the Bush Administration's China policy appeared to be sustaining a repressive, anti-democratic regime in China.⁸⁹ Further, many members of Congress, Democratic and Republican, were resentful of the President's refusal to accept their inclusion in the policy-making process. Finally, partisan politics fuelled the determination of many Democratic members of Congress to attack the President on China. Although the 1992 presidential election promised to be one dominated by domestic issues, political capital could be made by portraying the President's China policy as a betrayal of US values and principles. Given that domestic acceptance of Bush's China policy relied to a large extent on clear signs of progress within the PRC, and given the degree of scepticism within the US regarding Beijing's gestures, the President's position looked politically vulnerable.⁹⁰

As the 1992 MFN debating season approached, Bush mounted a firm defence of his strategy for China.⁹¹ Primarily he reiterated the assertion that US economic engagement promoted economic, and thus societal and political reform in China, while claiming credit for the progress and promises secured since he adopted a tougher strategy in the spring of 1991.⁹²

⁸⁹ The Soviet Union collapsed in late 1991.

⁹⁰ Harry Harding, *A Fragile Relationship*; op cit p.296, and Rosemary Foot, *The Practice of Power*; op cit p.254.

⁹¹ Although legislation imposing conditionality on China's MFN status could be introduced at any point on the Congressional calendar, such initiatives were usually triggered by the impending presidential recommendation on China's MFN status. Kerry Dumbaugh, *China and Congress in 1992*; op cit p.5.

⁹² For example see Bush's letter to the House of

Bush noted that further Chinese improvements were necessary, but he contended that China and the US-PRC relationship was moving in the right direction.

In an effort to maximise support for the implementation of a more resolute strategy incorporating linkage, Democratic members of Congress refined their legislative proposals in late Spring 1992. The need to do so had been illustrated by the failure to pass legislation conditioning China's MFN status, previously interrupted by the adjournment of Congress in autumn 1991. The Senate's failure to reach a veto-proof majority in February 1992 had hinged on the opposition of the moderate Baucus-led group of Senators.⁹³ Reflecting the case put by the Administration, Baucus had claimed that any revocation of MFN would be to the detriment of US economic interests, starve the reformist elements within Chinese society, and act against US interests by isolating Beijing. Advocates of linkage refined their proposals for the 1992 MFN debate to take account of these arguments. As a result, Congress's initiatives on China became more diverse and selective, making it harder for the Administration to resist influence from the Hill.

A Joint Resolution disapproving the President's renewal of China's 1992 MFN status, in effect a measure of full

Representatives, March 2 1992, in which he announced his intension to renew China's 1992 MFN status without conditions. George Bush, 'China's MFN Status'; *US Department of State Dispatch* vol.3 no.10 March 9 1992 (United States Government Printing Office, 1992) p.189. A White House report to Congress, June 2 1992, restated these arguments. 'Report to Congress'; *US Department of State Dispatch* vol.3 no.23 June 8 1992 (United States Government Printing Office, 1992).

⁹³ Kerry Dumbaugh, *China and Congress in 1992*; op cit pp.6-7.

revocation, was introduced. Although it passed the House of Representatives, it was not considered by the Senate. This reflected the appreciation that full revocation was too blunt an instrument, and would inevitably fail to gain the support in the Senate required to defeat a presidential veto. Further the joint resolution was a symbolic gesture of dissatisfaction with the Administration's China policy and the conduct of the Chinese government.⁹⁴ Real Congressional intent focused on two pieces of legislation imposing conditions on China's MFN status, and other bills with more specific prescriptions for US China policy.

Following Bush's unconditional renewal of MFN on June 2 1992, the House considered HR 5318, sponsored by Rep. Pelosi and Rep. Don Pease (D-Ohio). The bill bore strong similarities to its predecessor HR 2212, pledging to impose conditions on China's trading status for one year after June 3 1993 if Beijing had not provided satisfactory progress in several aspects of human rights, trade and proliferation. While demanding measurable progress in a number of specific areas, it also called for 'overall significant progress' on a longer list of issues.⁹⁵ Crucially, however, HR 5318 stipulated that MFN

⁹⁴ 'Two Bills Limiting Trade with China Vetoed'; *Congressional Quarterly Almanac* vol.XLVIII 102nd Congress 2nd Session (CQ Press, 1992) p.160.

⁹⁵ Specific progress was required in areas such as the release of Tiananmen-related political prisoners; the cessation of prison-labour exports; an end to religious persecution in China and Tibet; freedom of the press; an end to the intimidation of Chinese in the US; the protection of intellectual property rights; the removal of unfair trade barriers; adherence to international regimes and standards on nuclear, chemical and biological proliferation; and the prohibition of missile and nuclear technology to Syria or Iran. Ibid p.159 and p.160.

status would only be revoked for state-owned enterprises.⁹⁶ This measure was designed to answer charges levied by the Administration, the business community and some members of Congress that revoking MFN would hurt reform-minded, Western-orientated sectors of Chinese society, and damage those American businesses dependent on economic ties with the PRC.⁹⁷ Proponents dismissed the value of the concessions presented by Beijing and cited by President Bush through 1991-1992, contrasting them unfavourably with the progress being made in Eastern Europe. They also insisted that conditional MFN offered the strongest instrument of linkage through which the US could execute leverage over the PRC. The intention, they claimed, was not to revoke MFN but to induce meaningful progress from Beijing.⁹⁸

In the most comprehensive and vociferous Congressional debate to date, opponents of HR 5318 maintained that it would subvert US economic and foreign policy interests. They highlighted the achievements secured by the Administration's tougher policy stance, Beijing's membership of the UN Security Council, and further, argued that the targeting of state-owned

⁹⁶ Accordingly, the bill required the Treasury Department to compile and maintain a list of state-owned enterprises that would be targeted if the conditions were not met.

⁹⁷ Kerry Dumbaugh, *China and Congress in 1992*; op cit p.8 and 'Two Bills Limiting Trade'; *Congressional Quarterly Almanac* op cit p.159.

⁹⁸ This was a point stressed by Winston Lord in his testimony to Congress in May. Statement of Winston Lord before the Joint Hearing of Subcommittees of the House Committee on Foreign Affairs, *Most Favoured Nation Status for the People's Republic of China*; May 29 1991 op cit p.19-20.

enterprise was impracticable.⁹⁹ Contestants also highlighted an argument attracting growing popularity. They held that while they had no quarrel with the objectives of the bill, they believed that linkage through conditional MFN was an entirely inappropriate way of pursuing them.

Opponents also questioned why the bill to condition MFN had been introduced at all, suggesting that HR 5318 would only suffer the same fate as HR 2212 earlier in the year.¹⁰⁰ Two factors explain the reintroduction of such legislation. Firstly, advocates of linkage believed that the targeting of state enterprise presented a genuinely better policy, that consequentially, would attract wider support on the Hill.¹⁰¹ Secondly, the Democratic party stood to gain politically from another fight between Congress and the White House. Indeed many Democratic Congressional advocates of linkage had doubts concerning the effectiveness of MFN conditionality, or feared the repercussions such a policy would have for democratic forces within China, and for the economic interests of the US, Hong Kong, and Taiwan. However, they also believed that the Senate would uphold a presidential veto of legislation imposing

⁹⁹ Rep. Robert Matsui (D-Calif) was particularly vocal on this matter. Doubting the possibility of differentiating between private and state-owned enterprise, he contended that the bill would not protect US economic interests and suggested that recent major deals with the PRC (a repeat of the Chinese lobbying tactic of previous years) would be put at serious risk. 'Two Bills Limiting Trade'; *Congressional Quarterly Almanac* op cit pp.159-160.

¹⁰⁰ Ibid p.160.

¹⁰¹ This targeted, more subtle approach echoed proposals suggested by human rights interest groups such as Asia Watch. Steven Levine, 'China and America'; op cit p.245.

conditionality.¹⁰² Therefore, although Bush would win the legislative battle, doing so would leave him vulnerable to accusations of being anti-democratic, anti-human rights, and inclined to place his friendship with a brutal regime above American normative values. The fact that 1992 was a presidential election year fuelled this motivation.¹⁰³ That Bush failed to retain the presidency owed more to his weakness on domestic issues and the American people's desire for a sense of change. Yet the incumbent was well respected in the area of foreign affairs, particularly in the wake of the Gulf Conflict, and the Democratic party had struggled to establish an alternative foreign policy platform. Maligning the Bush Administration's China policy helped them to do so.¹⁰⁴

This tactic is illustrated by the degree to which Democratic Senators cooperated with their counterparts in the House on the Senate version of HR 5318, S 2808.¹⁰⁵ Although the Senate ultimately failed to override Bush's veto, the fact that it provided unanimous consent for the bill on its first reading in that chamber, and that the critical vote to override the veto coincided with the crucial latter stages of the election

¹⁰² While the Senate was controlled by the Democratic Party, the balance of power was less disagreeable to the Administration than it was in the House. Further, the Senate had a greater reputation for erring on the side of prudence and the status quo.

¹⁰³ Interview with Richard Bush op cit. See also Richard Bush, 'Clinton and China: Scenarios for the Future'; *The China Business Review* vol.20 issue 1 January-February 1993 p.17.

¹⁰⁴ The political tactics and advantages of attacking Bush's China policy sought by Congressional Democrats and Democratic presidential candidate Bill Clinton are discussed in greater detail in chapter five.

¹⁰⁵ Kerry Dumbaugh, *China and Congress in 1992*; op cit p.10.

campaign placed a great deal political pressure on the incumbent.¹⁰⁶

The Democratic Party's initiatives on China not only bruised the President politically, but also undercut his control of China policy through 1992. Rather than attach all their China policy concerns to legislation on MFN conditionality, members of Congress introduced bills that dealt with issues in a more specific manner. Thus those members who supported the objectives of resolutions such as HR 5318, but opposed the choice of MFN conditionality as a policy tool felt able to support the more targeted proposals. Accordingly, legislation allowing Chinese students to extend their stay in the US, supporting the stability, prosperity and further democratization of Hong Kong following its transfer of Sovereignty to Beijing in 1997, and requiring the imposition of sanctions on states engaged in proliferation was passed.¹⁰⁷

Despite his determination to retain control of the policy-making process and the format of his China policy, Bush had to cede to the level of bipartisan support for these measures. Indeed Chinese concessions secured by the Administration in the areas of trade, proliferation and prison-labour exports through

¹⁰⁶ The Bush re-election campaign was in trouble by the time the Senate took the second vote on October 1. Ibid and interview with Kerry Dumbaugh op cit. The criteria contained in HR 5318 established a strong framework for subsequent legislation, and indeed for President Clinton's Executive Order of May 1993, as chapter five will explain.

¹⁰⁷ The latter measure, an amendment to the FY 1993 Defence Authorization Act, required that in the event of proliferation to Iran or Iraq, sanctions be imposed on those states and the states proliferating the material. China's activities were a focal point of the debate on the amendment. Kerry Dumbaugh, *China and Congress in 1992*; op cit pp.14-15.

1991-1992 were to a significant degree also a product of Congressional pressure. On the one hand, the threat of legislation, particularly in the form of MFN conditionality, persuaded the Administration to adopt a more uncompromising stance in bilateral negotiations. Yet the Administration also employed the tactic of informing Chinese officials that the White House would be unable to prevent the introduction of legislation if progress was not forthcoming.

Therefore, although Bush managed to resist the imposition of direct legislative linkage, China policy both from the domestic policy-making perspective, and from the bilateral implementation perspective was subject to indirect linkage. As Kerry Dumbaugh observes:

"...US China policy by 1992 had begun to operate on a number of fronts without coordination or reference to an overall goal. Although some supporters described the policy as a prudent, incremental approach to a changing situation, critics referred to it as a policy out of control, with no central guiding principle or point of reference."¹⁰⁸

Conclusion

The Bush Administration was intent on emphasising continuity in its policy towards the PRC before and after the Tiananmen Square massacre of June 1989. The major obstacle to retaining a strategy of engagement based primarily on mutual bilateral

¹⁰⁸ Ibid p.1.

strategic and economic interests came not from either government but from the domestic political environment within the United States. Three important factors exemplify this fact.

Firstly, Tiananmen and Beijing's subsequent policies of repression altered the image of China in the eyes of most Americans. Rather than being viewed with fascination and optimism, feelings encouraged by the expansion of bilateral contacts and experiences through the mid to late 1980s, China was viewed with fear, concern and distaste. Indeed, the PRC had been lauded as an inspiration for the transition from communist authoritarianism to liberal capitalism and, hopefully, political pluralism during the second term of the Reagan Administration. In the light of Tiananmen, and especially in the context of the reforms occurring in the Soviet Union and East and Central Europe, however, the Chinese regime came to be seen as a regressive, brutal dictatorship. The predisposition to view China negatively was incited further by China's growing economic power, proliferatory conduct, military strength, regional aspirations and political confidence.¹⁰⁹ Even the PRC's established policies such as economic modernisation and development were interpreted in such a way as to suggest that China was becoming a major threat rather than asset to US national interests.¹¹⁰ This fundamental change in the way Americans viewed the PRC did not necessarily undermine the

¹⁰⁹ For example, Beijing's claim to sovereignty of the South China Sea in early 1992 exacerbated American fears of a geo-militarily expansionist China. Rosemary Foot, *The Practice of Power*; op cit pp.243-244.

¹¹⁰ See Harry Harding, *A Fragile Relationship*; op cit p.290 and p.292.

Administration's defence of engagement. The economic and military power of China, realised and potential, convinced some that it was in America's interests to remain engaged with Beijing. Nevertheless, linkage was seen by many others as presenting a constructive redefinition, if not alternative to the suggestion that US economic engagement offered the best way of stimulating reform within the PRC, especially to those who accused the Administration of weakness, callousness and failure.

The second factor concerned the impact of the transformation from a Cold War to a post-Cold War environment. This had a number of important implications for China policy. As stated, political reforms in the former Soviet sphere and the growing détente between Washington and Moscow cast the PRC in a negative light from the domestic American perspective.¹¹¹

Further, the decline in Cold War tensions and the erosion of the geo-strategic rationale for Sino-American relations exposed the relationship to new realities. On the one hand, the new emphasis on bilateral ties of an economic, scientific and technological, academic and cultural nature helped to advance and integrate the relationship. It also aided US-PRC cooperation on regional questions such as Cambodia and the Korean Peninsula, and as the Gulf Conflict illustrated, amplified Beijing's importance to a reinvigorated United Nations. Yet as Americans became increasingly experienced and knowledgeable about the PRC, it also led to growing concern for

¹¹¹ Following Tiananmen, US citizens were more inclined to regard the Soviet Union/Russia as an ally or friend, then they were the PRC. See Karlyn H. Bowman, 'Public Attitudes Toward the People's Republic of China'; op cit Table A-2 p.148.

Chinese conduct in such areas as human rights, trade and proliferation. Tiananmen cemented these concerns. As a consequence, the domestic China policy debate became increasingly dominated by issues such as PRC human rights violations, the PRC trade surplus, and China's proliferation of technology and weapons of mass destruction to the Middle East, North Africa and Pakistan.

Furthermore, the Administration's privileged role in the design and formulation of foreign policy and China policy depreciated with the end of the Cold War.¹¹² With the passing of the overwhelming anti-Soviet strategic imperative, domestic actors no longer felt the need to defer to the White House. America's participation in the post-Cold War world gave a higher priority to economics and trade, and the promotion of traditional normative values such as political rights and democracy. This meant that domestic actors, including Congress, had a greater interest and a greater stake in influencing the principles and direction of US foreign policy.

Thus President Bush's insistence that he retain a privileged role in the conduct of China policy bred bipartisan resentment within Congress, and frustration from non-governmental interest groups. The annual review of China's MFN status provided a procedurally convenient mechanism for Congress to influence China policy. Bush's determination to maintain the positive evolution of Sino-American relations over the long-term may have been merited. At the very least, China's potential power, and its role in regional and international

¹¹² Robert G. Sutter, 'Sino-American Relations in Adversity'; op cit p.272.

peace and stability suggested the wisdom of this course. Yet with the exception of the Gulf Conflict, the Administration's defence of its rationale for China policy failed to maintain a domestic consensus on China.¹¹³ Indeed the President's apparent determination to rebuff domestic representations on China policy actually undermined his China policy objectives.¹¹⁴ The fact that US China policy by 1992 had become uncoordinated, multi-directional, short-termist and politicised illustrates this point. In addition, the Administration's China policy drew criticism from fellow Republicans as well as Democrats, proving that the collapse of the domestic consensus on China was not simply due to partisan politics.¹¹⁵

The third factor relating to the domestic political environment concerns the question of identifying the leading opponents to the Bush Administration's China policy. Despite their distaste for the Beijing regime, the American public were generally supportive of long-term engagement with the PRC, and indeed a small majority favoured the unconditional renewal of China's MFN status.¹¹⁶ However, public opinion proved to have little direct influence on either the Administration's China policy or the China policy debate. As Karlyn Bowman argues, US public opinion tends to offer general inclinations on issues of

¹¹³ Robert S. Ross, 'National Security, Human Rights and Domestic Politics'; op cit pp.288-290.

¹¹⁴ Ibid p.308.

¹¹⁵ Interview with Edward B. Gresser, Policy Director, Senator Max Baucus (D-MT), October 31 1997, Washington D.C.

¹¹⁶ Harry Harding, *A Fragile Relationship*; op cit pp.293-294 and Karlyn H. Bowman, 'Public Attitudes Toward the People's Republic of China'; op cit pp.147-149.

foreign policy rather than specific proposals. Thus while, by 1990, a significant proportion favoured the restoration of full diplomatic and economic Sino-American relations, a clear majority also wished to see an improvement in China's human rights record as a qualification for improved relations.¹¹⁷ To a large degree, opinion leaders reflected this schism. Thus while many understood and upheld the value of long-term Sino-American ties and US engagement with China, many also were critical of the Administration's China policy strategy founded on these assumptions.¹¹⁸ In essence, this reflected the fact that although most Americans were agreed on the objectives of US China policy (to encourage Beijing's adherence to international norms of behaviour across a wide range of issues), considerable disagreement existed as to the best ways of pursuing them.¹¹⁹

This meant that members of Congress were able to utilize general domestic inclinations on China in their attempts to take the lead on China policy, without having to respond to specific recommendations or demands. In other words Congress, better able to influence policy by virtue of its institutional, constitutional, and political position, moulded general sentiments into specific policy initiatives. This proved to be true for those members motivated by genuine policy concerns, though perhaps moreso for those motivated, in addition or independently, by partisan political ends.

¹¹⁷ Ibid (Bowman) pp.150-151.

¹¹⁸ Winston Lord's recommendations reflect this duality.

¹¹⁹ Robert G. Sutter (with Seong-Eun Choi), *Shaping China's Future in World Affairs: The Role of the United States*, Westview Press (Oxford, 1996) pp.74-75.

Overall, the Bush Administration's China policy can be said to have failed in two important respects. Firstly both the initial strategy of concessions and bilateral assurances and the second tougher strategy of inducements and punishments were heavily dependent on Chinese progress on the issues of trade, proliferation and, in particular, human rights. Domestic scepticism regarding China's concessions on these issues left the Administration vulnerable to accusations of weakness, duplicity and insensitivity to US normative values.¹²⁰ This correlates with the second, more significant failing. By pursuing an elitist approach to China policy-making more conducive to Cold War US foreign policy, Bush neglected to take account of the domestic political mood towards China. This failure substantially undermined the domestic legitimacy of his policy, a crucial factor in post-Cold War foreign policy-making. Thus Congress was often able to fill this political vacuum by taking the lead on China policy initiatives. Speaking of US-PRC relations after Tiananmen, Steven Levine observes:

"It has been rather the mood than the substance of the relationship that has changed. More than anything else, it was George Bush's characteristic failure to understand this change and to give adequate voice to widespread public feelings of disappointment and outrage that precipitated the breakdown in the bipartisan congressional consensus on China policy in the 1980s."¹²¹

¹²⁰ Harry Harding, *A Fragile Relationship*; op cit p.296.

¹²¹ Steven Levine, 'China and America'; op cit p.243. The breakdown of domestic consensus and governmental unity on China

With neither the White House nor Congress in complete control of policy-making, China policy had disintegrated into a state of confusion and contradiction by the end of 1992. Bush was not immune to domestic political calculations and motivations that might confute his China policy objectives. His espousal of a tougher strategy in 1991, his correspondence with the group of moderate Senators led by Senator Baucus, and his decision in August 1992 to approve the sale of one hundred and fifty F-16 aircraft to Taiwan indicate this point.¹²²

The domestic struggle over China policy 1989-1992 did have its benefits both for the domestic legitimisation of China policy and for the policy itself.¹²³ Firstly, it took the China policy debate into the post-Cold War era, and helped to concentrate participants' minds on salient realities and issues. It also contributed to the wider debate on the role of normative issues in post-Cold War foreign policy. Secondly, it allowed new interest groups to participate in the China policy debate. This included those advocating a tough strategy such as human rights organisations, or those advocating unconditional engagement such as the business community. Thirdly, the battle between the Administration and Congress undermined Beijing's ability to resist US pressure for reform in certain ways. The

policy was a focal point of Winston Lord's criticism of the Administration.

¹²² While this decision angered Beijing, Bush hoped the sale would boost his re-election campaign the vital state of Texas, where the aircraft were manufactured. Richard Bush, 'Clinton and China'; op cit p.17.

¹²³ Steven Levine, 'China and America'; op cit p.243.

PRC could not rely on the Administration to protect its interests, and thus felt compelled to offer concessions in an effort to deter Congressional actions that could threaten those interests. To figures such as Winston Lord, this appeared to justify the potential of a strategy of linkage such as MFN conditionality.

A number of reasons combined to prevent Congress from attaining the two thirds majorities in the House and the Senate sufficient to override the presidential veto and impose conditionality.¹²⁴ The concessions offered by the Chinese certainly convinced some moderate members of Congress to allow the Administration more time to pursue a tougher strategy with Beijing. Indeed, the Administration was perhaps fortuitous in that moderates in the Chinese leadership were able and willing to offer concessions (however cynical) both in an effort to retain important US participation in its drive for economic development and success, and in an attempt to regain international respect following Tiananmen.¹²⁵ Further, the Gulf Conflict served to remind Americans of China's role in the UN Security Council, and in the maintenance of international stability. The President's declaration that he would endeavour to consult more widely with Congress bought him the sympathies of certain Republicans, even when he fell somewhat short on this promise. Partisan politics also played a role; either for

¹²⁴ Steven Levine, 'Sino-American Relations: Testing the Limits of Discord'; in Samuel S. Kim (ed), *China and the World*; Westview Press (Oxford, 1994) p.86.

¹²⁵ Beijing's warning that it had offered sufficient progress to preserve MFN in 1991 proved ominous for the Clinton Administration's attempts to secure more substantial progress. Interview with Robert M. Perito op cit.

Democrats who only wished to gain politically by supporting conditional MFN (believing that Bush would veto such legislation), or for Republicans who felt obliged to support the President under seige. Finally, there was the growing concern amongst a significant number of Representatives and Senators that MFN was not an appropriate tool with which to pursue US China policy objectives. This complexity and fluidity of partisan and bipartisan coalitions on the Hill, reflecting the complexity of China policy-making in the post-Cold War and post-Tiananmen era, would continue under the Clinton Administration.

By the end of the Bush Administration's term of office, many aspects of the Sino-American relationship had largely recovered, if not exceeded, their pre-Tiananmen levels. Despite the apparent ban on high-level exchanges, diplomatic relations were largely restored, with the exception of significant military ties. Many non-governmental exchanges and ties, particularly in the area of economics, were flourishing. However, the domestic political environment for US China policy had been transformed in four vital areas.¹²⁶ Firstly, the positive domestic bipartisan consensus on China had collapsed. Secondly, Congress had taken the initiative on China policy, even if it did not possess complete control of policy-making. Thirdly, many members of Congress and in particular Democrats believed that China policy should be pursued through legislation. This included a significant number who still advocated a strategy of linkage expressed through MFN

¹²⁶ Richard Bush, *The Evolution of US Policy Toward China Under the Clinton Administration*; op cit p.5.

conditionality. Finally, China policy had become a highly politicized, partisan issue. The nature of this environment had important implications for the incoming Clinton Administration, especially given the fact that its president was motivated more by domestic political calculations than by strategic bilateral considerations. The following chapter will explain how presidential candidate Clinton adopted the lead on China policy established by Democrats in Congress, and demonstrate the degree to which his campaign stance on China was politically motivated.

CHAPTER FOUR

THE 1992 PRESIDENTIAL ELECTION CAMPAIGN AND THE DEVELOPMENT OF THE CLINTON ADMINISTRATION'S CHINA POLICY

The debates within the US, and the angry standoffs between the White House and the Legislature in 1991 and 1992 that followed the Tiananmen Square massacre represented three highly significant political developments. Firstly, it ended the bipartisan consensus, and ended the unified Executive-Legislature approach to US China policy that had evolved throughout the 1970s and 1980s. Secondly, it symbolised the increasing politicisation of US trade policy, and established the issue of China's MFN status at the heart of the China policy debate.¹ It is probable that the predominantly pro-MFN business community had become rather complacent under the Bush Administration, knowing that it had, in the President, the most influential advocate in the political debate about China policy. Thirdly, it elevated, and politicised the controversial issue of human rights in the debate concerning America's search for post-Cold War foreign policy vision. In particular, the reports and the media coverage of the Tiananmen Square massacre, and the subsequent Beltway debate on China policy had a significant impact on the image of China in the mind of the 'average'

¹ Spencer S. Griffith, 'Trade and Political Tensions Cloud MFN Renewal of China'; *East Asian Executive Reports* June 1991 p.11.

American.² The fascination and curiosity in China that had evolved through the 1970s and 1980s was replaced by an image of China as the oppressor. The popular perception was that of the solitary student, defiant in his defence of American values of democracy and freedom, as he obstructed the tanks of the violently repressive (and of course, Communist) Chinese government.³

One would expect that a thorough assessment of America's strategic and normative interests in one of if not the most challenging post-Cold War bilateral relationships would determine the development of Clinton's proposals on China. However, the assessment made by Clinton and his advisors of contextual domestic political factors proved to be far more influential in the design of his Administration's first China policy.

Five (interrelated) political factors are crucial to this explanation, two of which have already been the subject of earlier discussion. The first is the political resonance of

² Of course, the views of the average American also informed media coverage of China, and were reflected by their political representatives.

³ Clinton conformed to this popular perception of China in an campaign address to the Foreign Policy Association on New York, April 1 1992. Highlighting the "irresistible power of ideas" shaped by a modern age of global communications, he referred to the "defining" image of "...Chinese Students marching in Tiananmen Square;.." Further, in an address to the World Affairs Council in Los Angeles, August 13 1992, Clinton criticised an Administration that had "...stood by as courageous Chinese students were attacked with tanks in Tiananmen Square." Speeches reproduced in Paul Averwald (ed), 'President-Elect Clinton's Foreign Policy Statements, December 12 1991 - November 4 1992'; Foreign Policy Bulletin November/December 1992 (United States Government Printing Office, Washington D.C.)

the issue of human rights in China, in the aftermath of the Tiananmen Square massacre. The second political factor already discussed is the Democratic party's use of the issue of China policy and human rights with respect to the partisan battle over US foreign policy. Criticism of the Bush Administration's China policy and its treatment of human rights helped the Democrats to define for themselves a distinctly different foreign policy agenda, whilst undermining Bush's apparently strong foreign policy record. This was an important aspect of the Clinton campaign strategy.

The three remaining political factors that had a significant impact on Clinton's China policy will be introduced and discussed in this chapter. Briefly, these are Clinton's determination to establish a policy that would unite the White House and Congress (and offer something to the range of non-governmental actors with an interest in US China policy). The principles and substance behind Clinton's eventual China policy was also influenced by the views of individuals and bodies courted by Clinton as he fought to secure both the Democratic nomination and the US presidency. Finally, Clinton hoped to establish a China policy that would complement his desire to focus on domestic themes. Clinton hoped that the establishment of a clear strategy backed by Congress, that reflected his campaign pronouncements on China, and that could be handled by a likeminded and respected bureaucracy would allow him to commit himself to his ambitious domestic agenda.⁴ Put another

⁴ The appointment of Winston Lord to Assistant Secretary of State for East Asian and Pacific Affairs would reflect this

way, Clinton hoped to establish a China policy that could be implemented with the minimum use of political resources. This would free valuable political resources for the prospective battles in Washington over the issues that concerned Clinton most; the economy, health care, welfare, education and so on.⁵ Nevertheless, it cannot be overstated that the development of China policy, and indeed all policy, was a secondary consideration to the Clinton campaign and to many Democratic Party members and voters. Their principle goal was to ensure that the next president of the United States was a Democrat; namely Bill Clinton.⁶

Clinton's Use of China Policy During the Campaign

The contexts in which Clinton spoke on China policy during the campaign reveal his intention to use it as an example of his wider foreign policy platform; and indeed the new Democratic vision of US foreign policy in the post-Cold War world. The candidate's pronouncements on China represented the strong assertion, reflected in his views on Bosnia for example, of the importance of morality and normative interests in US foreign

objective.

⁵ Clinton understood the need to address the process of coalition building in securing the passage of his domestic agenda. For example, Clinton would have to be aware of the views of the members of the House Ways and Means Committee. This body not only had a voice in the debate regarding the federal budget, but through its Trade Subcommittee had a strong role to play in the annual debate on China's MFN status.

⁶ Interview with Ted Galen Carpenter, November 6 1997, CATO Institute, Washington D.C.

policy.⁷ However the rhetoric that characterised many of Clinton's views of China, and the ambiguities and inconsistencies in his proposals for China policy point to his use of this issue predominantly as a means to political and electoral ends.⁸

One Democratic Congressional Staff member, who had an influential role to play in the China debate in the 1993-1994 period reflected:

"...you're in a campaign at the time; you don't have time to think through what the consequences are going to be. You don't have time to consult a wide range of China experts to get the other side of the issue...and part of the game is to accept that people will make commitments and try to shake them afterwards."⁹

The political nature of the development of Clinton's proposals on China is a factor not lost on lobbyists representing both human rights (pro-Linkage) and business (anti-Linkage) interests. Mike Jendrzeczyk, the Washington Director of Human Rights Watch: Asia acknowledges that political expediency may have had a role in Clinton's decision

⁷ Interview, Ted Galen Carpenter, op cit.

⁸ There were members of the Clinton campaign team who do appear to have been genuine advocates of a tough policy on China. The roles and views of these advisors will be discussed later in the chapter.

⁹ Interview with Richard Bush, former staff member of the House Foreign Affairs Committee, October 29 1997, Washington D.C.

to adopt a policy of Linkage for China.¹⁰ Cal Cohen, the President of the Emergency Committee on American Trade (ECAT) echoes the view that in adopting linkage, Clinton espoused a stance with strong political appeal to the domestic audience.¹¹

The embrace of a tough, human rights focused attitude towards China, popular with the American public, was also employed more specifically against the incumbent, President Bush. This tactic built upon the political success enjoyed by Democrat members of Congress in challenging the Bush Administration on its China policy in the wake of the Tiananmen Square massacre.

As has been explained earlier, the standoff between the Bush Administration and the Democrat controlled Congress on the issue of China policy, and China's MFN status in particular, came to a head in 1992 for a number of reasons. Firstly, although Bush had pursued agreements with China on a range of issues including proliferation and the export of products of prison labour, an increasing number in both Houses were unconvinced by the Administration's claims that its initiatives were prompting progress in China on human rights and other issues. Secondly, there was greater confidence amongst the proponents of legislation imposing MFN conditionality, that a veto-proof majority in the Senate was possible.¹² Thirdly,

¹⁰ Interview with Mike Jendrzeczyk, Director Of the Washington Bureau of Human Rights Watch: Asia, November 4 1997, Washington D.C.

¹¹ Interview with Cal Cohen, President of the Emergency Committee on American Trade, November 13 1997, Washington D.C.

¹² A corresponding lack of confidence had prevented the

certain members of Congress resented the President's determination to reject Congressional initiatives even if he agreed with their purpose. This was most clearly exemplified by his rejection of the Emergency Chinese Immigration Relief Act of 1989 (HR 2712), that preceded his implementation of Executive Order 12711 in 1990 that possessed very similar objectives.¹³ A fourth reason for the heightened voracity of the China debate at this time, was that 1992 was a presidential election year and to the Democrats in Congress, China policy was a clear chink in the incumbent's foreign policy record.¹⁴

In the wake of the bipartisan support afforded to Bush during the Gulf War, and in the context of the high approval ratings for his practice of foreign policy, Democrats seized upon China policy as an issue on which they could attack the President.¹⁵ Bush had led the global response to the Tiananmen Square massacre, and indeed the sanctions he imposed upon China had initially satisfied most members of Congress.¹⁶ However from late 1989, endorsement of the President's line turned to anger

Senate voting on the compromise bill HR 2212 before the recess in 1991. 'Two Bills Limiting Trade with China Vetoed'; *Congressional Quarterly Almanac* 102nd Congress 2nd session vol.XLVIII (CQ Press, 1992) p.157.

¹³ Kerry Dumbaugh, *China and Congress in 1992*; Report for Congress 93-894 F, Congressional Research Service, Library of Congress, October 12 1993 p.2.

¹⁴ Ibid pp.4-5.

¹⁵ Spencer S. Griffith, 'Trade and Political Tensions Cloud MFN Renewal of China'; op cit p.11. Also interview with Shirley Kan, Analyst in Foreign Affairs at the Foreign Affairs and National Defence Division of the Congressional Research Service, November 5 1997, Washington D.C.

¹⁶ Kerry Dumbaugh, *China and Congress in 1992*; op cit p.2.

and condemnation, with Democrats leading the protests. They argued that the Administration's adherence to the strategy of 'Constructive Engagement' not only did little to address issues such as human rights and weapons proliferation, but sustained China's economic boom, and thus in effect, reinforced the Chinese regime's grip on power.¹⁷

The Democrats' distrust of the President was fuelled by his attitude towards the China policy-making process. It was perceived that Bush, as a former US Ambassador to China, was convinced that he knew how to deal with the Chinese and felt no need to explain or justify his policy either to Congress or to America at large. Indeed, many in Congress argued that the President's decision to send his National Security Advisor Brent Scowcroft and Assistant Secretary of State Lawrence Eagleburger to Beijing on secret diplomatic missions in the July and December of 1989 exemplified this attitude.¹⁸ China analyst Shirley Kan notes this weakness on China policy: "...The voices of the critics were able to make a lot of headway in their criticism because Bush took a more elitist view of his approach to foreign policy, particularly in China

¹⁷ James McGregor, Adi Ignatius, Masayoshi Kanabayashi and Jacob M. Schlesinger, 'Major Powers Ponder Change in the US'; *Wall Street Journal* November 5 1992 p.9.

¹⁸ Kerry Dumbaugh, *China and Congress in 1992*; op cit p.2. Stephen Yates of the Heritage Foundation argues that while the purpose of the missions (to maintain the long-term development of Sino-US relations) may have been correct, it may have been unwise in a post-Cold War world where the impact of global communications has heightened awareness of issues such as human rights. Interview with Stephen Yates, November 5 1997, Heritage Foundation, Washington D.C.

policy..."¹⁹

On the surface, President Bush prevailed in his battles with Congress on the issue of MFN conditionality by twice vetoing legislation in 1992.²⁰ It is interesting to note that the Senate sustained Bush's second veto following certain negotiations with the Administration. Democratic Senator Baucus (chair of the Trade Subcommittee) led a group of ten Senators in securing an agreement from the Administration to adopt a more aggressive stance in pursuing US interests in China.²¹ In return, they tipped the balance in the Senate in favour of sustaining the Presidential veto. As one Republican Congressional staff member notes, this in effect represented "non-legislative conditionality" of MFN.²²

While they failed in their attempt to impose legislative conditions on China's MFN status, the pro-linkage majority in Congress (principally the Democrats) won an important symbolic victory. The Bush vetoes allowed them to portray the President as insensitive to the issue of human rights in China; a highly

¹⁹ Interview with Shirley Kan, op cit. By contrast, the developing stance of the Clinton China policy could be seen as popularist, though as will be explained in later chapters, the failure to articulate motives and objectives would become a critical flaw in his own China policy.

²⁰ Bush vetoed HR 2212 on March 2, and HR 5318 on September 28 1992.

²¹ The group of ten, which included three Democrats, communicated their position in a letter to the President on July 30 1992. 'Two Bills Limiting Trade with China Vetoed'; op cit pp.160-161. Kerry Dumbaugh cites the number of this group as fifteen. Kerry Dumbaugh, *China and Congress in 1992*; op cit p.4.

²² Interview with James McCormick, senior Republican Congressional staff member, November 10 1997, Washington D.C.

damaging depiction in the context of the US China debate in the wake of the Tiananmen Square massacre.²³ As one senior Democratic Congressional staff member observes: "It was a very clever and deliberate strategy...whereby Democrats lost legislatively but won politically, because they forced Bush to fight on ground which he didn't really choose to fight on."²⁴

It must be noted that many members of Congress advocated a strategy of linkage and the application of conditions to China's MFN status not (simply) because of the political advantage of doing so, but because they possessed a genuine concern for issues such as human rights, weapons proliferation, trade, and so on.²⁵ These members of Congress may not have shared exactly the same concerns regarding China, but they were effectively united in their belief that US interests in China should be pursued with greater determination, and by their frustration with the efforts of the Bush Administration.²⁶ One Democrat Congressional staff member points to the degree of bipartisan cooperation on the linkage legislation of 1990-1992,

²³ Richard Bush, 'Clinton and China: Scenarios for the Future'; *The China Business Review* vol.20 issue 1 January-February 1993 pp.17-18.

²⁴ Interview with Richard Bush, op cit. This observation is also made by Ambassador Richard Armacost. Interview, November 12 1997, Brookings Institution, Washington D.C.

²⁵ This point is stressed by a Policy Director to a senior Democrat Senator. Interview with Edward B Gresser, Policy Director to Senator Max Baucus, October 31 1997, Washington D.C.

²⁶ Dumbaugh argues that a perception of a duplicitous, and 'drifting' Bush China policy prompted in part the diversification and intensification of Congressional interests in China policy. Kerry Dumbaugh, *China and Congress in 1992*; op cit 'Summary' and pp.2-3.

and the size of the majorities in their passing.²⁷ Nevertheless David M. Lampton, President of the National Committee on US-China Relations, identifies a degree of cynicism amongst this Congressional coalition. Acknowledging Nancy Pelosi's commitment to the issue of human rights, for example, he argues that this commitment also reflected her desire to attain a higher political and media profile, on an issue that would not offend her domestic constituents.²⁸

The Development of Clinton's Campaign Stance on China

CLINTON PICKS UP THE POLITICAL TORCH

The political lessons provided by the Congressional challenge to the Bush Administration's China policy were not lost on the presidential hopeful Bill Clinton. Indeed, at times he would raise the issue of China during his campaign as a reflection of the on-going conflict between the two branches of government over the issue of MFN conditionality.²⁹ The incumbent was the only major contender for the 1992 Presidential election that favoured unconditional extension of China's MFN status. All the

²⁷ Interview with Ed Gresser op cit.

²⁸ Interview with David M. Lampton, President of the National Committee on United States - China Relations, November 14 1997, New York.

²⁹ Stephen Yates points out that, as an indication of their credibility, presidential candidates must respond to issues as they arise as if they are the President, though without the complexities of having to implement their proposals. Interview with Stephen Yates, op cit.

senior Democratic challengers reflected the nature of Congressional legislation introduced by Representative Pelosi and Senator Mitchell. Tsongas and Brown, for example, demanded clear human rights improvements. Both highlighted China's export of products of prison labour, while Tsongas also emphasised political detention and political and religious repression in Tibet.³⁰ The Republican challenger Patrick Buchanan went further, demanding the immediate revocation of China's MFN status on the basis of the Tiananmen Square massacre and the Bush Administration's subsequent engagement with the Chinese regime.³¹

Thus Bill Clinton echoed Congressional criticism of the Bush Administration's China policy, and the call for conditions to be placed on its MFN status. Nevertheless, his statements were often highly rhetorical, and offered little specific detail.³² Of greater importance to the Clinton campaign, certainly with regard to China policy, was the impression or image suggested by his statements. In other words, Clinton reflected the prevalent mood within Congress and the populace in what he *appeared* to say, rather than the specific detail of his proposals.

Kerry Dumbaugh argues that any Democratic candidate, and

³⁰ Norman Kempster, 'US Candidates' Stands on Foreign Issues'; *Los Angeles Times* March 17 1992 p.C7.

³¹ Ibid.

³² Don Oberdorfer, 'Where Bush and Clinton Veer: Adjusting to Post-Cold War Realities'; *International Herald Tribune* September 30 1997, and James McGregor et al, 'Major Powers Ponder Change in the US'; *op cit* p.9.

Clinton in particular, would be compelled to adopt this strategy and this policy stance.³³ Clinton had few foreign policy credentials while Bush had a highly respected foreign policy record. However, despite drawing support for his post-Tiananmen China policy from many 'China watchers' and foreign policy observers, it was recognised that this issue presented a political and electoral weakness due to its wider unpopularity. It is no surprise therefore that Clinton exploited this particular weakness, in an attempt both to sabotage Bush's foreign policy strengths and to refine his own foreign policy platform.

China policy became perhaps the foreign policy issue on which Bush and Clinton appeared to differ the most.³⁴ Furthermore, the issue did undermine the incumbent's propriety and political credibility on foreign policy. For example, significant criticism of the Bush stance on China arose at the Republican Convention in the summer of 1992 reflecting, in part, the party's discomfort at their Presidential candidate's political vulnerability on this issue.³⁵ As has been discussed in an earlier chapter, while Clinton was quick to praise the most popular and respected facets of the Bush international record, he was determined to portray the incumbent as a realpolitik relic of the Cold War, out of touch with America's

³³ Interview with Kerry Dumbaugh, Specialist in Asian Affairs, November 5 1997, Congressional Research Service, Washington D.C.

³⁴ William Drozdiak, 'Clinton to Allies: Continuity is the Key'; *International Herald Tribune* October 8 1997 p.6.

³⁵ Ted Galen Carpenter, interview op cit.

Post-Cold War interests. Clinton's assault on the Bush Administration's China policy clearly served this objective, and indeed it was a feature of his first major foreign policy address of the campaign, at Georgetown University School of Foreign Service, Washington, December 12 1991. Referring to Bush's decision to maintain relations with the Chinese Government after the Tiananmen Square massacre, Clinton insisted:

"Such forbearance on our part might have made sense during the Cold War, when China was a counterweight to Soviet power. But it makes no sense to play the China card now, when our opponents have thrown in their hand."³⁶

Furtherstill Clinton's statements on China allowed him to portray Bush as being out of touch with the mood of the American people, and indifferent to American normative values.³⁷ Clinton pursued this strategy in an address to the World Affairs Council in Los Angeles on August 13 1992:

"When China cracked down on pro-democracy demonstrators, exported advanced weapons to radical

³⁶ Bill Clinton 'A New Covenant for American Security'; speech reproduced in Paul Averwald (ed), 'President-Elect Clinton's Foreign Policy Statements'; op cit. A more detailed version of this speech appears as an article in *Harvard International Review* Summer 1992.

³⁷ Clinton first presented this argument in his Georgetown University address, December 12 1991. The candidate argued that Bush's preference for close personal ties with foreign leaders had "...led him to side with China's communist rulers after the democratic uprising of students." Ibid.

regimes, and suppressed Tibet, Mr Bush failed to stand up for our values. Instead, he sent secret emissaries to China, signalling that we would do business as usual with those who murdered freedom in Tiananmen Square."

Clinton continued:

"From the Baltics to Beijing, from Sarajevo to South Africa, time after time, George Bush had sided with the status quo rather than democratic change - with familiar tyrants rather than those who would overthrow them - and with the old geography of repression rather than the new map of freedom."³⁸

Thus Bill Clinton highlighted the issue of China to undercut Bush's strong foreign policy representations, and to define Bush as incapable of adapting and leading America into the Post-Cold War era. Concomitantly, it was intended that China policy would further define a Clinton foreign policy platform that stressed the importance of democracy, human rights, new security threats and trade.³⁹ Moreover, it would

³⁸ Address to the World Affairs Council, Los Angeles, August 13 1992: reproduced *ibid*. Clinton repeated this charge in a speech in Milwaukee on October 1 1992. He chastised Bush for not "...supporting democracy around the world in a manner worthy of our heritage, our ideals, and our name...", continuing, "There is no more striking example of President Bush's indifference to democracy than his policy towards China."; Edward Walsh, 'Clinton Indicts Bush's World Leadership'; *Washington Post* October 2 1992.

³⁹ The inconsistencies between Clinton's proposals for China policy, and his wider foreign and domestic mandate will

appear to demonstrate to the public that Clinton was in touch with American values and interests, and committed to implementing a foreign policy defined by them.⁴⁰

Clinton's Campaign Statements on China Policy and MFN

Before a more thorough examination of Clinton's campaign statements on China policy and China's MFN status can be made, two broad and important observations must be highlighted. The first concerns the implications of the robust and often condemnatory rhetoric employed by Clinton. The second concerns the variety of inconsistencies that arose in his statements and proposals on China policy. In essence, these observations reflect the degree to which political and electoral interests influenced the evolution of Clinton's stance on China. One important consequence of this approach to policy development was the measure of uncertainty and ambiguity that characterised the President-Elect's policy by January 1993.⁴¹

be discussed later in the chapter.

⁴⁰ Following the election, Leslie H. Gelb noted that Clinton was more suited to the practice of normative interests than realpolitik. Specifying Clinton as a "moderate", Gelb argued that moderates "...feel awkward wielding raw power. They prefer using it only on behalf of high principles such as human rights." Leslie H. Gelb, 'Clinton Should Play Hardball in the Transition Game'; *International Herald Tribune* November 9 1992. This statement may have reflected a level of expectancy prompted by Clinton's promotion of the issue during the election campaign.

⁴¹ This ambiguity is noted by Martin Walker and Hella Pick, 'Democrats See Finance as Linchpin of New Order'; *The Guardian* November 5 1992.

Clinton did not shy away from confrontational and reproachful language when expressing his views on China and the Bush Administration's China policy. Indeed his terminology and style echoed the majority of American views of China at the time, and reflected the voices of the critics of US China policy. Typical of this tactic was Clinton's description of the President's post-Tiananmen relationship with Beijing. Speaking in December 1991, Clinton argued that:

"The Administration continues to coddle China, despite its continuing crackdown on democratic reforms, its brutal subjugation of Tibet, its irresponsible exports of nuclear and missile technology, its support for the homicidal Khmer Rouge in Cambodia, and its abusive trade practices."⁴²

Clinton resumed this theme in his April 1 speech to the Foreign Policy Association, protesting that "...the President continues to coddle aging rulers..."⁴³, while in his August 13 speech in Los Angeles he referred to Bush's patronage of "...familiar tyrants rather than those who would overthrow them..."⁴⁴

As stated, Clinton's style of rhetoric suited the prevalent mood within America with regard to China, and thus he

⁴² Bill Clinton, 'A New Covenant for American Security'; op cit.

⁴³ Speech reproduced in Paul Averwald, 'President-Elect Clinton's Foreign Policy Statements'; op cit.

⁴⁴ Ibid.

could expect to profit politically from its use. This is not to suggest that such judgements were without legitimate foundation, or that Clinton may not have held such views himself.⁴⁵ However, this style of rhetoric carried a number of implications that would prove detrimental to the Administration's implementation of China policy later on.

One clear problem was that it perpetuated a simplistic and flawed view of China and of US-China relations. Clinton either neglected or chose not to identify and articulate a clear hierarchy of US interests in China, explain the objectives behind a Clinton Administration's China policy (a criticism levelled at the Bush Administration), or identify the positive as well as the negative trends within China. Thus the public and political debate on the complex and multi-dimensional US-China relationship continued to be dominated by post-Tiananmen parochialism and misperception. Put another way, it would take the experience of a number of significant policy and political crises, prompted in part by this simplistic approach to China, before the elite within the Clinton Administration would proceed to gain a more comprehensive and beneficial appreciation of US-China relations.

Clinton's China rhetoric carried the risk of failing to distinguish in the eyes of America, the nature and intentions of the Chinese government from those of ordinary Chinese

⁴⁵ Having observed Clinton's handling of China policy, including his navigation of the Sino-US Summit in Washington in late October 1997, Stephen Yates of the Heritage Foundation is convinced that human rights possess a strong personal appeal to the President. Thus Bill Clinton sustains a genuine, personal distaste for the Chinese government. Interview op cit.

citizens. This type of opacity may have been fuelled by Anthony Lake's inclusion of China in a list of 'rogue states' whose behaviour demanded specific responses from US foreign and security policy. When combined with America's proclivity to oscillate between viewing China and the Chinese either with fascination or with fear and distaste (the latter being in ascendance at the time), such portrayals of 'China' did little to inform the China debate. It must be noted that Clinton did occasionally contrast the Chinese government and Chinese citizens in his campaign speeches. However, in doing so, he clung to the simplified imagery that fed US parochialism. For example, in his April 1 address, Clinton referred to the "...brave men and women [who] fight for freedom in China..."⁴⁶ Later, in his August 13 speech, the candidate spoke of the "pro-democracy demonstrators" and the "freedom-loving people" of China.⁴⁷ While these descriptions of the citizens of China were not wholly inaccurate, they perpetuated an incomplete and thus misleading interpretation of the events of May-June 1989, and the subsequent political and social development in China ever since. In essence, Clinton retained the idea that the Tiananmen protesters were driven solely by the demand for and defence of American normative values such as democracy.

One China analyst working in the State Department during the campaign notes the problems associated with the use of such

⁴⁶ Speech reproduced in Paul Averwald, 'President-Elect Clinton's Foreign Policy Statements'; op cit.

⁴⁷ Ibid.

imagery in the Clinton campaign.⁴⁸ He argues that such a simplification of the US view of China continued to prevent a much needed *comprehensive* China policy debate from taking place.⁴⁹ Moreover, in describing China and specifically the Chinese government in such terms, Clinton created a self-fulfilling prophecy. That is to say, the analyst seriously questioned the wisdom of a campaign strategy in which Clinton vilified Beijing and promised a confrontational and uncompromising US China policy, while forecasting that such an approach would secure concessions, progress and cooperation from his Chinese counterparts.

A related implication of Clinton's rhetoric on China concerned America's expectations of a Clinton Administration China policy. The alliance of Clinton's rhetoric and his proposals for the conditioning of China's MFN status (examined below) raised the hopes of human rights advocates and those demanding Chinese progress in other areas of US interest. This anticipation elevated the political pressure on the prospective Clinton Administration, particularly in the wake of the unpopularity of the Bush Administration's China policy.⁵⁰ The nature and level of expectation, in turn, would compound the

⁴⁸ Interview with Frank Jannuzi Professional Staff Member to Senator Biden and former Asia and Pacific (China) Analyst in the State Department, November 12 1997, Washington D.C.

⁴⁹ In particular the 'dehumanising' effects of Clinton's terminology.

⁵⁰ See for example David M. Lampton, 'China Policy in Clinton's First Year'; in James R. Lilley and Wendell L. Willkie II (eds), *Beyond MFN: Trade with China and American Interests*; AEI Press (Washington, 1994) p.15.

Administration's difficulties in handling China policy through 1993 and 1994.

Nevertheless, Clinton did not abide exclusively to confrontational rhetoric on China. He acknowledged that China would become an ever more significant actor in Asian and global affairs as it developed economically, politically and militarily. Thus he repeated the opinion that it would be imprudent to isolate China through the conduct of China policy.⁵¹ This opinion was no doubt related to a further vision of China. This concerned the growing awareness in the US of the burgeoning economic opportunities offered by the growth and development of the Chinese economy.⁵² Clinton specific references to this theme were rare; for example noting that China's high economic growth could "...generate jobs in this country and real opportunity...".⁵³ In fact, in December the President-Elect spoke of "...our obligation to continue trade

⁵¹ For example see Clinton's comments in his October 1 1992 speech in Milwaukee; the first presidential debate on October 11; remarks to the press on November 19; and a statement following his 'Economic Summit' at Little Rock, December 15. 'In His Own Words: Clinton on China MFN'; *The China Business Review* vol.20 issue 1 January/February 1993 pp.18-19. The desire not to isolate China would be one proposal of China policy Clinton would keep. Indeed, it would contribute to the lack of credibility and logic behind the Administration's MFN 1993 linkage strategy.

⁵² For example see Harry Harding, 'The Emergence of Greater China: How US Policy Will Have to Change'; *The American Enterprise* May/June 1992, and James R. Lilley, 'Trade and the Waking Giant', and Claude E. Barfield, 'US-China Trade and Investment in the 1990s', in James R. Lilley and Wendell L. Willkie II (eds), *Beyond MFN*; op cit.

⁵³ Statement following 'Economic Summit' at Little Rock, December 15 1992. 'In His Own Words: Clinton on China MFN'; op cit p.19.

with the Chinese."⁵⁴ However, this issue assumes far greater importance in the context of Clinton's promulgations concerning trade policy, US competitiveness in the global economy, and the assertion that there was no higher foreign and domestic priority than reviving the domestic economy. The candidate often stressed the need to irradiate trade barriers, and expand and promote market economics (and democracy) in Asia and elsewhere, as a cornerstone of American post-Cold War foreign policy. Given these stated priorities, and the influence of advisors such as the strongly pro-business Ron Brown, it is naive to think that the potential of trade and investment in China did not inform Clinton's preparations for the presidency to some degree.

However, although Clinton did raise issues such as the importance of not isolating China and China's economic opportunities, they did not set the tone for his statements on US China policy. Rather it was his insistence of improvements in China's conduct in areas such as human rights, weapons proliferation, and international trade, and his support for the strategy of linking China's MFN status to these concerns.

Bill Clinton's statements on China policy and China's MFN status reveal certain consistencies and inconsistencies. As the presidential campaign developed, Clinton constantly redefined the issues and conditions on which MFN linkage would be based under his Administration. He remodified his specifications of

⁵⁴ Ibid. Clinton spoke of the possibility of pursuing "other obligations" (presumably the issues of human rights, proliferation, market access etc) alongside this obligation.

the sectors of the Chinese economy to which linkage would be applied. Moreover, there were clear inconsistencies and ambiguity in the degree to which Clinton appeared to commit himself to the strategy of MFN linkage. Nevertheless, Clinton ensured that the issue of China's MFN status and the strategy of linkage remained the defining feature of his proposals on China policy.

Both the inconsistencies and the consistencies of Clinton's proposals can be explained by the fact that political and electoral motives outweighed strategic considerations in the development of his stance. Put another way, Clinton's stance on China retained sufficient flexibility to ensure it remained responsive to, and associated with the most popular view at the time, if not strategic consistency and credibility.⁵⁵

Lampton highlights three issues on which Clinton's views changed, and three phases running through the campaign and into the new Administration that broadly demonstrate when these changes occurred.⁵⁶ In the first phase, concluding in September 1992⁵⁷, Lampton notes that Clinton supported the implementation

⁵⁵ It is important to reiterate that opinion in America remained divided as to whether China would become a friend or foe to the US as it developed. As James McGregor et al note at the time, post-Cold War analysts are "...uncertain whether to view China from a geo-political Cold War angle or to focus on the increasingly important bilateral trade relationship." 'Major Powers Ponder Change in the US'; op cit.

⁵⁶ David M. Lampton, 'China Policy in Clinton's First Year'; op cit pp.13-15.

⁵⁷ Lampton begins his analysis in June 1992, shortly before Clinton secured his party's presidential nomination.

of legislation that would condition China's MFN status on improvements in human rights and other issues, applied to the whole Chinese economy. The second phase, from September to the election on November 4 features a similar stance with the exception that Clinton promised to target specific sectors of the Chinese economy rather than impose across-the-board tariffs. In the third phase, running from a November 19 press statement into his Administration in 1993, Lampton argues that Clinton backed away from the apparent commitment of his previous pronouncements. However, the President-Elect appeared to retain his support for some form of conditionality premised on human rights improvements. Indeed, Lampton stresses that Clinton did in fact adhere to this latter, rather vague commitment throughout.⁵⁸

Clinton announced his advocacy of conditionality in his first foreign policy address of the campaign on December 12 1991. In a relatively non-specific proposal in support of his pledge to promote democracy world-wide, Clinton argued:

"In extreme cases, such as that of China, we should condition favourable trade terms on political liberalization and responsible international conduct."⁵⁹

⁵⁸ David M. Lampton, 'China Policy in Clinton's First Year'; op cit p.13.

⁵⁹ Address to Georgetown University School of Foreign Service, Washington; reproduced in Paul Averwald (ed), 'President-Elect Clinton's Foreign Policy Statements, December 12 1991 - November 4 1992'; op cit.

The candidate also announced his intention to create a Radio Free Asia, a pledge his eventually fulfilled.

Establishing a trend sustained throughout the presidential campaign, Clinton's stance reflected initiatives in the Democrat-controlled Congress to implement legislation conditioning China's MFN status. Late November 1991 had witnessed the presentation of a compromise House-Senate bill (HR 2122) designed to withdraw MFN in 1992, unless China demonstrated progress in specific areas of human rights, international security and trade relations.⁶⁰

It is possible that the vague nature of Clinton's statement reflected the protean approach to such legislation in Congress at the time. Earlier versions of HR 2212 revealed Congress' enthusiasm for an expanding list of US interests in China. For example, the Gulf Conflict had prompted interest in weapons proliferation (to the Middle East), there was increasing awareness of China's unfair trade practices, and frustration was growing at the lack of progress on human rights.⁶¹ However, given the wide variety of protests and demands, Congress (particularly the House) found it difficult to agree on a specific set of conditions. The price of this complexity was Congress' inability to pass a bill with a

⁶⁰ Wayne M. Morrison, Vladimir N. Pregelj, Kerry Dumbaugh and Jeanne Grimmett, *Most-Favoured-Nation Status and China*; op cit p.15, and *Congressional Quarterly Almanac*, 'Two Bills Limiting Trade with China Vetoed'; op cit p.157.

⁶¹ Kerry Dumbaugh, *China and Congress in 1992*; op cit pp.4-5.

majority sufficient to overcome President Bush's veto.⁶² In effect, Congress offered no clear, ready-made China policy that Clinton could adopt. Moreover, at this early stage of the campaign, it served Clinton's electoral interests simply to be associated with this general attitude towards China.

Given the traditional focus on domestic issues during the Primaries season, it is unsurprising that Clinton did little to substantiate his China policy for some time. Rather, he preferred to stick to his rhetorical condemnation of the Bush Administration's China policy. However, he did refine his position on MFN in the spring, arguing that it should become subject to human rights progress and an end to China's "irresponsible" export of arms.⁶³ This statement did entrench his commitment to a linkage strategy, in that it prefaced the final Senate vote on HR 2212, on March 18 1992. The House had voted to override Bush's veto of HR 2212 seven days earlier, but the Senate's approval of the bill fell short of the two thirds required to sustain the override, and thereby extended China's MFN status from July 1992 to June 1993.⁶⁴

In June, Clinton responded directly to the standoff between the Bush Administration and Congress over MFN. He allied himself explicitly with new Congressional initiatives to

⁶² Bush vetoed HR 2212 in March 1992, and a second bill the following September.

⁶³ Norman Kempster, 'US Candidates' Stands on Foreign Issues'; op cit.

⁶⁴ Centre for Strategic and International Studies: US-China Policy Task Force, *Developing a Consensus for the Future: Panel Report*; 1996 Appendix I 'Chronology of Key Issues in Sino-US Relations' p.65.

condition China's trade status, and in doing so, defined his stance further. Congress, correctly anticipating Bush's renewal of China's MFN status on June 2 1992, had instigated a fresh wave of legislation, with the intention of overriding both the MFN renewal and the inevitable Bush veto.⁶⁵ On June 3 Clinton urged:

"It is time to put America back on the side of democracy and freedom. I hope the Congress will move quickly to enact legislation and that the President will allow it to become the law of this land."⁶⁶

Although he did not declare it explicitly, in endorsing Congressional legislation (in effect HR 5318) Clinton adopted a particular stance. HR 5318 bore strong similarities its predecessor HR 2212, to which Clinton had implied his support. HR 5318 also made China's MFN conditional on progress in the areas of human rights, international security and trade relations. However, in a concession to concerns for the consequences of a complete revocation of China's MFN status, HR 5318 promised to target state-owned enterprises.⁶⁷

⁶⁵ While a number of bills were introduced in the House and the Senate (many similar, but some reflecting the particular concerns of particular members of Congress), this new attempt was spearheaded by HR 5318. Wayne M. Morrison, Vladimir N. Pregelj, Kerry Dumbaugh and Jeanne Grimmet, *Most-Favoured-Nation Status and China*; op cit p.15.

⁶⁶ 'In His Own Words: Clinton on China MFN'; *The China Business Review* op cit p.18.

⁶⁷ Concerns were raised for the economic consequences for the US and China's Asian neighbours, and the political consequences for liberalising forces within China, of a complete revocation of China's MFN.

This vital feature of the latest attempt at legislation was missing from Clinton/Gore position paper published in the June. Also missing was any reference to issues of international security. The position paper argued:

"We should not reward China with improved trade status when it has continued to trade goods made by prison labour and has failed to make sufficient progress on human rights since the Tiananmen Square massacre."⁶⁸

Nevertheless, Clinton reinserted the issue of security in an address at the Democratic Party convention on July 14 1992. He advocated conditionality of China's trade status on "...respect for human rights in China and Tibet, greater market access for US goods, and responsible conduct on weapons proliferation."⁶⁹ The unprecedented inclusion of Tibet probably reflected a specific reference to it in HR 5318. In his foreign policy address to the World Affairs Council on August 13, Clinton retained his commitment to the same three baskets of US concerns in promising: "We will link China's trading privileges to its human rights record and its conduct on trade and weapons sales."⁷⁰ While the brevity of this statement is unsurprising given that the address covered a wide range of foreign policy

⁶⁸ 'In His Own Words: Clinton on China MFN'; *The China Business Review* op cit p.18.

⁶⁹ Ibid.

⁷⁰ Address reproduced in Paul Averwald (ed), 'President-Elect Clinton's Foreign Policy Statements, December 12 1991 - November 4 1992'; op cit.

issues, it is interesting to note one significant omission in this commitment. Clinton neglected the question of whether the whole of the Chinese economy or just the state-owned sector should be subject to conditionality. This question was a dominant feature of the China policy debate at the time, and indeed, Clinton had already appeared to endorse the latter approach in his advocacy of the ongoing initiatives in Congress.

However, just over a month later, Clinton offered a much clearer articulation of his China policy stance. Once again he was responding to developments within Congress. On September 14, the Senate followed the earlier approval of HR 5318 in the House by voicing their own support.⁷¹ Clinton backed this decision:

"The legislation passed today in the Senate proposes a reasonable and carefully designed mix of carrots and sticks to move China in the right direction. I believe this legislation will advance our interests in the region and hasten the dawn of freedom and democracy in America...For years, the Administration has argued that even conditioning - let alone revoking - China's trading privileges would hurt both American business and the reformers and entrepreneurs we seek to help. But the bill just passed in the Senate meets that argument by targeting only

⁷¹ 'Two Bills Limiting Trade with China Vetoed'; *Congressional Quarterly Almanac* op cit p.157.

government-owned enterprises."⁷²

By endorsing HR 5318 so explicitly, Clinton clarified his stance in three important areas. Firstly, he adhered to his recommendation that MFN be linked to human rights, trade and proliferation. Secondly, he endorsed the legislative enforcement of linkage. Thirdly, Clinton advocated the proposition that only state-owned enterprises should be targeted. Thus in shadowing the evolution of Congressional legislation on this matter, Clinton's own stance had evolved into a clear, itemized commitment to conditionality of China's MFN status.

Clinton's September 14 declaration also revealed a significant aspect to this stance. Clinton argued: "One day [China] too will go the way of the communist regimes in Eastern Europe and the former Soviet Union. The United States must do what it can to encourage that process."⁷³

Clinton's acceptance of this argument was illuminated further by David Aaron, former National Security Advisor to Carter and member of Clinton's campaign team.⁷⁴ Aaron indicated that the candidate was prepared to wait for a new generation of

⁷² 'In His Own Words: Clinton on China MFN'; *The China Business Review* op cit p.18.

⁷³ Ibid.

⁷⁴ Aaron visited Germany and France in the June and October respectively on Clinton's behalf to advise European officials on Clinton's foreign policy proposals. William Drozdiak, 'Clinton to Allies: Continuity is the Key'; op cit.

Chinese leaders that respected democracy and human rights.⁷⁵ This view was prevalent in the US China debate at the time.⁷⁶ Moreover, one of its strongest proponents was respected former US Ambassador to China Winston Lord. It is unclear at which point Lord joined the Clinton campaign team as an advisor, but it certainly informed Lord's advocacy of the strategy of linkage. Lord in effect presented a ready-made China policy that would be adopted by Clinton when he appointed him Secretary of State for the East Asia and Pacific region.

In the first presidential campaign debate on October 11 1992, Clinton appeared to redefine his position again. Acknowledging the positive effect of Congress on US China policy, he went on to insist:

"...I would be firm. I would say, 'If you want to continue Most Favoured Nation Status through your government-owned industries, as well as your private ones, observe human rights in the future.'"⁷⁷

Thus Clinton appeared to alter his position on the question of whether linkage should be applied to specific sectors, or to all of the Chinese economy. It is also worth noting that ten days earlier the George Mitchell camp in the Senate had failed

⁷⁵ Ibid p.6.

⁷⁶ This statement of intent acquired the label 'peaceful evolution', and was repeated in Warren Christopher's address to the Secretary of State confirmation hearings. It also provoked great resentment in Beijing.

⁷⁷ 'In His Own Words: Clinton on China MFN'; *The China Business Review* op cit p.19.

to override the Bush veto of HR 5318, thus ending that phase of Congressional attempts to impose conditionality legislation.⁷⁸ In the absence of a clear Congressional lead on the linkage strategy, the Clinton team inherited greater freedom in the definition of their China policy stance. Moreover, polls suggested that Clinton would win the Presidential election. There was no further need to define a China policy in line with Clinton's political and electoral objectives.

These considerations are reflected in Clinton's statements on China policy and China's MFN status following the election. As Lampton observes, Clinton retreated from the condemnational rhetoric (aimed both at China and the Bush Administration) that had characterised his earlier pronouncements. Similarly, his statements on China's MFN status lost some of the clarity and apparent strength of commitment demonstrated, for example, in his September 14 and October 11 statements. In comments to the press following discussions with President Bush on November 19, the President-Elect retained his concern for human rights progress, but forsook any clear commitment to linkage of MFN. He did argue that China had a strong interest in its trade with the US (and its \$15 billion surplus), and that the US had a strong interest in not isolating China.⁷⁹ However, acknowledging recent indications of Chinese moderation on important bilateral

⁷⁸ 'Two Bills Limiting Trade With China Vetoed'; *Congressional Quarterly Almanac* op cit p.157.

⁷⁹ 'In His Own Words: Clinton on China MFN'; *The China Business Review* op cit p.19. The view that China was heavily dependent on its trade with America, and thus would make concessions on other issues to maintain that trade was central to the pro-linkage argument.

issues, Clinton suggested only that "...a firm hand by our government can help to achieve [human rights progress]." ⁸⁰

Clinton continued to back away in December 1992. Convening an 'Economic Summit' of advisors at Little Rock, Arkansas, he appeared to dilute both his rhetoric and his commitment to linkage further:

"...I don't think we'll have to revoke MFN status. And I don't favour revocation of [MFN for] the market-orientated private sector companies; and I don't favour revocation of the State-owned industries' MFN status if we can achieve continued progress. I don't want to do it economically, and I don't want to do it politically, but I think we've got to stick up for ourselves and for the things we believe in and how those people are treated in that country...The last thing in the world I want to do is isolate them but I think that our country has other obligations that I believe we can pursue in concert with our obligation to continue to trade with the Chinese." ⁸¹

REVIEWING CLINTON'S CAMPAIGN STATEMENTS ON CHINA

⁸⁰ Ibid.

⁸¹ Statement, December 15 1992. Ibid. Similarly, asked how he would deal with China at a press conference on December 22, he responded, "I will do my best to negotiate and to be firm and [move] forward". He did however express some concern over human rights, weapons proliferation and trade. 'Hong Kong: Clinton Speaks'; *Far Eastern Economic Review* January 7 1993 p.12.

The withdrawal from the stridency shown in his earlier pronouncements created an air of uncertainty regarding the prospective Clinton Administration China policy. Susan Awanohara, writing in the *Far Eastern Economic Review*, argued that: "Divided counsel and confusing signals are increasingly evident on the subject of promoting democracy and human rights..." adding that Clinton had weakened his promise to promote democracy through "...numerous pragmatic caveats and qualifiers."⁸²

It had been suggested that Clinton's withdrawal from his earlier more explicit declarations may have reflected the sobering prospect of securing the presidency and actually having to implement a China policy.⁸³ This is of course a recognition of the political and electoral motives, rather than strategic concerns, that lay behind Clinton's campaign stance on China. It is also true to say that given the level of expectation created by Clinton's earlier commitments on China policy, his post-election statements appeared rather less defined. In turn, this triggered doubts about the nature of the forthcoming policy.⁸⁴ Indeed, one Congressional Democratic party aide argues that Clinton's statements on conditionality of China's MFN status were generally misinterpreted. He asserts

⁸² Susan Awanohara, 'President Clinton'; *Far Eastern Economic Review* November 12 1992 p.11.

⁸³ Interview with Ted Galen Carpenter op cit and David M. Lampton, 'China Policy in Clinton's First Year'; op cit p.14.

⁸⁴ This theme is discussed later in the chapter.

that Clinton in fact retained a flexible approach to dealing with China, in contrast to the approach proposed by Senator George Mitchell.⁸⁵ Winston Lord, Clinton campaign advisor, and more importantly the person appointed by Clinton to implement China policy also asserts that the stance was far more balanced and considered than a simple threat to withdraw China's trade status.⁸⁶

A number of conclusions can be drawn from Clinton's post-election praise for China policy achievements in the latter months of the Bush Administration. In November 1991, Secretary of State Baker had been given assurances by Beijing that it would comply with the parameters of the Missile Technology Control Regime, while the Administration had persuaded China to accede to the Nuclear Non-Proliferation Treaty in March 1992.⁸⁷ In addition Bush had reacted to protests concerning China's trade practices, and a tougher diplomatic approach secured a number of Memorandums of Understanding (MOU) in 1992.⁸⁸ In recommending these achievements, Clinton attributed them to the pressure exerted on the Bush Administration by the Democrat-

⁸⁵ The aide argues that Clinton campaign officials were amongst those who misinterpreted Clinton's statements. Interview with Edward B. Gresser, Policy Director to Senator Max Baucus, op cit.

⁸⁶ Interview with former Assistant Secretary of State for East Asia and Pacific Affairs Ambassador Winston Lord, November 7 1997, New York.

⁸⁷ Kerry Dumbaugh, *China and Congress in 1992*; op cit p.13.

⁸⁸ These included an MOU on the protection of intellectual property on January 16 1992, a much welcomed MOU prohibiting the export of prison labour products to the US on August 7, and an MOU on the elimination of Chinese trade barriers on October 10. Ibid pp.15-16.

controlled Congress:

"...I noted with satisfaction in the last several months, when the Bush Administration, for whatever reasons - maybe because of the changing political climate - took a tougher line on goods made with prison labour, on unfair trade practices, we began to have more moderation."⁸⁹

It is interesting to note that Clinton's approval of this tougher diplomatic approach and the concessions it secured did not prevent Clinton's support (often hinted, sometimes explicit) of Congressional attempts to impose conditionality legislation. Thus by the end of the presidential campaign, Clinton appeared to be supportive of the results of Bush's Constructive Engagement China strategy on the one hand, while advocating the contrasting strategy of linkage and conditionality on the other. This echoed the wider tension in Clinton's foreign policy, that of articulating a framework of engagement and the promotion of democracy and market economies (in line with America's domestic renewal), that seemed at odds with his pledge to condition China's MFN status.⁹⁰

It is probable that the candidate paid little attention to these apparent contradictions, as they did not affect his

⁸⁹ Press comments following discussions with President Bush, November 19 1992. 'In His Own Words: Clinton on China MFN'; *The China Business Review* op cit p.19.

⁹⁰ The foreign policy tensions created by Clinton's advocacy of conditionality for China's trading status are discussed later in the chapter.

prospects for electoral success.⁹¹ Given the fact that once at the White House, Clinton only concerned himself with China policy when domestic political interests or crises demanded it, it is not unreasonable to conclude that he pursued the same approach prior to his presidency. Moreover, Clinton's political sensibilities would often lead him to adopt the most popular response to any given China question or issue, so it is no surprise that his stance on China contained these ambiguities and contradictions.

As one former State Department official notes, China policy (particularly at that time) was a problematic issue to handle, politically.⁹² He argues that engagement with the Chinese was not a 'feel-good' policy behind which the average American citizen could rally. Engagement required a comprehensive explanation of a complex, multi-faceted relationship built on long-term rather than short-term gains (irrespective of the actual success of the strategy). Thus engagement with the Chinese was not an issue on which any politician could expect to derive easy credit or popularity. Clinton was a popularist politician; moreover, he was a politician running for the US presidency against the only candidate to advocate engagement. The interviewee concludes that given the fact that Clinton valued the presidency above almost any other objective, it was obvious that he would appear

⁹¹ They would however return to haunt him following his inauguration.

⁹² Interview with Frank Jannuzzi, op cit. These views are also reflected by Shirley Kan, senior Congressional Research Service analyst; interview op cit.

to side with the 'China-bashers', rather than those supporting engagement.

Ted Galen Carpenter reasons that all presidential candidates look no further than the election and that those that possess and articulate a genuine long-term vision tend not to get elected.⁹³ This suggests that once in office, a president may pursue a programme of policies that differs significantly from those proposed during the election. Therefore, while Clinton's campaign statements had led popular US opinion and indeed many US-China interest groups (particularly elements within the human rights community) to expect a resolute and confrontational Clinton China policy, many on the inside of the Beltway held different views.⁹⁴

This awareness informed some of the conjecture on the likely Clinton China policy. Some Chinese officials were reportedly optimistic about the incoming Administration, basing their views on the sobering effect of actually governing, and Clinton's greater devotion to the importance of economics and trade.⁹⁵ Another reaction to the presidential election argued the likelihood of Clinton retaining a tough rhetorical approach to China, but choosing not to impose tough conditions on US-China trade.⁹⁶

⁹³ Interview with Ted Galen Carpenter, op cit.

⁹⁴ Interview with Frank Jannuzi, op cit.

⁹⁵ The officials belonged to the Economic and Trade Office and the Special Economic Zone Office. 'Attack of Nerves'; *Far Eastern Economic Review* November 19 1992 p.20.

⁹⁶ Amy Borrus, Paul Magnussen, Karen Lowry Miller, Dave Lindorff, Gail E. Schares and bureau reports, 'The World Sizes
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However, alternative arguments were also founded on the political nature of the campaign and the realities of governing. Clinton's statements on China had represented one of his clearest and most specific foreign policy proposals.⁹⁷ Clinton's political credibility would suffer if he failed to adhere to his campaign stance and commitments. This point is made by sinologist and Congressional staff member Richard Bush, with particular regard to Administration fears of likely Republican criticism in the event of a U-turn.⁹⁸ Therefore, from this perspective Clinton had no choice but to pursue a confrontational China policy founded on linkage and conditionality of China's MFN status, in accordance with his campaign statements.⁹⁹

A third, more nuanced assessment combines a little of both of the above views. Mike Jendrzeczyk, Washington Director of Human Rights Watch: Asia believes in retrospect that Clinton had to appear to adhere to his campaign commitments, but in fact was looking for a way out from a very early stage.¹⁰⁰ This argument recognises that political interests and concerns drove Clinton's approach to China both during the campaign, and

Up Clinton'; *Business Week* issue 3294 November 23 1992 p.31.

⁹⁷ In a rather vague and incidental foreign policy campaign.

⁹⁸ Richard Bush, 'Clinton and China: Scenarios for the Future'; op cit p.20.

⁹⁹ Interview with Richard Bush, op cit. Bush was commenting upon not his own expectations, but those in the wider political arena.

¹⁰⁰ Interview with Mike Jendrzeczyk, November 4 1997, Washington D.C.

during his Administration, and underplays the 'sobriety of governing' perspective. Jendrzeczyk argues:

"I think there are some indications that there was at least some ambivalence, if not a deliberate decision made at some level, at some point to start backing away from the policy [of MFN linkage]."¹⁰¹

Jendrzeczyk asserts that Clinton was less than committed to his promises to condition China's MFN status by the time he convened the 'Economic Summit' in Little Rock, in December 1992:

"Looking at Clinton's first comment in Little Rock on the 14th August [sic] how much of this was already on his mind, and the minds of some of his closest advisors...who were much more coming from the economic and trade perspective; and it was just a question of time that he had to find a way to get around a Democratic Congress...without looking like he was abandoning his own principles that he enunciated so clearly when he was running for president."¹⁰²

The inconsistencies of intent, and of strength of commitment revealed in Clinton's campaign statements on China policy and China's MFN status highlight a crucial question: was

¹⁰¹ Ibid.

¹⁰² Ibid.

Clinton a genuine advocate of a confrontational policy on China, and in favour of imposing some form of conditionality on China's MFN status? The existence of three differing perspectives on Clinton's commitment to his campaign proposals suggests that no proven answer is, as yet, available. Stephen Yates of the Heritage Foundation is persuaded that Clinton was a genuine advocate of human rights progress in China, even if he was less certain about the most appropriate way to pursue this objective in bilateral policy.¹⁰³ Similarly, Stephen Solarz, a Clinton advisor and Democratic Congressman during the campaign, believes that Clinton's public position was genuine, rather than one founded in cynical politics.¹⁰⁴ It is possible to conclude therefore that the 'softening' of Clinton's statements on China policy, particularly after the election, and his praise of the latter achievements of the Bush Administration reflect an appreciation that conditionality did not offer the only route by which US interests could be pursued with China. Ted Galen Carpenter dismisses this idea:

"I'm sceptical that Bill Clinton feels passionately about much of anything. I think he has an inclination to show concern about human rights issues generally, and particularly in the China context, but he's not above putting that concern on the backburner if other politically relevant factors intrude; and that has been the case with Bill Clinton on a host of issues

¹⁰³ Interview, op cit.

¹⁰⁴ Interview with Stephen Solarz, November 4 1997, Washington D.C.

throughout his political career."¹⁰⁵

It is very probably true to say that Clinton was (and is) genuinely concerned by Chinese progress on human rights (as well as proliferation and trade), but was more concerned by political and electoral success. It is also true to say that Clinton's personal engagement on the issue of China policy throughout the campaign can be strongly doubted, except for those instances where it would reap electoral benefits. Therefore it is necessary to examine the role of Clinton's foreign policy advisors in order to understand the rationale behind Clinton's campaign stance on China.

Clinton's Policy Advisors and the Stance on China

Clinton's utilisation of a large number of foreign policy advisors during the campaign has been discussed earlier. However, it is clear that certain figures contributed specifically to the candidate's pronouncements on, and proposals, for China. The roles, backgrounds and possible impact of these advisors will now be examined, but two observations can be made in advance. Firstly, Clinton's advisors on China did not share the same views either on China itself or the pursuit of an appropriate China policy. Indeed, given the uncertainty as to China's political future and the

¹⁰⁵ Interview, op cit.

contentious nature of the debate concerning US China policy, the lack of consensus on this issue comes as no surprise. Secondly, it is important to note that political/electoral factors, as well as strategic and philosophical factors, will have informed the perspectives offered by Clinton's advisors. Their appreciation of Clinton's ultimate objective (to secure the presidency), and further, an appreciation of their own political ambitions may have coloured the advice offered to Clinton.

While it is clear that Clinton took his lead on China policy from developments within Congress (particularly Senator Mitchell and Representative Pelosi), the evolving definition of his stance also reflected wider consultation from within and without Congress.

Representative Lee Hamilton and Senator Sam Nunn offered their experience and foreign policy knowledge at an early stage in the Clinton campaign.¹⁰⁶ Nunn was well known for his interest in issues of proliferation, and thus will have pressed this concern with the candidate. Hamilton was respected for his commitment to, and sober view of, issues of foreign policy. Further, he was recognised for his consistent advocacy of a long-term, pro-engagement vision of US China policy. Indeed, his support for Democratic assaults upon the Bush policy of Constructive Engagement are understood to have been founded in his frustration with the President's apparent 'policy of drift'

¹⁰⁶ Leslie H. Gelb, 'Clinton: For A Centrist Foreign Policy'; *International Herald Tribune* December 12 1991.

and his loyalty to the Democratic party.¹⁰⁷ Hamilton was consistent in his insistence that US China policy be vigorous in its pursuit of improvements in Chinese conduct in the areas of human rights, proliferation and trade, but not at the expense of a collapse in the bilateral relationship, nor America's wider strategic interests.¹⁰⁸ The US required a long-term, realistic and contemplative approach to this relationship.¹⁰⁹

Clinton employed advisors with credentials in the fields of democracy and human rights, to consolidate both his wider foreign policy platform and his China policy stance. Penn Kemble, David Shepherd and Richard Schifter were added to the wide circle of consultants following Clinton's nomination as the Democrat's presidential candidate.¹¹⁰ Kemble was a senior associate at the human rights institution Freedom House and considered a hawkish conservative member of the Democrats,

¹⁰⁷ Interview with Richard Bush, op cit. He may also have been aware of the partisan and political advantages of undermining one of Bush's apparent foreign policy weaknesses. Loyalty to the President and to the Party would influence Hamilton's participation in the China policy debate throughout the first year and a half of the Administration. It must be noted, however, that Hamilton, who became Chair of the House Foreign Affairs Committee in January 1993, was recognised for his values and independence of mind: see Leslie H. Gelb, 'Watch Him Shake Up US Policy'; *International Herald Tribune* July 3 1992.

¹⁰⁸ Ibid.

¹⁰⁹ See, for example, his comments to the Business Coalition for US-China Trade on April 1 1993, almost two months before President Clinton issued Executive Order 12850. David M. Lampton, 'China Policy in Clinton's First Year'; op cit p.26.

¹¹⁰ Christopher Madison, 'Issue in Waiting'; *National Journal* August 15 1992 p.1890.

while Shepherd was at the Carnegie Endowment for International Peace and Democracy.¹¹¹ Richard Schifter, a 'Reagan Democrat', had served as Assistant Secretary of State for Human Rights and Humanitarian Affairs under both the Reagan and Bush Administrations. Considered a hawk, Schifter is recognised to have played an important part in informing Clinton's tough stance on China's human rights record.¹¹²

Further, the candidate employed veterans of the Carter Administration to counter his perceived inexperience and weakness on international affairs. While this carried the risk of associating the Clinton platform with a foreign policy team portrayed in many quarters as inconsistent, indecisive and dichotomised, it also served to reinforce Clinton's declared commitment to democracy. Active participation was provided by Madeleine Albright and John Holum in particular.¹¹³ Albright had served as a foreign policy assistant to Vice-President Walter Mondale, and from 1978 to 1981, as a staff member of the National Security Council while directing foreign policy legislation in the White House.¹¹⁴ According to Ted Galen

¹¹¹ Respectively, *ibid*, and interview with Ted Galen Carpenter, *op cit*. Carpenter highlights the influence of Shepherd on the development of Clinton's commitment to linkage.

¹¹² Susumu Awanohara, 'Spreading the Word'; *Far Eastern Economic Review* January 21 1993 p.23.

¹¹³ 'A Who's Who of the Old and New of Clinton's Foreign Policy Advisors'; *International Herald Tribune* September 30 1992.

¹¹⁴ At the time of the campaign, Albright was a Research Professor of International Affairs and Director of Women in Foreign Service at Georgetown University's School of Foreign Service. Previously, she had presided over the Centre for National Policy, a non-profit research organisation. *Biography*

Carpenter, the question of human rights in China had always been "...at least a significant issue with her."¹¹⁵ Holum, a Washington Lawyer and old acquaintance of Clinton's, had served the State Department's Policy Planning staff under Director Anthony Lake.¹¹⁶

Strong contributions were also provided by former Carter Administration officials David Aaron and Robert E. Hunter. Aaron had been Deputy National Security Advisor and Hunter a staff member of the National Security Council.¹¹⁷ Perhaps the counsel of former Assistant Secretary of State Warren Christopher provided the strongest symbol concerning the Clinton foreign policy campaign. Christopher had departed office, with the defeat of Carter, with the reputation of being committed to the issue of human rights.¹¹⁸ Indeed, Ambassador Michael Armacost highlights Christopher's largest contribution to the Carter Administration as being the institutionalisation of human rights in foreign policy.¹¹⁹ Further, Stephen Yates argues that Christopher's background complemented Clinton's (previously declared) advocacy of a policy of linkage towards

- *Madeleine Korbel Albright*; US Department of State (United States Government Printing Office, 1997). Clinton would appoint Albright as Ambassador to the UN, and later as Secretary of State.

¹¹⁵ Interview, op cit.

¹¹⁶ 'A Who's Who'; *International Herald Tribune* op cit.

¹¹⁷ Ibid.

¹¹⁸ Interview with Mike Jendrzeczyk, op cit, and interview with Ambassador Michael Armacost, November 12 1997, Brookings Institution, Washington D.C.

¹¹⁹ Ibid.

China; in other words, Christopher is likely to have urged conditionality of China's MFN status on human rights progress.¹²⁰

SENIOR FOREIGN POLICY AND CHINA POLICY ADVISORS

However, two other veterans of the Carter Administration played far larger parts in the development of Clinton's campaign stance on foreign policy, and in particular, China policy. From the preparation of Clinton's first foreign policy address on December 12 1991, the development of the candidates's stance on international issues had been handled by Anthony Lake and Samuel R. Berger, with Lake acting as Clinton's personal consultant on foreign affairs.¹²¹ Lake was a Professor of International Relations at Mount Holyoke College, while Berger was on leave from his position as a Washington-based trade lawyer. Anthony Lake had in fact served two spells in government: firstly, he had been a member of Henry Kissinger's National Security Council staff, and later had joined the Carter Administration as Director of Policy Planning in the State Department where he became a close aide to foreign policy dove Secretary of State Cyrus Vance.¹²² Sandy Berger had served

¹²⁰ Interview with Stephen Yates, op cit.

¹²¹ See Christopher Madison, 'Issue in Waiting'; op cit, *International Herald Tribune*, 'A Who's Who'; op cit, and John Lichfield, 'Clinton to Place Foreign Affairs in Safe Hands'; *Independent* October 23 1992.

¹²² Richard Reeves, 'Foreign Policy: the Education of Governor Clinton'; *International Herald Tribune* March 25 1992. Lake had in fact resigned from his role under Kissinger in

as Lake's deputy in the Carter Administration, and enjoyed a longer and more personal relationship with Clinton than his former boss.¹²³ Further, at the time of the 1992 election, Berger was a board member of the International Human Rights Law Group and a member of the influential Council on Foreign Relations.¹²⁴

Both senior advisors were instrumental to the candidate's emphasis on democratisation. Specifically, Anthony Lake was widely seen as the "key architect of Clinton's pro-democracy position and generally idealistic stance", and spoke often on these issues during the campaign.¹²⁵ For example, in an interview with the *International Herald Tribune* on October 12 1992, Lake highlighted the importance of the support of democratisation as a priority of US foreign policy, alongside strategies to promote economic competitiveness and domestic economic renewal.¹²⁶ Berger reinforced this stance, arguing for

protest at the US bombing of Cambodia in 1970. Susumu Awanohara, 'Spreading the Word'; op cit.

¹²³ David M. Lampton, 'America's China Policy in the Age of the Finance Minister'; *The China Quarterly* no.139 September 1994 p.617.

¹²⁴ Confirmation Statements and background of Clinton Administration designees; Office of the President-Elect, December 22 1992, United States Information Service. Berger had also acted as an advisor and speech-writer to previous Democratic presidential and vice-presidential candidates.

¹²⁵ Susumu Awanohara, 'Spreading the Word'; op cit.

¹²⁶ Paul F. Horvitz, interview with Anthony Lake; 'Clinton's World View: Sticking to Basics'; *International Herald Tribune* October 12 1992. When later appointed Clinton's National Security Advisor, Lake demonstrated his vision for post-Cold War US Foreign Policy in a speech to the John Hopkins School of Advanced International Studies on September 21 1993. 'From Containment to Enlargement'; reproduced in Wyn Q. Bowen

example that in contrast to President Bush, Clinton would be "...a lot more aggressive in recognising the force and vitality of democratic movements."¹²⁷

Advisory responsibility for Clinton's commitment to linkage, conditionality of China's MFN status, and his overall stance on China appears to lie with Anthony Lake. Lake was perceived to possess a 'missionary' view of US China policy, as a relatively forceful advocate of human rights issues.¹²⁸ Indeed, one senior defence expert identified Lake as someone who saw China as an "evil or bad place"; as someone who wanted to change China and in fact was "determined to change China".¹²⁹ Interestingly, corroboration of these interpretations of Lake's views on China are provided by a former Senior State Official with considerable experience of China policy-making. Reflecting upon the formulation of China policy in the early months of the Clinton Administration, he suggested: "It was kind of a

and David H. Dunn, *American Security Policy in the 1990s*; Dartmouth Press (1996) Appendix 2 pp.158-160, and Anthony Lake, 'The Logic of a US Strategy of Engagement'; *International Herald Tribune* September 23 1993. His strategy of 'Engagement and Enlargement' would be published as an official strategy paper ten months later. *A National Security Strategy of Engagement and Enlargement*; The White House July 1994 (US Government Printing Office, Washington D.C.).

¹²⁷ Margaret Garrard Warner, 'A Governor vs a Globe Trotter'; *Newsweek* March 30 1992 p.28.

¹²⁸ David M. Lampton, 'America's China Policy in the Age of the Finance Minister'; *op cit* p.617, and David M. Lampton, 'China Policy in Clinton's First Year'; *op cit* p.18.

¹²⁹ Interview with Dr. Ronald N. Montaperto, Senior Fellow for National Strategic Studies at the National Defence University, November 12 1997, Washington D.C.

missionary period, I suppose."¹³⁰

The probability that Lake was the prime catalyst behind Clinton's stance on China is also reinforced by various interpretations of his philosophy towards international relations. Lake was generally considered to be "an old-line liberal" and dove; he had even been described as a 'Carterite bleeding heart'.¹³¹ However, a former governmental colleague of the Nixon Administration argued that alongside Lake's idealistic streak, he was a "practical, pragmatic man...[who]...wants positive results."¹³² Nevertheless, Lampton suggests that Lake entered the Administration with a certain moral arrogance concerning the degree to which the US should and could change China. Lampton notes that this presumptuousness was punctured only after Lake had visited and experienced China for the first time later in the Administration.¹³³ Berger, by contrast was seen as essentially the more pragmatically minded of the two.¹³⁴

While the lead on a linkage strategy towards China was provided by Congress, it would appear that Lake sustained this

¹³⁰ Interview with Robert Perito, former Chief of China and Mongolia Desk, State Department, November 10 1997, Washington D.C.

¹³¹ Christopher Madison, 'Issue in Waiting'; op cit p.1892, and Susumu Awanohara, 'Spreading the Word'; op cit.

¹³² William Watts in Susumu Awanohara, *ibid.* See also John Lichfield, 'Clinton to Place Foreign Affairs in Safe Hands'; op cit.

¹³³ Interview, op cit.

¹³⁴ See for example, David M. Lampton, 'America's China Policy in the Age of the Finance Minister'; op cit p.617.

position in his capacity as primary foreign policy consultant to candidate Clinton. Lake's philosophy towards foreign affairs complemented this proposition. Furthermore, Lake's National Security role within a White House that to a considerable degree would dictate the conduct and direction of China policy particularly throughout the first two years of the Clinton Administration, also implies Lake's support for conditionality of MFN.¹³⁵ Certainly Lake seemed in tune with Clinton's condemnatory rhetoric on China, exemplified by his association of China with other anti-democratic states such as Iran and Iraq.¹³⁶ Interestingly, one commentator argues that Berger might not have shared Lake's enthusiasm for linkage. He bases this conjecture on the fact that Berger's law firm represented considerable business interests that were "very much in favour of MFN".¹³⁷

Yet Lake's advocacy of linkage cannot be wholly separated from the political and electoral arguments for adopting the policy as a campaign stance. This is reflected in the widely held view that Lake and Berger were highly responsive to

¹³⁵ Interviews with Kerry Dumbaugh, op cit, Ted Galen Carpenter, op cit, Mike Jendrzeczyk, op cit, and Stephen Yates, op cit.

¹³⁶ In September 1993, Lake argued "We cannot impose democracy on regimes that appear to be opting for liberalisation, but we may be able to help steer some of them down that path by providing penalties that raise the cost of repression and aggressive behaviour. These efforts have special meaning for our relations with China." Lake, 'The Logic of a US Strategy of Engagement.'; op cit. Lake had retracted this association of China with other 'rogue states' by the early months of the following year: Anthony Lake, 'Confronting Backlash States'; *Foreign Affairs* vol.73 no.2 March/April 1994.

¹³⁷ Interview with Mike Jendrzeczyk op cit.

political concerns expressed in the White House, both as campaign advisors and as senior members of Clinton's National Security Council.¹³⁸

An influential campaign advisor who avoided such association with the political grounds for Clinton's stance on foreign policy and China policy was Richard C. Holbrooke. Holbrooke was another veteran of the Carter Administration, having served as Assistant Secretary of State for East Asian and Pacific Affairs. Where Holbrooke stood on the issue of linkage and conditionality of MFN is not clear, though it is known that he opposed any policy that would isolate China.¹³⁹ However, it is certain that he played a key role in the consolidation of the candidate's China policy stance. For example, Holbrooke travelled to Beijing in the September of 1992, to advise Chinese officials on the prospective Clinton China policy. As William Drozdiak noted in the *International Herald Tribune*, "They presumably were not pleased by what they heard."¹⁴⁰ Holbrooke also participated in an hour long discussion of China policy with the candidate on September 8, a meeting that probably facilitated his trip to Beijing.¹⁴¹ The third discussant at that meeting was former Ambassador to China Winston Lord, one of the most significant actors in the

¹³⁸ Interviews with Dr. Ronald N. Montaperto op cit, Mike Jendrzeczyk op cit, Kerry Dumbaugh op cit.

¹³⁹ Amy Borrus et al, 'The World Sizes Up Clinton'; op cit.

¹⁴⁰ William Drozdiak, 'Clinton to Allies: Continuity is the Key'; op cit p.6.

¹⁴¹ Don Oberdorfer, 'Preparing a President'; *International Herald Tribune* November 8 1992.

formulation and implementation of the Clinton China policy from the 1992 presidential election through Clinton's first term of office.

Lord possessed considerable experience of China and US China policy as a result of his governmental and non-governmental career. A life-long Republican, Lord had acted as an aide to Henry Kissinger, assisting him at the opening of US-China Cold War relations in 1971.¹⁴² He was retained in the Nixon and Ford Administrations as Director of the State Department's Policy Planning Staff from 1973-1977, and further, served as US Ambassador to China from November 1985 to April 1989 (thus ending his tenure shortly before the Tiananmen Square massacre in the June).¹⁴³ Lord had also held prestigious and influential positions outside government. Between 1977 and 1985, he had been president of the Council on Foreign Relations, and at the time of the 1992 presidential election campaign was Chair of the National Endowment for Democracy.¹⁴⁴

Two crucial factors help to explain why the former Ambassador became an advisor to the Clinton campaign, and later, Clinton's Assistant Secretary of State for East Asian

¹⁴² Interview with Ambassador Winston Lord, November 7 1997, New York, Susumu Awanohara, 'Caution to Peking'; *Far Eastern Economic Review* vol.156 issue 5 February 4 1993 p.15, Richard Bernstein and Ross H. Munro, *The Coming Conflict With China*; Knopf (New York, 1997) p.94, and Christopher Madison, 'Issue in Waiting'; op cit pp.1889-1890.

¹⁴³ Winston Lord, 'China and America: Beyond the Big Chill'; *FOREIGN AFFAIRS* Fall 1989 vol.68 no.4 p.1. Earlier in his career Lord had also served within the Department of Defence. Susumu Awanohara, 'Caution to Peking'; op cit p.15.

¹⁴⁴ Susumu Awanohara, *ibid.*

and Pacific Affairs. Firstly, he felt acutely disillusioned with Beijing in the wake of the events of the Spring of 1989. Secondly, he became angry and frustrated with the Bush China policy when the full details of its response to the Tiananmen Square were finally revealed.

Throughout the 1980s, Lord as Ambassador to China had played an significant role in informing US governmental and academic specialists as to developments within China.¹⁴⁵ Highlighting the remarkable degree of modernisation and reform occurring in China, Lord argued that China would evolve away from its Communist and authoritarian past towards a system of market economics and political liberalism. This seemed a reasonable proposition in the context of political trends evident in the Soviet Union and East and Central Europe, and areas of East Asia. Indeed, Lord's beliefs both propagated and reflected a period of positive American attitudes towards the People's Republic; a period of fascination. The Tiananmen Square massacre crushed Winston Lord's optimism, and he became a virulent and public critic of the Beijing government.¹⁴⁶

Initially, Lord praised the Bush Administration's response to the massacre.¹⁴⁷ However, Bush's acknowledgement of secret visits to Beijing of NSC Advisor Brent Scowcroft and Assistant Secretary of State Lawrence Eagleburger later in 1989 enraged

¹⁴⁵ Bernstein and Munro, op cit pp.94-95.

¹⁴⁶ Ibid p.95.

¹⁴⁷ See for example, Winston Lord, 'China and America: Beyond the Big Chill'; op cit. See also Winston Lord, 'Misguided Mission'; *Washington Post* December 19 1989.

Lord. He rejected the Bush Administration's view that these efforts at behind-the-scenes old style diplomacy were necessary to keep the longer-term bilateral relationship on track. In an article in the Washington Post in December 1989, Lord justified his own reappraisal of the Bush China policy. He argued that the President's initial response to Tiananmen "...struck the right balance between condemnation and connection..." but that the visits "...erased any pretence of official indignation and weakened the true foundations of Sino-American relations."¹⁴⁸ Prompted by what he perceived to be an unprincipled and directionless China policy, Lord distanced himself from both the Bush government and the Republicans. In doing so, he placed a strong emphasis on the Administration's handling of the issue of human rights with respect to China: "What we have here is not just a double standard but cultural, if not racial, bias...that they never had freedom and cannot afford it."¹⁴⁹

Nevertheless, the Chinese government's repression of the protesters in June 1989 did not prompt Lord to alter his view of China's future completely. Indeed, he argued for the greater likelihood of the regime's demise and a change of system in the wake of Tiananmen, highlighting that the death of paramount leader Deng Xiaoping might trigger a move towards democracy.¹⁵⁰

¹⁴⁸ Winston Lord, 'Misguided Mission'; op cit.

¹⁴⁹ Ibid. Lord maintains this view of the Bush Administration, arguing that Clinton and the Clinton Administration possessed a more genuine and committed concern for human rights, and would not have engaged in such secret diplomacy one week after Tiananmen. Interview with Ambassador Winston Lord op cit.

¹⁵⁰ Winston Lord, 'China and America: Beyond the Big
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Further, he maintained the belief that US China policy should retain a long-term, 'business-like', engaged perspective that reflected a considered balance of US interests viz-a-viz China.¹⁵¹ Like Holbrooke, he insisted that China should not be isolated, as this would only cause China to turn inwards, to the detriment of human rights and the reform process.

Significantly, however, Lord called for a tougher and more proactive US China policy. In particular, and in spite of the need to recognize and balance the variety of US bilateral interests, he argued for a more assertive pursuit of human rights, especially where it would encourage those facilitating reform in China.¹⁵² For example, Lord argued for US engagement and diplomacy to press Beijing towards the cessation of repression, detention for political or religious beliefs, martial law and other abuses.¹⁵³

Chill'; op cit pp.3-7, and Bernstein and Munro, op cit pp.95-96. Lord was not alone in asserting this perspective, the appeal of which must be understood in the context of the concurrent transformations occurring in the Soviet Union and East and Central Europe.

¹⁵¹ Interview with Ambassador Winston Lord op cit. See also Statement of Winston Lord before a Joint Hearing of the House Foreign Affairs Committee, May 29 1991. *Most-Favoured-Nation Status for the People's Republic of China*; Joint Hearing before the Subcommittees on Human Rights and International Organizations; Asian and Pacific Affairs; and International Economic Policy and Trade, of the Committee on Foreign Affairs, House of Representatives, 102nd Congress, 1st Session, May 29 1991, Washington D.C. (United States Government Printing Office, 1992) pp.18-30.

¹⁵² This is reflected in Lord's article 'China and America: Beyond the Big Chill'; op cit, written before news of Scowcroft's visit to Beijing was leaked.

¹⁵³ Ibid p.12. pp.20-21, and pp.23-25.

Initially, Lord appeared to reject the use of linkage, or the use of China's MFN as a policy tool to these ends. In the autumn of 1989, Lord recognised the limited number of policy choices available to the US at that time, but reasoned:

"Many areas, however, pose complex choices. We cannot expect American businesses to write off years of hard work and hard cash when they are playing for the long run in any event. If, in principle, the US government forgoes extending any special help to its private sector's efforts in China, what if foreign competitors were to exploit this restraint to their advantage?"¹⁵⁴

Thus in recognition of the range of strategic, economic and political interests America valued in its relationship with China, Lord appeared to reject a simplistic and confrontational US China policy. While convinced that the Administration should prosecute issues of human rights more vigorously, he argued that this should be achieved through open and determined diplomacy coordinated with allies, with an emphasis on the fact that it was in China's interests to make progress in this area.¹⁵⁵ Accordingly, Lord suggested that the US could assist China in the development of legal institutions and a

¹⁵⁴ Ibid p.11.

¹⁵⁵ Interview with Ambassador Lord op cit. Lord reasoned that America's concern for natural and universal human rights stemmed from its origins and experiences as a nation of immigrants, adding that the US "...had never singled out China" in this regard. Winston Lord, "China and America: Beyond the Big Chill"; op cit p.23.

responsible press, for example. Unilaterally, Lord argued vociferously for the creation of a Radio Free Asia, as an illustration of a committed but non-confrontational policy option.¹⁵⁶

A crucial aspect of Winston Lord's approach to US China policy concerned the management of the US China debate. Though he acknowledged the significant roles played both by the public and members of Congress,¹⁵⁷ Lord was consistent in his appeal for a balanced and more considered debate on China. In other words, Lord argued that hyperbole, emotion and oversimplification could distort the debate, and be detrimental to policy-making.¹⁵⁸ By the same logic, the exploitation of the China policy debate for other means (political and/or electoral, for example), could also be injurious to this crucial bilateral relationship. Consequently, Lord insisted that the debate should be rational and long sighted, and in particular should recognise and articulate both the problems facing China and the progress and improvements made there.¹⁵⁹

However, the former Ambassador's understanding of US-China relations did not preclude the possibility of his support for the application of conditions to America's trade with China. While Lord rejected any strategy that would endanger engagement

¹⁵⁶ See for example, Susumu Awanohara, 'Caution to Peking'; op cit.

¹⁵⁷ Interview with Ambassador Lord, op cit.

¹⁵⁸ Ibid.

¹⁵⁹ Ibid, and Winston Lord, 'China and America: Beyond the Big Chill'; op cit.

with China or drive it into isolation, he believed that the US possessed a degree of leverage through which it could advance its interests. In his article in *Foreign Affairs* in the autumn of 1989, Lord identified a number of areas (pertaining predominantly to human rights, regional security and proliferation) in which demonstrable Chinese progress could illicit a more positive US attitude to the bilateral relationship.¹⁶⁰ Lord went on to note China's "...desperate need for foreign capital, technology and markets.." which required it to open up to the world community.¹⁶¹ Lord concluded that "Americans in turn have every incentive to resume progress with China when conditions allow."¹⁶² Although Lord placed this argument in the context of the need to engage in a long-term relationship with China, and certainly stopped well short of a call for MFN conditionality, his views revealed a belief that the US held the greater leverage within the relationship: that China needed America far more than America needed China. This perspective would become a significant feature of the Clinton Administration's China policy as presented in May 1993.

In fact, Lord went further in explicitly advocating some form of conditionality of China's MFN status in a testimony to Congress in the spring of 1990. As part of the escalating Congressional debate of the Bush Administration's China policy, three subcommittees of the House Foreign Affairs Committee held

¹⁶⁰ Winston Lord, 'China and America: Beyond the Big Chill'; op cit p.12.

¹⁶¹ Ibid p.13.

¹⁶² Ibid pp.13-14. Emphasis added.

joint hearings on the question of China's MFN status in May.¹⁶³ The subcommittees were interested to hear Lord's suggestion that America's extension of China's MFN status should form part of a framework of measures designed to encourage greater reform in China. The former Ambassador called for a policy:

"...that blends condemnation and connection, features diverse approaches to various constituencies, suspends certain programmes while preserving foundations for better times, and encourages China in the direction of greater economic reform and political pluralism."¹⁶⁴

One commentator noted:

"While a number of members of Congress are likely to go along with a one-year extension of MFN for China, talk of attaching various conditions to such an extension had been increasing, no doubt partly because of Ambassador Lord's idea of enveloping extension with a package of measures."¹⁶⁵

¹⁶³ Lucille A. Barale, 'US MFN Renewal for China: The Jackson-Vanik Amendment'; *East Asian Executive Reports* vol.12 issue 6 June 1990 pp.9-12, and Statement of Winston Lord before the Subcommittees of the House Foreign Affairs Committee, May 16 1990. *Most-Favoured-Nation Status for the People's Republic of China*; Hearings before the Subcommittees on Human Rights and International Organizations; Asian and Pacific Affairs; and International Economic Policy and Trade, of the Committee on Foreign Affairs, House of Representatives, 101st Congress, 2nd Session, May 16 and May 24 1990, Washington D.C. (United States Government Printing Office, 1990) pp.7-20.

¹⁶⁴ Statement of Winston Lord before the Subcommittees of the House Foreign Affairs Committee, May 16 1990 op cit p.11.

¹⁶⁵ Lucille A. Barale, *ibid.* Lord advocated an approach
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Lord reiterated his support for some form of MFN conditionality two years later. Again providing testimony to a Congressional hearing in the summer of 1992, Lord revealed a tougher approach to the issue. This time, he advocated the implementation of legislation that would establish limited conditions on the renewal of China's MFN status.¹⁶⁶

Proposals of this kind appeared to reflect a toughening of Lord's attitude regarding US China policy. He clearly believed that the US could, and now should challenge China in areas of national interest without detriment to the long-term relationship. That Lord increasingly emphasised the importance of human rights progress (albeit within a range of US-China interests) was significant.

In fact, the former Ambassador had established a reputation for supporting human rights concerns, and as Ted Galen Carpenter notes, he had been sensitive to the issue

that incorporated a far greater degree of flexibility than that promised by legislative options proposed by members of Congress such as Representatives Pelosi and Pease. The need to retain flexibility in the management of China policy would be an important ingredient of the Clinton's first China policy.

¹⁶⁶ Statement of Winston Lord before the Subcommittee on Trade of the House Committee on Ways and Means. *Additional Requirements in the Extension of China's Most-Favoured-Nation Trade Status in 1993*; Hearing before the Subcommittee on Trade of the House Committee on Ways and Means, 102nd Congress, 2nd Session, June 29 1992, Washington D.C. (United States Government Printing Office, 1993) and Susumu Awanohara, 'Caution to Peking'; op cit. Lord also suggested that the US should pursue bilateral dialogue at sub-cabinet level (thus avoiding rewarding the Chinese with high-level, prestigious contacts), retain close unofficial contacts with Taiwan, and pay greater attention to the issues facing Hong Kong, prior to its transfer to Chinese sovereignty in June 1997.

throughout his career.¹⁶⁷ Diverse opinions are offered to explain Lord's commitment to the issue, particularly in the wake of the Tiananmen Square massacre. For example, Lord's optimistic confidence in human rights progress in China throughout the 1980s was shattered by the events of June 4 1989. Thus it is highly probable that he was convinced that the issue of human rights should provide one clear and defining principle of US China policy, one that was lacking in the Bush Administration's policy formulation. Certainly, he argued that in the new post-Cold War era, the US should "...promote our interests and project our values..." and that "...supporting the spread of freedom around the globe does both."¹⁶⁸ An alternative explanation highlighted his marriage to his Chinese wife Bette Bao Lord, herself a prominent figure of the Chinese cultural world, and strong advocate of the protection of human rights in China.¹⁶⁹ Former colleagues dismissed this argument.¹⁷⁰

Whatever the explanation, Lord's commitment to the issue, his belief in the symbiotic relationship between US values and US interests, his evolving support for conditionality of MFN, and the emphasis he lay on not isolating China but remaining

¹⁶⁷ David M. Lampton, 'America's China Policy in the Age of the Finance Minister'; op cit p.617, and interview with Ted Galen Carpenter op cit.

¹⁶⁸ Susumu Awanohara, 'Caution to Peking'; op cit.

¹⁶⁹ Interview with David M. Lampton op cit.

¹⁷⁰ An official who worked with Lord during his time as Ambassador reasoned that Lord was "...a man of high intelligence and moral standards..." capable of determining his own mind regarding China. Susumu Awanohara, 'Caution to Peking'; op cit.

committed to the relationship reflected many aspects of the Clinton campaign stance on China policy.¹⁷¹ It is not surprising therefore that Lord met with Clinton and Richard Holbrooke to discuss China policy on September 8. Nevertheless, Lord had previously been critical of the candidate's handling of foreign policy during the presidential campaign. Describing Clinton's marginalisation of the issue as "...somewhere between disturbing and appalling...", Lord highlighted Clinton's performance in accepting the Democratic Party's nomination for the presidency. Clinton's acceptance speech at the convention was "...the most important speech of his life..." Lord argued, yet he had "...devoted less than one minute out of fifty four to foreign policy...Let's hope the candidates will change their ways and start talking sense..."¹⁷²

Despite such comments, and indeed Lord's long association with the Republican party, Lord met with Clinton in September, and not only became a campaign advisor but President Clinton's Assistant Secretary of State for East Asian and Pacific Affairs. This begs the simple question; why?

Lampton notes that Clinton's stance on China policy was established prior to Lord's participation as advisor.¹⁷³ This does not suggest that Lord may not have informed the

¹⁷¹ Lord also echoed Clinton in asserting that "You cannot separate domestic and foreign policy." Christopher Madison, 'Issue in Waiting'; op cit p.1890.

¹⁷² Ibid.

¹⁷³ Interview with David M. Lampton, op cit.

candidate's thinking on China. For example, in the first presidential debate in St. Louis, Missouri on October 11, Clinton contended that a tough China policy would produce results.¹⁷⁴ While this did not contradict earlier statements, it did resemble the kind of rationale and rhetoric employed by Winston Lord.¹⁷⁵ Similarly, Clinton advisor David Aaron explained that the candidate was prepared to wait for a new, more enlightened generation of Chinese leaders.¹⁷⁶ Such patience was a logical conclusion from Lord's prescriptions for the future of the Chinese regime.¹⁷⁷ However, it is clear that Lord was not the inspiration or architect of Clinton's China policy proposals.

Lord did speak in favour of Clinton's proposals on China, in contrast to the Bush Administration's China policy.¹⁷⁸ Certainly, Clinton's proposals persuaded Lord that he could switch his allegiance to the Democratic Party and their

¹⁷⁴ 'In His Own Words: Clinton on China MFN'; *The China Business Review* op cit p.19.

¹⁷⁵ Bernstein and Munro argue that this rationale reflected Lord's philosophy regarding the future of the Chinese regime. The logic underpinning this approach suggested that a confrontational style such as threatening to or in fact imposing conditions on China's MFN status carried no risk because the present regime was in decline, and thus would not endanger the bilateral relationship in the long run. Indeed, according to Bernstein and Munro; "...it would encourage the reform forces in China waiting to take power, who would then be grateful to the United States for its unfriendliness towards the old regime". *The Coming Conflict with China*; op cit p.96.

¹⁷⁶ William Drozdiak, 'Clinton to Allies: Continuity is the Key'; op cit p.6.

¹⁷⁷ Clinton's proposals to create a Radio Free Asia also echoed Lord's thinking.

¹⁷⁸ Ibid.

presidential candidate.¹⁷⁹ Moreover, Clinton had strong political grounds for employing the services of the former Ambassador. Lord was highly respected for knowledge and experience of Chinese and East Asian affairs across the political spectrum, within Congress, and within Chinese political circles.¹⁸⁰ Thus Lord's association with the Clinton campaign (and later his appointment to Assistant Secretary for East Asian and Pacific Affairs) brought a great deal of credibility to the Clinton China policy platform. As Ted Galen Carpenter notes: "The fact that his views, more or less, corresponded with those articulated by President Clinton during the 1992 campaign made it easier for Clinton to bring him into the foreign policy team."¹⁸¹

Further, his inclusion in the development of Clinton's China policy (up to and including the policy-making process in the spring of 1993) allowed Lord to add substance to Clinton's campaign statements, and provide an authoritative rationale to the threat to make China's MFN status subject to certain conditions.¹⁸² It can be argued that placing China policy in the hands of Winston Lord allow Clinton to concentrate on issues of greater importance to him, such as his ambitious domestic

¹⁷⁹ Interview with Shirley Kan, op cit.

¹⁸⁰ Interview with Shirley Kan op cit, and David M. Lampton, 'China Policy in Clinton's First Year'; op cit p.617.

¹⁸¹ Interview with Ted Galen Carpenter op cit. This view is corroborated by Stephen Yates, interview op cit.

¹⁸² Interview with Frank Jannuzi, op cit.

platform and his economic proposals in particular.¹⁸³ This would certainly be a significant factor in the China policy-making process from the January to the May the following year.

Lord's role also brought the promise of a 'unified' American China policy; a clear policy goal that would be articulated by Clinton after his inauguration.¹⁸⁴ The Bush Administration's post-Tiananmen China policy had been widely blamed for the collapse of the broad Executive-Legislature and bipartisan consensus on the issue.¹⁸⁵ The prospective Clinton Administration did not wish to encounter the legislative battles and controversies experienced by the Bush Administration over China policy and China's MFN status, especially in view of the foreign policy divisions and splits associated with the last Democratic Administration.¹⁸⁶ Therefore the degree to which Clinton's China policy proposals reflected popular views within Congress, and the inclusion and appointment of the respected Winston Lord offered the expectation of a return to consensus.¹⁸⁷

¹⁸³ Interview with James McCormick, op cit.

¹⁸⁴ David M. Lampton, 'China Policy in Clinton's First Year'; op cit p.19.

¹⁸⁵ See for example Spencer S. Griffith, 'Trade and Political Tensions Cloud MFN Renewal for China'; op cit, and William Drozdiak, 'Clinton to Allies: Continuity is the Key'; op cit. The Bush Administration placed the blame on Congress and the Democrats in particular.

¹⁸⁶ Interview with Edward Gresser op cit, and interview with Dr. Ronald Montaperto op cit.

¹⁸⁷ The importance of a 'unified' China policy to the Clinton Administration will be discussed in greater detail at a later stage.

Another related explanation for Lord's collaboration with the Clinton team is provided by Lampton.¹⁸⁸ He suggests that Lord had a strong ambition to serve in the higher levels of government, and that a Clinton election would provide him with that opportunity. Lord's outspoken criticism of the Bush Administration's China policy, and his dissociation from the Republicans meant that Lord would have to serve in a Democratic Administration if he was to fulfil his desire. The fact that the Clinton campaign's stance on China reflected many of his own views obviously facilitated Lord's ambition. This argument is echoed by an experienced China analyst who reasoned: "When he joined their side, he was probably rewarded with an Assistant Secretaryship."¹⁸⁹ Lampton notes that Clinton will have welcomed the support and participation of Lord. Lord was a respected figure, in both diplomatic and literary arenas, who was recognised for his commitment to human rights and a measured US China policy. His post-1989 rhetoric on China complemented Clinton's campaign statements, and Lord's political background would embellish Clinton's intentions to govern from the centre and to establish a bipartisan, consensual China policy.¹⁹⁰

¹⁸⁸ Interview op cit.

¹⁸⁹ Interview with Shirley Kan op cit.

¹⁹⁰ Lampton also emphasises the pernicious consequences of Clinton's employment of Lord, arguing that in joining the Democrats, Lord effectively put himself into a political limbo. He was distrusted by the Republicans due to his service to the Democrats while he was distrusted by the Democrats because of his Republican pedigree. This 'isolation' would weaken his position in the Clinton State Department. Interview with David M. Lampton op cit.

The broad coalition that supported Clinton's stance on China, that favoured conditionality of China's MFN status, and that argued for the promotion of human rights in US China policy welcomed the participation of Lord. As stated, his role as advisor consolidated Clinton's promise of a tougher US China policy (particularly in the area of human rights), and his appointment in the New Year as Assistant Secretary for East Asian and Pacific Affairs heralded the implementation of this new policy. Mike Jendrzeczyk of Human Rights Watch: Asia appreciated news of Lord's nomination to the State Department: "He certainly brings to the job knowledge of China which Clinton will need."¹⁹¹ Indeed, Lord's testimony at his nomination hearing was regarded as a significant breakthrough for the pro-linkage lobby. They were enormously encouraged to hear someone with Lord's experience, with direct responsibility for US China policy, provide a powerful argument for linkage and the conditioning of China's MFN status.¹⁹²

Lampton highlights the new Assistant Secretary of State's leading role in the formulation of the Clinton Administration's decision to renew China's 1993 MFN status, but make its 1994 extension subject predominantly to human rights concerns.¹⁹³

However, attention must be brought to the fact that Winston Lord rejects the view that Clinton committed himself to

¹⁹¹ Susumu Awanohara, 'Caution to Peking'; op cit.

¹⁹² Interview with Mike Jendrzeczyk op cit. Lord's role in the China policy-making process is discussed in the next chapter.

¹⁹³ David M. Lampton, 'China Policy in Clinton's First Year'; op cit p.17.

conditioning China's MFN status during the campaign, while acknowledging the existence of a linkage strategy.¹⁹⁴ In other words, Lord argues that Clinton wanted to establish conditions for the renewal of MFN status (the 1994 decision), but at a modest level that the Chinese could meet so as not to realistically threaten its MFN status. This perhaps reveals more about Lord's view of conditionality, and the true meaning behind Clinton's statements regarding linkage, certainly towards the end of the campaign. This is understood in the context of Lord's advisory role during the latter stages of the campaign, his predominant role in the formulation of the Executive Order of May 26 1993, and Clinton's lack of involvement in the China policy-making process until the very last. From another angle, Lampton describing the spring 1993 policy-making process suggests: "Lord, who had briefed candidate Clinton during the campaign, was presumed to be fully acquainted with the president's orientation."¹⁹⁵

This is not to suggest that Winston Lord, like Clinton, was motivated more by political factors in advocating linkage and MFN conditionality. Lord had been consistent in insisting upon the pursuit of a long-term, progressive relationship with China, working both on the areas of contention and the areas of mutual interest simultaneously.¹⁹⁶ He had advocated some form of

¹⁹⁴ Interview with Ambassador Winston Lord op cit.

¹⁹⁵ David M. Lampton, 'China Policy in Clinton's First Year'; op cit p.19.

¹⁹⁶ Lord is explicit in defending this point. Interview with Ambassador Winston Lord op cit.

linkage in US China policy (his proposals evolving as the China debate and the US-China circumstances evolved) long before the opportunity to join the Clinton campaign arose. He had also stuck by his belief that the days of the current Chinese Communist Party regime were numbered; and that a more assertive US China policy, incorporating a strategy of linkage could promote the protection of human rights, the process of reform, and greater Chinese responsibility in international affairs.

While Clinton recognised the value in acquiring the services of Winston Lord, he did not necessarily share Lord's perspectives and commitments. Clinton's deeper sensitivity to political and electoral factors in overseeing the overall direction of China policy would undermine Lord's role as Assistant Secretary of State, particularly in the first two years of the Administration. Retrospective views of Lord's performance regarding China policy are mixed, but it is widely recognised that the White House was following a different, more politically inspired agenda.

The Political Implications of Clinton's Wider Consultations

Clinton understood the political appeal of adopting Congressional initiatives on China policy, of contributing his stance on China to the definition of his foreign policy platform (especially viz-a-viz President Bush), and of inviting the participation of advisors such as Winston Lord. Clinton's desire to court certain advisors, individuals and institutions

that could assist in his fight for the presidency also highlight the importance of political motivations, and their implications for his proposals on China policy. These implications take two forms. Firstly, Clinton might be persuaded to appear to adopt a certain stance if it would secure him critical support. Secondly, and more significantly, Clinton would not feel obliged to adhere to this stance (or commit himself too strongly to this stance) if doing so would discourage critical support.

An illustration of the former calculation is Clinton's ingratiating with the American Federation of Labour - Confederation of Industrial Organisations. The AFL-CIO were explicit in their opposition to the renewal of China's MFN status. As Rudolf A. Oswald, Director of their Department of Economic Research explains:

"We strongly believe that this privilege should be revoked at the earliest possible moment because it is harmful to both China and the United States...Our central concern...is that MFN status contributes directly to the Chinese government's brutal repression of China's working men, women and children."¹⁹⁷

¹⁹⁷ Pamela Baldinger, 'MFN: Sorting Out the Issues'; *The China Business Review* vol.18 issue 4 July-August 1991 p.13. One senior China analyst explains the CIO-AFLs opposition as both economic realism (the threat of Chinese manufacturers) and ideological (illustrated by its history as one of the most anti-Soviet institutions in the US). Interview with Richard Bush op cit.

The former president of the AFL-CIO was senior Democrat and leader of the Senate George Mitchell, a key actor of attempts in Congress to revoke or condition China's MFN status. Clinton not only required the support of Mitchell to secure the Democratic nomination (and Mitchell's cooperation if and when Clinton secured the presidency), but he also required the support of the AFL-CIO. Elaine Sciolino observes of Clinton that;

"...his views on China were shaped as much by immediate political needs as by geopolitical strategy. The Senate majority leader, George Mitchell of Maine, and the AFL-CIO favoured using the threat of withdrawing 'most-favoured-nation' benefits for China if it did not improve its human rights record. Candidate Clinton, who needed their support to win the Democratic Party nomination, was not about to contradict them."¹⁹⁸

In a similar vein, the espousal of a strongly human rights-focused policy such as conditionality of China's MFN would appeal to the traditional liberals who dominated the Democrat's presidential campaign primaries. It must be acknowledged that Clinton's political philosophy appeared to include the assertion that traditional liberal issues could be defended and implemented from a centrist platform.¹⁹⁹ However,

¹⁹⁸ Elaine Sciolino, 'Clinton and China: How the Promise Self-Destructed'; *New York Times* May 29 1994 Sec. 1 p.1.

¹⁹⁹ See for example Leslie H. Gelb, 'Clinton: For a
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as Ted Galen Carpenter argues, the liberal voters in the Democratic primaries would not be inclined to vote for someone like Clinton, who they would regard as "...another bland, moderate, Southern, Democratic governor, certainly not a true believing liberal."²⁰⁰ Clinton's China policy, amongst other foreign and domestic proposals, would help to convince such voters that he was a candidate worth backing. Indeed, such a strategy would elicit the support and the confidence of those at the other end of the political scale, the Democratic Party establishment in Washington. The Clinton campaign portrayed an image of a man outside the politics of Washington, who was directly responsive to voters' needs. Nevertheless, Clinton needed the approval of the establishment if he was to win both the nomination and the presidency.²⁰¹

The political utility of Clinton's stance on China, namely the threat to condition China's MFN status, is clear. This perspective in itself does not prove that Clinton did not have genuine strategic and philosophical reasons for declaring such a stance. However, this must be weighed against Clinton's greater interest in the geo-economic pillar of US foreign policy, and indeed his overriding desire to clinch the presidency. Put another way, this raises the question of whether Clinton would commit himself entirely to a

Centrist Foreign Policy'; op cit.

²⁰⁰ Interview with Ted Galen Carpenter, op cit.

²⁰¹ See for example, Colin Campbell and Bert A. Rockman (eds), *The Clinton Presidency: First Appraisals*; Chatham House Publishers (New Jersey) 1996 p.329, and Howard Fineman and Ann McDaniel, 'Can He Beat Bush?'; *Newsweek* March 30 1992 pp.22-23.

confrontational China policy if doing so would lose him valuable friends and support.

The candidate reiterated time and again his commitment to a new geo-economic strategy for America, that would stress the importance of US competitiveness in an expanding global market place. Clinton promised that his Administration would raise awareness and consideration of US economic interests in all policy areas.²⁰² Naturally, this was welcomed by many in the business community and won him many influential friends; Bill Gates of Microsoft amongst them. Furthermore, this redefinition of US foreign policy reflected the thinking of Clinton's confidant, Ron Brown.

Ron Brown played a critical role in Clinton's victorious presidential campaign, and was appointed Secretary of the Department of Commerce in the Clinton Administration. Stephen Yates goes as far as to say:

"Bill Clinton owed his presidency to no one other person than Ron Brown. He would never have been elected were it not for Ron Brown...I think that you can't underestimate Ron Brown's personal influence over Bill Clinton; much more than any lobbyist, much

²⁰² For example Clinton promised to establish an economic equivalent of the National Security Council, the National Economic Council, whilst also establishing a Council of Economic Advisors. For an in depth study of this aspect of the early stages of the Clinton presidency, see Michael Cox, *US Foreign Policy After the Cold War: Superpower Without a Mission?*; The Royal Institute of International Affairs, Chatham House Papers, Pinter (1995), Chapter Three, 'From Geopolitics to Geoeconomics? Competing in a Global Economy'.

more than any potential contributor."²⁰³

Ted Galen Carpenter agrees with this view, and highlights Brown's political skill and sensitivity:

"I've always described Ron Brown as Bill Clinton's permanent campaign manager, who happened to be Secretary of Commerce; and Brown was always aware of the political requirements..."²⁰⁴

Brown also possessed a clear vision of post-Cold War US foreign policy, that is explicitly evident in Clinton's campaign platform. Stephen Yates observes:

"He saw pushing commercial diplomacy as a breakthrough. It was a break with the past, its not this old Cold War diplomacy. We're in a new age, we'll put commercial diplomacy out there."²⁰⁵

Clinton's threat to condition, and thus revoke China's MFN status appeared to contradict this geo-economic strategy, in that it threatened to sacrifice US economic interests and a wider foreign policy agenda for the pursuit of human rights and other areas of progress in China. China offered unparalleled

²⁰³ Interview with Stephen Yates op cit, (emphasis original). Praising the political qualities of Ron Brown, Yates explained; "He is the epitome of a politician who could shake your hand and stick his foot up your rear-end at the same time..."

²⁰⁴ Interview with Ted Galen Carpenter op cit.

²⁰⁵ Interview with Stephen Yates op cit.

market opportunities for the US, and was fertile ground both for US economic interest and commercial diplomacy. Brown, as Secretary of Commerce, would later stress this line of thinking.²⁰⁶ This raises the question of why Clinton adopted a China policy that appeared to contradict the thinking of his closest political advisor. It is likely that Brown understood the political and electoral benefits to be accrued from appearing to advocate such a stance, while arguing that it would not be in US interests to implement the corresponding policy in an absolute and inflexible manner. In other words, Clinton could appear to promise such a policy during the election, but find a way out of it once in the White House.

This had led to the suspicion that Clinton was never sincerely committed to the threat to condition and thus revoke China's MFN status. Indeed, having advocated such an approach, he was simultaneously looking at ways to avoid implementing such a policy without appearing to break manifesto promises. Politics was all.

As will be seen later, proponents of this view point to the contradictions between Clinton's China policy and his wider foreign policy agenda, the ambiguity and flexibility contained in the Executive Order of May 28, the Administration's conduct of China policy up to delinkage of human rights from China's MFN status on May 26 1994, and the degree to which the Clinton

²⁰⁶ Michael Cox notes that as Secretary of Commerce, Brown adopted a pro-business community, pro-MFN position on the issue of China's MFN status. Michael Cox, *US Foreign Policy After the Cold War*; op cit Chapter Seven, 'The United States Meets the Pacific Century' p.92.

White House responded to polls and political calculations in general.²⁰⁷ There is now a widespread consensus regarding the extent to which China policy under Clinton, at least for the first two years of his Administration, was run from the White House rather than the State Department. Therefore, while the pro-linkage stance was electorally advantageous, the political (and strategic) costs of the Administration's handling of a linkage-based China policy through 1993-1994 convinced Clinton's political advisors that delinkage and engagement with the Chinese was indeed the best option.²⁰⁸

Conclusion

This chapter has argued that Clinton's campaign proposals for China policy, and thus the stance he carried into his Administration, were defined primarily according to political calculations. The threat to condition China's MFN status, the promise to establish a Radio Free Asia, and the pledge to elevate the issue of human rights in the pursuit of a broad

²⁰⁷ Mike Jendrzeczyk is convinced that the Administration (or more specifically the White House at least) had already decided to delink China's MFN status from human rights and other conditions *before* issuing Executive Order 125890, the policy document that established such linkage. Interview with Mike Jendrzeczyk op cit.

²⁰⁸ For example, David M. Lampton reports that prior to the 1994 MFN decision to delink, Clinton's longtime personal political advisor George Stephanopoulos argued for delinkage. While Stephanopoulos personally favoured a tough China policy (the implication being that he favoured linkage), he advised the President to delink for political reasons. David M. Lampton, 'America's China Policy in the Age of the Finance Minister'; op cit p.617.

range of US interests in China brought Clinton several electoral advantages. This stance aided Clinton's nomination as the Democratic candidate for the presidency, with regard to the voters in the primaries, the support of influential individuals and institutions, and the backing of the Democratic establishment in Washington. It helped to define the normative foundations of Clinton's wider foreign policy agenda, and more specifically, established significant symbolic and political differences between himself and the incumbent George Bush. The stance was popular with the Democratic majority in the House of Representatives, popular with influential Senators, and popular with the American public. Further, to offset accusations that Clinton was ignorant of international affairs, his stance had the backing of influential, respected and high-profile individuals and groups.

The fact that a certain policy stance is popular, or that it brings with it electoral advantages, does not make it ill-conceived. There were many, including Winston Lord, who on the basis of their expertise in US-Chinese affairs, US foreign policy and their ethical concerns believed that some form of linkage could work. Indeed, some experts argued that the US possessed a greater degree of leverage over China than the Bush Administration was willing to use.²⁰⁹

One commentator cited three reasons to be optimistic about Clinton's China policy proposals.²¹⁰ The first, as Lampton had

²⁰⁹ Amy Borrus et al, 'The World Sizes Up Clinton'; op cit p.31.

²¹⁰ Gerald F. Seib, 'Clinton May Have Edge in China Policy: 266

pointed out, concerned the fact that Clinton was consistent in both his tough rhetoric and his general approach to China (though his specific proposals evolved throughout the campaign and were ambiguously framed). According to this logic, the Chinese were more likely to take Clinton's threats more seriously than Bush who had made public his determination to preserve a good bilateral relationship; that is to say the Chinese did not necessarily feel the need to make improvements in their human rights performance. Secondly, it was in China's economic and national interests to maintain the development of its trade and economic relationship with America, an argument presented by Winston Lord amongst others. Thirdly, Clinton could enjoy the prospect of a Democratic majority in both Houses of Congress, who in the case of the lower House boasted a majority of members generally in favour of Clinton's China policy stance. This presumably would give the President the political will, trust and flexibility with which to pursue his declared policy. A correlatory advantage was the fact that the majority of American citizens favoured Clinton's tougher approach to China. Whilst tradition suggested that the average US citizen had little interest in foreign affairs, this is a good news for any politician, particularly one that devoted so much attention to the poll ratings. This positive appreciation of Clinton's proposals also reflected the degree to which his China stance contributed to the redefinition of US foreign policy in the post-Cold War world. Clinton's China policy and

President-Elect's Tough Stance Could Make Beijing More Cooperative'; *Asian Wall Street Journal* November 18 1992 p.1.

wider foreign policy platform provided a normative momentum to the debate concerning US global interests in this new era.²¹¹ However, a note of caution was added to the reasons for optimism:

"The test for Mr. Clinton is to show that deft diplomacy can bring changes in Chinese behaviour not only in world affairs, but on human-rights matters that hit far closer to home for the Chinese leadership."²¹²

This would prove to be a prophetic warning. The Clinton Administration's (mis)handling of China policy, especially May 1993 to May 1994, would create splits within the Executive, incur derision from within Congress, and facilitate the collapse of credibility in the policy.²¹³ The fact that Clinton established a policy primarily according to political rather than strategic calculations provides a highly significant explanation for the Administration's errors in implementing the policy.

While a logical rationale could be provided for the strategy of linkage itself, the threat to place conditions on

²¹¹ Interview with Shirley Kan op cit.

²¹² Gerald F. Seib, 'Clinton May Have Edge in China Policy'; op cit.

²¹³ Explaining the rationale behind a China policy founded on a strategy of linkage, Bernstein and Munro argue: "It was a logical assumption, and it might even have proved to be true had China not played the game more skilfully and with far greater clarity of purpose than Clinton did." *The Coming Conflict with China*; op cit p.96.

China's MFN status appeared to contradict Clinton's economic proposals and US economic interests.²¹⁴ A president (-elect) with such a strong commitment to trade and market-orientated growth would not fail to notice the scale of US-China trade when the figures were announced in January 1993.²¹⁵ Furthermore, and despite the on-going debate concerning America's post-Cold War interests, Clinton had to weigh the pursuit of human rights with the broad range of other US interests in China, security chief amongst them. The candidate's threat to condition and revoke China's MFN status implied an overwhelming concern for human rights in US China policy-making, although Clinton's statements by the autumn of 1992 suggested an intention to link MFN renewal to issues of trade and proliferation also. While opinions differed as to the most appropriate way to protect US security interests in China and the East Asian region, a significant body of thought argued that this aspect of foreign policy remained the most important consideration in the post-Cold War world. Analysts highlighted China's role in the UN Security Council, the regional security balance, and the

²¹⁴ This argument is an important feature of the wider debate on engagement with China. It differs from the assertion that the pursuit of human rights can be compatible with pursuit of trade, depending on the nature and the measure of human rights progress. Interestingly, Lord does not share this view exactly, arguing that the pursuit of human rights must often be weighed against not only trade but security, the environment, global politics and other issues. Interview with Winston Lord, Assistant Secretary of State for East Asian and Pacific Affairs 1993-1996, November 7 1993, New York.

²¹⁵ One Washington official is reported as saying that the figures might focus Clinton's mind on China's expanding trade surplus with the US. Nayan Chanda, 'Distant Thunder'; *Far Eastern Economic Review* November 19 1992 p.15.

proliferation of weapons of mass destruction, while noting the growing capabilities of the People's Liberation Army.²¹⁶ In fact in the latter stages of the campaign as his statements on China became a little more ambiguous, Clinton acknowledged the broader range of US interests in China. Clinton qualified his promotion of human rights and democracy in foreign policy arguing:

"That does not mean we can force every ideal...on other people. Our actions must be tempered with prudence and common sense...[for example when]...security needs or economic interests...diverge from our commitment to democracy and human rights."²¹⁷

Although Clinton insisted that he did not want to isolate China, opponents of linkage insisted that China's stature and influence in regional and global security negated the wisdom of the candidate's proposals. One former China analyst at the Department of State went further, insisting that linkage could

²¹⁶ There is a wealth of material on these issues but see for example Richard Bernstein and Ross H. Munro, 'China Versus America: A War Game' and 'Coping with China', Chapter Eight and Conclusion in *The Coming Conflict with China*; op cit, Harry Harding, 'Redesigning American China Policy', Chapter ten in *A Fragile Relationship: The United States and China Since 1972*; Brookings Institution (Washington D.C.) 1992, Martin L. Lasater, 'An American Strategy for Asia in the 1990s'; *The World and I* March 1992, Dorinda Elliott, Melinda Liu, Kari Huus and Charles H. Lef, 'Pssst! Wanna Buy a Missile?'; *Newsweek* September 6 1992 p.20, and Gerald Segal, 'Take Care in Reworking Asia Policy'; *International Herald Tribune* November 6 1992.

²¹⁷ Susumu Awanohara, 'President Clinton'; op cit p.11.

never succeed given the breadth and importance of US interests in China.²¹⁸ Stephen Yates explains the existence (and Clinton's tolerance) of this tension, arguing:

"He doesn't set priorities, he writes lists; and he wants it all...It is not a question of needing human rights, or national security, or economic competitiveness; we should have it all right now."²¹⁹

This perception of Clinton's attitude towards China policy (and foreign policy in general) concerned many in the foreign policy community. Although Clinton had attempted to redefine US national interests in the post-Cold War world, he had neglected to define a clear hierarchy of interests.²²⁰ The failure to articulate a clear hierarchy of US interests in China would serve to undermine his China policy, particularly in its first year of implementation. It is also worth noting that despite the domestic popularity of the policy of conditional MFN, no other state (nor even Taiwan) advocated such a strategy towards China. Despite Clinton's assertion that America would provide global leadership on the issues of democracy and human rights, the international context suggested that in the event of a revocation of China's MFN status, the US rather than China would find itself in isolation.

²¹⁸ Interview with Frank Jannuzi op cit.

²¹⁹ Interview with Stephen Yates op cit.

²²⁰ Susumu Awanohara notes that Clinton failed to present an 'Asia doctrine' during the campaign, to the surprise and frustration of some, leaving the prospects for his policies towards Asia uncertain. 'President Clinton'; op cit.

Nevertheless, domestic politics rather than national and international strategic factors remained the driving force behind Clinton's stance on China. As stated, the popular political climate in America remained very negative towards China. Hence any proposals recommending positive engagement with Beijing would not attract support, and Clinton was not the only presidential contender to recognize this fact.

Furtherstill, what may be generally afforded the term 'China bashing' was also attracting growing support within Congress, itself somewhat responsive to voters' attitudes. Given his ambitious domestic and foreign policy agenda, the difficulties experienced by the Bush Administration over China policy, and the lessons provided by the dichotomous Carter Administration, Clinton highlighted the need for unity and consensus within government. It is not surprising therefore that he pursued the lead on China policy provided by Congress in his attempt to satisfy his many political objectives.

Yet the degree to which Clinton was motivated by political factors caused concern in and outside America, not simply because such a process of policy formulation appeared to neglect crucial strategic factors. Reflecting upon the Clinton Administration's handling of China policy, and making the criticism that it was high on rhetoric and low on substance, Bernstein and Munro note: "The reason for this has to do in part with the ebb and flow of the pressure of public opinion..."²²¹

²²¹ Richard Bernstein and Ross H. Munro, *The Coming Conflict with China*; op cit p.211.

Clinton ran for president at a time when the predominant American view of China, within Congress and society at large, was very negative. The prospect of a president like Clinton formulating China policy (and foreign policy) within such a highly charged political atmosphere caused consternation in Asia. Given Clinton's rhetoric on China, human rights and free and fair trade, and given his failure to enunciate a strategy for Asia during the campaign, Asian officials feared that his Administration would only pay attention to Asia in the event of a crisis.²²² In other words, there was a clear perception that a Clinton China policy would be crisis-driven, and vulnerable to popularist and political demands. The fact that the American public only become interested in foreign affairs in the event of a crisis, with the result that the public debate often lacks due sophistication and consideration, only made this point more significant.²²³

A policy driven by politics, popularism, and crisis was bound to be detrimental to US-China relations, and problematical for the Chinese themselves. Irrespective of whether they represented the government, the business community or the reform movement, the Chinese did not know what to expect from the Clinton Administration. Despite his harsh rhetoric (and Holbrooke's briefing mission), Clinton had given greater attention in his campaign to his commitment to trade and

²²² Nayan Chanda, 'Distant Thunder'; op cit p.15.

²²³ Interview with James L. Robb, Official with the Trade Information Centre and Official with the Asia Business Centre (China Desk), Department of Commerce during the period in question, November 4 1997, Washington D.C.

economic expansion. The rate of growth and volume of US-China trade lent credence to the view that Clinton would not be able to turn his back on the opportunities provided by the Chinese market by revoking its MFN status.²²⁴ In addition, Clinton had declared his determination not to isolate China, and acknowledged the enduring importance of America's security interests in the region.

Considerations of this kind suggested a critical flaw in the linkage strategy endorsed by Clinton and others. A successful linkage strategy required leverage in the bilateral relationship. In other words, America's capacity to prompt change in Chinese behaviour relied upon China's dependence on the US, and China's capacity to resist or ignore America's demands. Who held the greater leverage over who? Clinton's failure to articulate a hierarchy of US interests in China, and the apparent tensions between his China policy and his commitments to economics and security would prompt doubts as to the extent of America's leverage over China.²²⁵

Suspensions that the Clinton China policy would be driven by politics and crisis, and doubts about the credibility of his declared strategy, provoked uncertainty about the future of

²²⁴ The Chinese business community were also divided as to whether Clinton would pursue free trade or protectionism with China. See for example, Susumu Awanohara, 'President Clinton'; op cit.

²²⁵ Winston Lord, for example, believed that the US did possess leverage over China. He believed that the Bush Administration had been negligent in not employing this advantage, instead allowing China policy to drift, with no clear hierarchy or purpose. See Winston Lord, 'Will Bush Support the Chinese People?'; *New York Times* October 6 1991 Section 4 p.17.

China policy and the US-China relationship. Yet Clinton had been explicit in his support for linkage and his threat to condition China's MFN status if certain, most obviously human rights, progress was not made. Indeed it had been one of his clearest and most specific pledges on foreign policy. Moreover, while he had qualified his stance with a recognition of China's strategic and economic importance, his rhetoric left no doubt as to his opinions of the Chinese regime. Clinton appeared to have no option but to condition China's MFN status as promised. A failure to do so would tarnish his political credibility in the early months of his presidency. As Richard Bush noted, prior to the spring 1993 China policy-making process, Congress would also restrict Clinton's room for manoeuvre to some extent.²²⁶ Democrats in the House of Representatives had established an aggressive agenda on China policy, which had attracted the support not only of a growing bipartisan group of members, but all the 1992 presidential candidates with the exception of their chief antagonist, President Bush. Having witnessed the election of a candidate who appeared to share their view on an issue of importance to them, the 'Pelosi-Mitchell' camp could cause trouble if Clinton backtracked from his promises. He had vowed to undertake an ambitious programme of domestic initiatives, and would not relish investing valuable political capital in fighting his own party over China.²²⁷ A backtrack would also give the Republican members the

²²⁶ Richard Bush, 'Clinton and China: Scenarios for the Future; op cit.

²²⁷ Ibid p.20. This factor was reflected in Clinton's
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opportunity to accuse the new President of reneging on his campaign commitments.²²⁸ In Clinton's favour was the fact that he would be faced by a Congress controlled by his own party. Party loyalty, the experiences of the Carter Administration, and the realisation that a Democrat inhabited the White House for the first time in twelve years would bestow Clinton an atmosphere of trust, optimism and flexibility.

The ambiguity in Clinton's China stance also provided a degree of flexibility. Clinton had not outlined in detail the definition of 'progress' he required to renew China's MFN status, nor had he indicated exactly when he would impose conditionality. This of course allowed the possibility that in the five months preceding the deadline for the President's decision on China's trading status, he could be sufficiently convinced of China's progress in the relevant areas that he could decide not to condition or revoke MFN. Again, given the political atmosphere, this would be a brave decision.

Nevertheless, Clinton's standing commitment to MFN conditionality (implying that he would be prepared to revoke it) and the rhetoric in which he framed the commitment could pose enormous problems for America's interests in China. Not only did it contradict his economic proposals (not an impediment to revocation), but it could provoke a highly undesirable reaction from Beijing. China could become uncooperative across a range of areas of US interest, including

determination to establish a consensual, unifying China policy.

²²⁸ Ibid.

global and regional security.²²⁹ Clinton's rhetoric on China, including his description of the Chinese regime as 'brutal thugs' could incite such a reaction anyway²³⁰, despite playing well to an American audience. In this sense, Clinton's China rhetoric could effect a self-fulfilling prophecy, on the back of political motivations.

As Lampton notes, it is not uncommon for highly charged rhetoric to give way to the sobriety of governing, and Clinton was not expected to pursue this form of diplomacy.²³¹ From another perspective, it is natural for issues in an election campaign to be dominated by political and electoral calculations, but it is expected that these would be replaced by strategic considerations once the victor is rewarded with the responsibility of power. This raised a very significant question for China policy, that is illustrated by the degree of confusion concerning expectations of Clinton's likely track. As a former State Department official explains, expectations outside Washington's beltway were of a tough attitude towards China, one that included a readiness to revoke China's MFN status if human rights there did not improve. However, there was an altogether different expectation evident within the beltway, within the State Department and to an extent within

²²⁹ Gerald Segal also warns that MFN revocation would hurt Hong Kong far more than China itself. 'Take Care in Reworking Asia Policy'; *International Herald Tribune* November 6 1992.

²³⁰ Interview with Frank Jannuzi op cit, and Gerald F. Seib and Robert S. Greenberger, 'Foreign Affairs Will Demand Quick Attention From Clinton'; *Wall Street Journal* November 5 1992.

²³¹ David M. Lampton, 'China Policy in Clinton's First Year'; op cit p.10.

Congress. He notes:

"There was a confidence, or maybe a resignation, that in the end Clinton would discover that he was bounded by the same kind of limits on influence that President Bush had had, in trying to affect change through the blunt instrument of MFN."²³²

The question raised was how Clinton could drop his commitment to condition China's MFN status (if the above proved to be true), given both its clarity and the political implications of taking such a decision.²³³ Experienced China analysts and commentators were of the opinion that Clinton would indeed be faced with this dilemma at some point, predicting that his rhetoric would be tougher, but his China policy would ultimately reflect the approach taken by its predecessors.²³⁴ The fact that Chinese government officials also held this view would prove to undermine the credibility of Clinton's linkage strategy, and certainly affect the balance of perceived leverage once the policy was in place.

There were precedents for wholesale reversals in China policy. One Asian diplomat serves the reminder in the *Far*

²³² Interview with Frank Jannuzi op cit.

²³³ As outlined earlier, Mike Jendrzeczyk believes that Clinton was already wrestling with this question during the campaign.

²³⁴ This was certainly the view expressed in Beijing by government officials, and by indigenous and foreign analysts and businesspeople. James McGregor, 'Clinton Prepares to Set Backdrop for Change: Making Sense of China Policy Will Test Victor'; *Asian Wall Street Journal* November 5 1992 p.1.

Eastern Economic Review that Reagan was elected as a pro-Taiwan president, yet he strengthened ties with the mainland while signing the 1982 US-China communique restricting the sale of arms to Taipei. Equally, Bush was recognised for his relationship with the Beijing regime, yet he agreed to sell 150 F16 fighters to Taiwan towards the end of his presidency.²³⁵

The experienced commentator Richard Bush provided an acute prediction of the China policy to be announced in May 1993. Highlighting this scenario from three possible alternatives, Bush argued that Clinton could choose to impose non-legislative conditionality, with the focus on progress in human rights. This would allow Clinton greater flexibility in the conduct of China policy than might be afforded by legislation; for example in allowing the President to assess for himself the satisfactory level of human rights progress. This approach would probably receive the support of the Congress that would be willing to trust a Democrat President promising to get tough with China.²³⁶ Further, a non-legislative approach that required

²³⁵ Nayan Chanda, 'Distant Thunder'; op cit p.16. The sale possessed strong electoral appeal for Bush. It pleased the vocal (predominantly conservative Republican) pro-Taiwan lobby in Congress, and brought positive employment news to the key state of Texas. While appearing to contravene the 1982 communique, the agreement met the terms of the 1979 Taiwan Relations Act. See Richard Bush, 'Clinton and China: Scenarios for the Future'; op cit p.17, and Washington Post editorial, 'Two Sides to 'One China' Policy'; *Los Angeles Times* August 26 1992 p.10.

²³⁶ Richard Bush. 'Clinton and China: Scenarios for the Future'; op cit pp.19-20. Bush was close to the China policy debate at this time and in fact acted as Representative Lee Hamilton's advisor in the MFN 1993 policy-making process in which Hamilton played an influential role. The scenario highlighted by Bush, and adopted by Clinton in the May, reflected his own thinking on the subject, and his own doubts

greater diplomatic subtlety might be less offensive to Beijing and be less of a risk to the bilateral relationship. Finally, and most significantly, this scenario was probably the most politically astute direction to follow. Clinton could adhere to his campaign commitment, forge a consensus with Congress and respond to public sentiment. He would, however, retain control of China policy and the bilateral relationship giving him a clearer opportunity to change tack if he so wished. Of course, Clinton's determination to retain this flexibility would lead to accusations, following his decision to delink MFN from human rights in 1994, that the President had never, genuinely, committed himself to conditionality.

Those governmental agencies and interest groups most closely associated with US China policy and the US-China relationship generally understood Clinton's pledge from the political standpoint. A former State Department official close to the policy-making process explained his agency's view of the commitment: "I think it was pretty much understood that this was for domestic political reasons."²³⁷ Despite his own doubts about implementing a linkage strategy upon such foundations, the official recognised the potential dilemma facing the Administration;

"...nobody who worked on China...in the State Department, or the other government agencies could be certain that when the Clinton Administration came in,

about the credibility of linkage. Interview with Richard Bush op cit.

²³⁷ Interview with Robert M. Perito op cit.

they wouldn't really carry out their campaign promises."²³⁸

Indeed, in spite of the various political pressures on Clinton to adhere to his commitments, the official did perceive an 'attitude change' with the incoming Administration. He attributed this, in part, to the change in Executive-Legislature relations, namely a shift away from the partisan confrontation of the Bush years.²³⁹

The Defence Agencies similarly recognised the political foundations to Clinton's stance on China. In the view of an experienced defence analyst, China policy throughout the campaign and for some time into the Administration, was effectively controlled by Clinton's political advisors. As he notes:

"The linkage, in my view, was never really accepted at the working level...either in D.O.D. [Department of Defence], or the intelligence services as well."²⁴⁰

The views held by the officials of these governmental agencies raise a vital concern. It was clear that whatever the efforts of the new Administration to forge a unifying, consensual China policy, principally amongst top Administration officials and between the Administration and Congress, Clinton

²³⁸ Ibid.

²³⁹ Ibid.

²⁴⁰ Interview with Dr. Ronald Montaperto op cit.

faced underlying opposition from within his own bureaucracy. Interestingly, however, it would be divisions at the elite level of the Administration, and opposition from Congress, that would contribute to the collapse of Clinton's policy of linkage.

The business community also understood the political implications of the Clinton China policy. For those in favour of the renewal of China's MFN status, this was not only an unwise way to formulate policy, but it had resulted in an unworkable policy stance. Cal Cohen of the pro-MFN Emergency Committee on American Trade (E.C.A.T.) argues that it is one thing to espouse a politically appealing stance to a domestic audience, but it is another to base the entirety of the US-China relationship on one issue; the issue of human rights. Of course, whatever the attributes of the human rights-focused linkage strategy, the revocation of China's MFN status (or indeed the threat to do so) would not be in the narrow economic interests of a large sector of the US business community. Nevertheless, Cohen's concern arose also from the realisation that China policy appeared to be in the hands of those with political and electoral, rather than strategic responsibility. Through 1993-94, these concerns became genuine fears for the revocation of MFN. Understanding the political dilemmas facing the President in the run up to the 1994 MFN decision, the business community, led by E.C.A.T., initiated an unprecedented lobbying offensive designed to convince Clinton that he could not afford to revoke MFN, either economically nor politically.

As mentioned, Mike Jendrzeczyk of Human Rights Watch: Asia doubts the degree to which Clinton and his political advisors were ever committed to a genuine strategy of linkage. However, he does not attribute this lack of commitment to all members of the Clinton campaign team, and later, his Administration. Despite his own investigations, and meetings with members of the Clinton Administration, Jendrzeczyk remains unsure whether Clinton's campaign stance was one of political expediency or one of principle. He is confident that certain members of the Administration were committed to implementing a policy of linkage, but their efforts were frustrated by the extent to which China policy was influenced by political advice and political motivations.²⁴¹

At this point, it is worth noting Richard Bush's comments regarding the factors that would influence the President's 1993 MFN decision.²⁴² While some concern strategic and diplomatic considerations, most are vulnerable to political considerations. This poses the question of whether political expediency or strategic principle would determine the nature and conduct of the Administration's China policy, and what their respective implications would be for US-China relations. Bush notes that Chinese behaviour prior to the decision in the areas of human rights, trade, proliferation, Hong Kong and Taiwan could be of influence. This of course depended upon Clinton's yet to be articulated definition of 'progress'. Bush

²⁴¹ Interview with Mike Jendrzeczyk op cit.

²⁴² Richard Bush, 'Clinton and China: Scenarios for the Future'; op cit p.20.

highlights the problem of establishing a coherent and credible set of conditions that would be deemed appropriate for linkage. This problem related not only to the debate concerning the wisdom of conditionality, but also weight the Administration would place on the political importance of consensus and unity. The views presented by the professional civil service, another factor identified by Bush, could either exacerbate or help to resolve this problem. A related ingredient was the individuals appointed by Clinton to his Administration. This too could reflect Clinton's political objectives in a way detrimental to an effective China policy.

The three remaining factors can be interpreted as the most political. These concerned Clinton's personal preferences, the expectations created by his campaign statements, and the approach taken by Congress to China policy (particularly the Democrat-led pro-linkage coalition) under the new Administration.

As this chapter has shown, Clinton's stance on China evolved through the campaign as a response to a variety of domestic political considerations. This is not to suggest that principle did not play role, or that the Clinton team did not include advisors with a genuine commitment to linkage. It must also be remembered that China policy provoked a highly vociferous debate within America. There was little consensus as to China's future, nor to the most appropriate ways for the US

to influence that future.²⁴³ However, Clinton's preoccupation with political and electoral considerations during the campaign would establish a pattern for the formulation and conduct of China policy in the future. From one angle, it might be argued that political expediency had led Clinton to adopt an unworkable and destructive policy. What is clear, is that in building a policy on political foundations, Clinton had created a number of strategic and political tensions that would have to be overcome.

For example, he had committed himself to a policy that appeared incongruous with other domestic and foreign policy priorities. Further, China policy had been one of Clinton's clearest foreign policy commitments. Irrespective of the reason, any deviation from linkage would bring political and diplomatic costs.

As a consequence of his method of policy-making, Clinton had established a China policy in accordance with the political circumstances of the time. A shift in public opinion, or more probably, a shift in Congressional thinking would give the Clinton White House a political headache. Indeed, Clinton's decision to delink in 1994 would bring a heavy political blow to his presidency, despite the fact that he recognised the strategic and political benefits of doing so, and despite the fact that a majority in Congress supported this decision. It is also true tensions could arise between Clinton's political

²⁴³ See Robert G. Sutter, *Shaping China's Future in World Affairs*; Westview Press, Oxford, 1996, Chapter One, 'Shaping China's Future in World Affairs: The Role of the United States'.

preferences. As the 1994 MFN policy-making process would demonstrate, Clinton would have to balance the political implications of renewing, revoking or delinking China's MFN status, with the consequences of this decision on US-China trade reliant jobs in the state of California. Clinton had promised domestic economic expansion and a corresponding boost to employment, and was aware that California was key to his reelection prospects.

In achieving his ultimate objective, to be elected president of the United States, Clinton was now faced with the responsibilities of power and governing. However, he remained acutely vulnerable to political and electoral considerations. The following chapters will illustrate how these factors came into conflict, and how they led, both directly or indirectly, to the collapse of his first China policy.

PART TWO

THE POLITICS OF THE CLINTON ADMINISTRATION'S CHINA POLICY 1993 - 1996

CHAPTER FIVE

THE CLINTON ADMINISTRATION ESTABLISHES LINKAGE IN CHINA POLICY THE 1993 MFN DECISION AND EXECUTIVE ORDER 12850

Clinton entered the White House with three primary objectives for China policy. He had determined that his policy toward China would be founded on a strategy of linkage, would be built upon a platform of unity and consensus, particularly with Congress, and that the Administration would retain some degree of flexibility in the conduct of foreign policy.

It was not hard to justify the pursuit of these objectives. Firstly, many senior sinologists, including former Ambassador to Beijing and new Assistant Secretary of State Winston Lord, advocated a strategy of linkage tied to China's MFN status. Further, the greater resolve shown by the Bush in the latter months of his Administration had demonstrated that a 'carrot and stick' approach using targeted sanctions could secure progress from Beijing.¹ China's dependency on American trade and investment suggested that linkage, through MFN conditionality, could be a productive policy tool.

Secondly, the experiences of the Carter and Bush Administrations highlighted the detrimental effects of disunity. A number of Clinton's senior appointees, including

¹ David Zweig argues that Bush's carrot and stick approach had worked because economic sanctions had been threatened on economic, rather than normative issues. David Zweig, 'Clinton and China: Creating a Policy Agenda That Works'; *Current History* vol.92 no.575 September 1993.

new Secretary of State Warren Christopher, had witnessed the impact of bureaucratic divisions on both the strategic and political aspects of Carter's presidency. China policy under Bush had endured critical political standoffs between the Administration and Congress. There was a feeling in Washington that with the election of a president who had pledged his support to the prevailing view in Congress, led by members of his own party, that consensus on China policy would return.² Indeed, one senior China analyst at the State Department's China Desk recounts that there was an attitude change with the incoming Administration, that indicated a desire to move beyond partisan politics.³ Moreover, the establishment of unity and consensus would serve the domestic legitimisation of China policy. This would bolster Washington's credibility and bargaining power with Beijing, and afford the Administration greater trust and flexibility in the management of Sino-American relations.⁴ Ted Galen Carpenter notes that all presidents wish to maximise their flexibility to control policy, and in particular foreign policy.⁵ Clinton, like Bush,

² Interview with Richard Bush, former professional staff, Subcommittee on Asian and Pacific Affairs of the House Foreign Affairs Committee, October 29 1997, Washington D.C.

³ Interview with Robert M. Perito, November 10 1997, Washington D.C.

⁴ For example see Rosemary Foot, *The Practice of Power*; Clarendon Press (Oxford, 1995) p.84 and Tan Qingshan, *The Making of US China Policy*; Lynne Rienner Publishers (London, 1992) p.18.

⁵ Interview with Ted Galen Carpenter, Vice-President, Foreign Policy and Defence Studies, CATO Institute, November 6 1997, Washington D.C.

did not want to be restricted by legislative imperatives imposed by Congress.⁶

Nevertheless, while Clinton's underlying objectives for China policy appeared prudent, they were primarily motivated by political rather than strategic considerations. As this chapter will explain, this led to a flawed policy-making process. As a consequence, Clinton's first China policy, as defined by his May 1993 recommendation on China's 1993 MFN status, and the accompanying Executive Order 12850 and other documents, was also flawed. The Clinton presidential election campaign had overwhelmingly suggested that the candidate's impetus came from politics not principle.⁷ This chapter will show how Clinton carried this impulse over from his election campaign into the White House, and the implications this had for China policy. This it will also show how, in the spring of 1993, Clinton established a politically-orientated pattern of China policy-making that would undermine US relations with the People's Republic of China over the subsequent three and more years.

MFN 1993: Policy-Makers and the Policy-Making Process

The three key objectives of the policy-making process toward the necessary MFN 1993 recommendation were, as stated, the adoption of linkage, the forging of consensus, and the

⁶ Interview with Richard Bush op cit.

⁷ The fact that an election campaign is dominated by political calculations is hardly surprising. However, Clinton had based one of his most explicit foreign policy pledges on short-term political rather than strategic considerations.

retention of Executive flexibility. Despite Clinton's explicit pledges on linkage and conditionality, most officials and analysts understood that this had been a politically-informed promise.⁸ However, it was by no means certain whether Clinton would impose conditionality immediately on MFN 1993, or target MFN 1994 for sanctions if certain progress had not been made.⁹ What became clear was that given the President's less than convincing performance in both foreign and domestic policy at the start of his term of office, he could not afford to retreat from his commitment to linkage. The president's political advisors were clear on this point.¹⁰

The appointment of Winston Lord as Assistant Secretary of State for East Asian and Pacific Affairs appeared to suit Clinton's objectives perfectly.¹¹ Lord, a highly experienced US-China diplomat, was well respected in Congress and Beijing.¹² He was a renowned advocate of linkage and MFN conditionality who placed enormous stress on the value of presidential leadership and domestic consensus on China policy. As one Congressional staff member working on China policy at this time observes,

⁸ This is a point on which most commentators, in and outside government, representing all sides of the argument, agreed.

⁹ Interview with Frank S. Jannuzi, former China specialist, US Department of State, November 12 1997, Washington D.C., and interview with Robert M. Perito op cit.

¹⁰ Interview with Richard Bush op cit.

¹¹ See previous chapter for Lord's role in Clinton's election campaign, and the benefit to both of his appointment.

¹² Interview with Shirley Kan, Analyst in Foreign Affairs, Congressional Research Service, November 5 1997, Washington D.C.

Lord provided the outline of a ready made policy that suited Clinton's election pledges, and allowed the President to concentrate on issues that really mattered to him, such as the economy. The staff member argues:

"Lord tried to make intellectually credible a policy that would appeal at one and the same time to the President in the White House, and Capitol Hill; a 'magic bullet'." ¹³

The National Security Council (NSC) initiated the China policy-making process towards the end of January, by instigating a Presidential Review Directive (PRD).¹⁴ This process established an inter-agency working group, led by the State Department, which in the case of the PDR on China included the NSC, the Central Intelligence Agency (CIA), Departments of Defence, Treasury, and Commerce, the Office of the US Trade Representative, and the Office of the Vice President. The first draft China policy produced by the working group was completed by the third week in February. For the next three months the working draft was subject to consultation

¹³ Interview with James W. McCormick, former professional staff on the Subcommittee on Asian and Pacific Affairs of the House International Affairs Committee, November 7 1997, Washington D.C. Ted Galen Carpenter concludes that Lord was appointed to provide credibility, rather than inspiration. Interview with Ted Galen Carpenter op cit.

¹⁴ David M. Lampton provides an excellent description of the policy-making process toward MFN 1993 and the presentation of the Executive Order in David M. Lampton, 'China Policy in Clinton's First Year', Chapter Two in James R. Lilley and Wendell L. Willkie II (eds), *Beyond MFN: Trade with China and American Interests*; The American Enterprise Institute Press (Washington D.C., 1994).

amongst the participating agencies, often at principal and deputy principal level. The draft also received amendments pursuant of State Department talks with Beijing representatives and consultations with Congress (discussed below), a feature of the policy-making process that improved on that of Bush according to Lampton.¹⁵ Through this wider consultation the PRD aimed to maximise consensus with Congress and to design a policy with which the People's Republic could realistically comply. It is also through this wider consultation that the decisions were made to retain the President's authority in China policy through the use of an Executive Order, and to drop the issues of trade and weapons proliferation from the Order's conditionality.

Although Clinton's criticism of the Bush Administration's China policy had been one of his most clear and consistent foreign policy platforms during the presidential election, the Presidential Review Directive on China received a relatively low priority on the Clinton foreign policy agenda. There were perhaps at least ninety PRDs on foreign policy in progress during the first four to five months of the new Administration.¹⁶ The PRD on China only received significant attention at broad senior levels around mid-May, as the deadline for the MFN decision approached. This was an early indication of the Administration's lack of commitment to China policy at the highest levels, and the lack of support

¹⁵ Ibid pp.17-18.

¹⁶ Ibid p.17.

subsequently given to the Assistant Secretary of State for East Asian and Pacific Affairs.

Winston Lord was not confirmed in his position as Assistant Secretary of State until April 9, with hold-over Assistant Secretary William Clarke assuming the chair of the PRD in the meantime. However, it is clear that Lord provided the overwhelming policy thrust behind the policy-making process.¹⁷ This was candidly revealed by Warren Christopher on March 30, when he stated:

"The general approach that Winston Lord is recommending is the one that we'll be following...That is to try to use MFN to encourage better performance, better conduct in China."¹⁸

THE THREE-TRACK CONSULTATION PROCESS

Lord pursued three tracks of consultations in the policy-making process; inter-agency discussions primarily within the framework of the PRD, consultations with Congress, and negotiations with the Chinese. There is little doubt that Lord and senior officials at the State Department dominated the process within the Administration, backed by political advisors in the White House.¹⁹ Two main reasons suggest why this was the

¹⁷ Interviews with Robert M. Perito and James W. McCormick op cit.

¹⁸ Hearing before the Subcommittee on Foreign Operations of the Senate Appropriations Committee, Washington D.C., March 30 1993.

¹⁹ Interview with Richard Bush op cit.

case. Firstly, Lord had the role of transforming Clinton's election pledges, and his own recommendations, into policy. Given the political necessity of adopting a policy of linkage, Lord possessed the political power to govern the process at this time. Secondly, other senior officials and departments had their own priorities and agendas. The Secretary of State was preoccupied with the conflict in the former Yugoslavia, Somalia, and Haiti, as well as his own priorities.²⁰ The NSC also had its hands full with the imperatives of the former Yugoslavia, North Korea and so on, and as a consequence, National Security Advisor (NSA) Anthony Lake was not closely involved in the policy-making process until May. Lake had to delegate responsibility for China to his Deputy, Sandy Berger, and assistants Nancy Soderberg and Kent Wiedemann. Wiedemann had strong experience of China while Soderberg was known to be very sympathetic to the human rights issue.²¹

The newly augmented Department of Commerce, under the dynamic leadership of Ron Brown, was known to oppose linking China's trade status to conditions.²² However, the Department had its own task list, implementing Clinton's geo-economic vision of foreign policy. Similarly, the new National Economic Council (NEC) under the stewardship of Robert Rubin, and

²⁰ For example the Middle East Peace Process, the North Korean nuclear programme, and the civil reconstruction of Cambodia.

²¹ David M. Lampton, 'China Policy In Clinton's First Year'; op cit p.18.

²² Interview with Stephen Yates, China Policy Analyst, The Heritage Foundation, November 5 1997, Washington D.C. Yates served as an assistant to Secretary Ron Brown.

assistants Bowman 'Bo' Cutter and Michael Punke, and the Treasury Department under Lloyd Bentsen had large domestic economic agendas.

The political imperative of establishing a China policy based upon linkage and consensus naturally awarded its advocates the balance of power within the policy-making process. Lord, Christopher and other senior state officials favouring these objectives also held the institutional reins of the PRD process. They were supported by NSC officials, with the blessing of Anthony Lake who was known to possess an almost missionary-like zeal to challenge and change China.²³ This camp was shadowed by Clinton's political advisors in the White House, many of whose personal beliefs as well as political sensitivities led them to press strongly for linkage.²⁴

While making their representations heard, officials that favoured a different approach to the PRC had little influence on the policy outcome. The economic agencies, backed by the powerful business lobby, warned that MFN conditionality would harm US and bilateral commercial interests.²⁵ The subsequent complaints of the business community that their views received insufficient attention within the policy-making process reflect

²³ Interviews with David M. Lampton op cit and Ronald N. Montaperto, Senior Fellow, National Defence University, November 12 1997, Washington D.C.

²⁴ Ibid (Montaperto). One of the leading figures in this respect was George Stephanopoulos. See for example 'Curious George'; *Economist* April 2 1994 p.52.

²⁵ Interview with James L. Robb, former China Specialist at the Asia Business Centre, US Department of Commerce, November 4 1997, Washington D.C.

the impact of their arguments.

Perhaps the most frustrated officials belonged to the Defence and Intelligence agencies. To begin with, their influence in the China policy-making process had been circumscribed since the June 1989. It was not yet thought acceptable for Pentagon officials to restore their links with the Chinese military, given the latter's role in the Tiananmen's violent repression. Nevertheless, Defence Intelligence Agency (DIA) and CIA contentions that attention ought to be drawn to China's continuing proliferation of nuclear and conventional weapons and technology were resisted by others within the Administration. In particular, intelligence experts in the State Department disputed evidence presented by their defence colleagues.²⁶ Further, the Department of Defence felt that its arguments regarding China's importance to regional and global security fell on deaf ears.²⁷ While such officials took hardheaded and often cynical view of the PRC, most believed that engagement with Beijing, and with the Chinese military was necessary and America's national interests, and they concluded that MFN conditionality would be to the detriment of that objective. However, their advice was overruled by political advisors in the White House. One senior defence analyst recalls:

"There certainly was the feeling that they weren't listened to. There was a feeling that they were

²⁶ David M. Lampton, 'China Policy in Clinton's First Year'; op cit p.19.

²⁷ Interview with Ronald Montaperto op cit.

simply disregarded."²⁸

The defence agencies would remain frustrated by their lack of influence on China policy for some time. A policy conceived of short-term political determinants, lacking vision and leadership, was not amenable to more long-term, strategic proposals from defence officials. William Perry's replacement of Les Aspin as Secretary of Defence helped to address these frustrations at a later stage.²⁹ It must be noted that more junior permanent officials within the State Department also tended to disapprove of linkage in favour of engagement. This basic split within the State Department, coupled with the Secretary of State's lack of commitment and discipline on China policy, encouraged the early impression of a Department in confusion and disarray.³⁰

Thus while bureaucratic unity was sought for the new China policy, in essence it was not driven by consultation and coalescence of strategic opinion. Rather, it was imposed by the dictates of political considerations and election pledges.³¹ Moreover, Clinton's own apparent indifference to China policy would continue through his first term of office. Rather than

²⁸ Ibid.

²⁹ Perry's approach to and role in China policy-making is discussed in later chapters, and in particular chapter seven.

³⁰ Interviews with Ronald M. Montaperto and David M. Lampton op cit.

³¹ This is not to say that officials such as Winston Lord did not believe that some form of linkage and conditionality was viable.

provide strategic leadership on China, or provide sufficient support to a delegate such as Winston Lord, the President only focused on China policy in the event of bilateral, or more usually a domestic political crisis. His late arrival in the policy-making process in spring 1993, when the deadline for annual MFN renewal was imminent and lobbying with Congress required, established a pattern for Clinton's subsequent handling of US-China relations.

A far more crucial area of the policy-making process was Lord's consultations with Congress. This addressed the key aspect of Clinton's designs for China policy. Indeed, Lord was a consistent advocate of the value of domestic consensus, before and throughout his tenure as Assistant Secretary. He recognised that members of Congress, as well as extra-governmental interest groups and lobbies, would desire an influence on China policy. This reflected not only the merging of high and low politics in US post-Cold War foreign policy-making, but the growing bilateral dimension of Sino-American ties.³² Therefore the weight he gave to this aspect of China policy-making complemented the President's desire for unity. As Clinton declared in the President's Statement, accompanying the May 28 Executive Order:

"Starting today, the United States will speak with one voice on China policy. We no longer have an executive branch policy and a congressional policy;

³² Interviews with Winston Lord op cit and David M. Lampton op cit.

we have an American policy."³³

Clinton's desire for domestic unity on China policy, lay less with concerns for Washington's leverage with Beijing than with his domestic political preferences. Certainly, he appreciated the importance of unity and domestic legitimacy for the effective conduct of policy. Criticising implicitly the Bush Administration's resistance to the attempts by Congressional Democrats to establish MFN conditionality, Clinton maintained:

"The annual battles between Congress and the Executive divided our foreign policy and weakened our approach over China. It is time that a unified American policy recognize the value of China and the values of the America."³⁴

Nevertheless his primary motives for consensus related to his domestic policy and political objectives. Firstly, he had pursued the prevailing, Democratic-led view in Congress during the presidential election, and committed himself to a policy founded on that view. Given that the main protagonists of linkage now had a member of the Democratic Party in the White

³³ 'President Clinton's Statement on China/MFN' May 28 1993; *US Department of State Dispatch* vol.4 no.24 June 14 1993 p.425. See also Statement of Winston Lord, Assistant Secretary of State for East Asian and Pacific Affairs before the Subcommittee on Trade of the House Ways and Means Committee, Washington D.C., June 8 1993; reproduced in *US Department of State Dispatch* vol.4 no.24. June 14 1993.

³⁴ 'President Clinton's Statement on China/MFN' May 28 1993; op cit p.425. Emphasis original.

House, Clinton expected to find consensus. He also wished to find sufficient consensus to prevent the imposition of legislation qualifying China's MFN status, and so retain flexibility in the management of China policy.³⁵

Secondly, Clinton wanted to reserve both his attention and domestic political capital for his real priorities. He knew that his ambitious budget and healthcare plans, and his proposals for education and investment, would require a great deal of horsetrading with Congress.³⁶ The key task of forging consensus on China policy served his domestic agenda in a number of ways. It would allow him to commit less time to the issue. Clearly the alleviation of Congressional agitation on China would prevent the revival of domestic political protest and popularist demands, to which the President was so sensitive.³⁷

By gaining the support of members of Congress, with vital roles to play in the pursuit of his domestic agenda, Clinton also conserved political capital and favour. For example, a number of important chairs of committees had strong views on China.³⁸ The powerful Senate Committee on Finance, which would have to rule on Clinton's budget proposals, was chaired by the

³⁵ Interview with Richard Bush op cit.

³⁶ Interview with David M. Lampton. See also David M. Lampton, 'China Policy in Clinton's First Year'; op cit p.25.

³⁷ Lampton insists that the Clinton Administration, especially in its early stages, continued to treat China policy like a campaign issue. Interview op cit.

³⁸ Interview with Kerry Dumbaugh, Foreign Affairs Specialist, Congressional Research Service, November 5 1997, Washington D.C and interview with James W. McCormick op cit.

experienced Daniel Patrick Moynihan. Moynihan was a strong advocate of Tibetan independence. Acknowledging these views, the Executive Order cited the religious and cultural heritage of Tibet as an area in which 'overall significant progress' would have to be made for MFN to be renewed in 1994. Further, in the documents accompanying the Executive Order, the Administration promised to pursue the issue by other means.³⁹

The Administration was reliant upon, and successful in, procuring the backing of other influential committees.⁴⁰ It was critical that the new China policy be accepted by the House of Representatives Ways and Means Committee, chaired by Dan Rostenkowski, a moderate on China. As the MFN decision, the vehicle for the new policy, was a tariff issue it had to start its Congressional journey in Ways and Means, another committee that could have a pivotal say on Clinton's budget, health and investment plans. Similarly, the MFN decision would have to pass through the Ways and Means Subcommittee on Trade, headed by committed free trader Sam Gibbons. The House Committee on Foreign Affairs, an important arena for the now traditional foreign policy battles between the executive and Congress, was another potentially influential actor. Interestingly, Foreign Affairs was chaired by Lee H. Hamilton, who not only favoured presidential freedom of decision-making in foreign policy, but also strongly advocated a strong, pragmatic and patient engagement with China. These House committees and subcommittees

³⁹ David M. Lampton, 'China Policy in Clinton's First Year'; op cit p.30.

⁴⁰ Ibid p.25.

influenced the Administration's decision to retain assured bilateral ties with China in the MFN decision in May 1993 as well as throughout the subsequent twelve months, despite the dictates of the Executive Order's MFN conditions and China's poor human rights progress.

Of greater importance to the foundation of consensus were negotiations with Congressional China policy kingpins Rep. Nancy Pelosi and Senator Majority Leader George Mitchell. Pelosi and Mitchell, who had led the assault on the Bush Administration's China policy, had intimated that they would introduce legislation placing conditions on China's MFN 1993 status, despite the President's campaign pledges. Policy-makers concluded that if Pelosi and Mitchell's support for the Administration's China policy was secured, Congressional concurrence would be assured. Pelosi and Mitchell's consultations with Lord, and with a bloc of members moderate on China proved, crucial in achieving this end.⁴¹

Firstly, Lord persuaded Pelosi and Mitchell to postpone the introduction of legislation until the Administration had reached firm conclusions as to the shape of its 1993 MFN recommendation. Lord did not want to see political momentum develop behind restrictive China policy legislation.⁴² Secondly Lord persuaded Pelosi and Mitchell to accept the Administration's commitment to a human rights-led China policy,

⁴¹ Interview with Richard Bush op cit.

⁴² Interview with Winston Lord, Assistant Secretary of State for East Asian and Pacific Affairs 1993-1996, November 7 1993, New York.

though with the freedom to act pragmatically in bilateral relations. In other words, he persuaded them to accept the new China policy in the form of an executive order. This followed a diplomatic trip by Lord to Beijing, during which he discussed the forthcoming MFN decision, and negotiated areas of possible progress in bi-lateral issues mutually acceptable to both sides, predominantly in the area of human rights. Inevitably, the bi-lateral consultations strengthened Lord's hand in his discussions with Pelosi, Mitchell, and others in Congress.⁴³

Pelosi and Mitchell's negotiations with a moderate coalition of Representatives also proved important. The coalition, led by senior Democrats such as Lee Hamilton, Dan Rostenkowski, Robert Matsui and Jim McDermott, had emerged early in 1993 for a number of reasons.⁴⁴ Firstly, they were disillusioned with the political discord associated with the annual battles over MFN. Secondly, they considered that given the partisan nature of the 1990-1992 debates, and the election of Democrat Bill Clinton, that a legislative approach to China policy was now obsolete.⁴⁵ Thirdly, they were committed to

⁴³ Ibid and David M. Lampton, 'China Policy in Clinton's First Year'; op cit pp.26-27.

⁴⁴ Interview with Richard Bush op cit. Richard Bush, in his capacity as a professional staff member on the House Asian and Pacific Affairs Committee and aide to Lee Hamilton, is acknowledged to have played a vital role in the moderate coalition's impact on this policy-making process. See David M. Lampton, 'China Policy in Clinton's First Year'; op cit p.25 (note 43).

⁴⁵ Hamilton had supported initiatives to condition China's MFN status out of loyalty to his party, and in the knowledge that such legislation would be vetoed by President Bush. Ibid (Bush).

engagement with the PRC. While they recognised that important US interests had to be defended, these members insisted that a considered approach be adopted that would not threaten diplomacy with Beijing. This moderate coalition, led by Hamilton and Rostenkowski, was successful in persuading Pelosi and Mitchell to support an executive order that limited conditionality to the issue of human rights. In other words, they, with Winston Lord, encouraged Pelosi and Mitchell to trust the new President on China policy. Pelosi accepted their word, and campaigned for the President's stance on the Hill. The subsequent policy reversal a year later left Pelosi feeling infuriated and betrayed.⁴⁶

Hamilton and other moderates also influenced the debate within the Administration. They understood that Clinton's political advisors would insist that some form of linkage be implemented in line with the President's campaign promises. Indeed, it was for this reason that Hamilton disagreed with some of his Democratic colleagues on the Hill who argued for a cynical abandonment of Clinton's commitment to conditionality.⁴⁷ However, he was insistent that the conditions be limited, targeted and realistic. Thus he advocated restricting conditionality to certain human rights, allowing other issues such as trade and proliferation to be governed by existing legislation, executive orders and agreements.⁴⁸ Further, human

⁴⁶ Interview with Mike Jendrzeczyk, Washington Director of Human Rights Watch: Asia, November 4 1997, Washington D.C.

⁴⁷ Interview with Richard Bush op cit.

⁴⁸ The moderates agreed with Lord that minimising the number

rights above any other US-China issue had ignited the general American public's interest in China. This fact had been reflected in Clinton's campaign rhetoric and pledges, and in Pelosi and Mitchell's earlier initiatives on China.⁴⁹ Like-minded colleagues in the Senate, led by Senator Max Baucus, also advised the President to address trade and proliferation issues through existing measures.⁵⁰

Hamilton also urged that the policy be implemented by executive order. This would retain the President's ability to react to changes in the bilateral relationship, and avoid the ordeal of having to overturn unnecessary and inappropriate legislation.⁵¹ Hamilton and other moderates, mindful of the political context, advised the President to adopt a centrist strategy on China. As one key player explains:

"This was deliberate...There was a hope that we could get the President to back off from his campaign commitment, at least as many understood it, and to

of conditions would make the policy more effective. They feared the recent tendency in Congress to over-burden the issue with a wide variety of specific issues and concerns. Interview with Edward B. Gresser, Policy Director, Senator Max Baucus (D-MT), October 31 1997, Washington D.C.

⁴⁹ Interview with Shirley Kan op cit.

⁵⁰ Baucus in fact argued against the imposition of any conditions on MFN. Interview with Edward B. Gresser op cit.

⁵¹ Recommendations presented by Hamilton in a speech in April, bore a close resemblance to the policy adopted by Clinton almost two months later. Lee Hamilton, *A New US Policy for China*; address to the Business Coalition for US-China Trade, April 1 1993. Similarly, Hamilton's aide, Richard Bush predicted the components of the Executive Order with remarkable accuracy in an article in January 1993. Richard Bush, 'Clinton and China: Scenarios for the Future'; *The China Business Review* vol.20 no.1 January-February 1993.

preserve some flexibility with respect to our relationship with China; and not create a set of circumstances that would, in our view, guarantee the collapse of US-China relations."⁵²

In the wider context, therefore, the moderate bloc worked with the Administration, and China-critics in Congress, to establish a flexible and limited policy and;

"...to create the appearance at least, of a fairly broad coalition of people who supported this."⁵³

Nonetheless, the consultative process with and within Congress was not that simple. Winston Lord had to determine a flexible design for linkage, but moreover, establish a consensus on this approach. Yet in feeling out members' views on the subject toward this end, Lord was swamped by a multitude of specific demands. This kind of deference to Congressional opinion provided little guidance for policy. At a meeting with members of the House Ways and Means Committee, amongst others, angry Representatives voiced their frustration at the Administration's failure to establish a stance with which they could work.⁵⁴ One senior Republican remonstrated that it was the

⁵² Interview with Richard Bush op cit.

⁵³ Ibid.

⁵⁴ Lord was accompanied at the meeting by National Economic Advisor Robert Rubin and Charlene Barshefski of the Office of the United States Trade Representative (USTR). Interview with Bruce Wilson, former senior professional staff, House Ways and Means Committee, November 12 1997, Washington D.C.

responsibility of the Executive branch to lead on foreign policy, and that it was ceding policy-making to Congress in a way that was dangerous to US national interests.⁵⁵ While broad consultation was thought valuable to policy-making, the Administration's fear of making a clear stand on China policy made the whole process highly unwieldy. Rubin, who had little experience either of China policy or Congressional politics, was taken aback by the voracity of the Ways and Means meeting, and said very little.⁵⁶

Assistant Secretary of State Lord also undertook a trip to Beijing May 3 to 5 1993 to consult Chinese officials. His objective in this regard was two-fold. Firstly, to encourage as much progress as possible in the areas of human rights, proliferation and trade before the June 3 deadline for the MFN recommendation.⁵⁷ Secondly, to establish areas on which bilateral progress was possible, particularly with regard to human rights. His visit followed that of fellow campaign advisor Richard Holbrooke in September 1992, and representations made by US Ambassador to Beijing Stapleton Roy early in 1993. Other discussions in the spring included Secretary of State Warren Christopher and Under Secretary Peter Tarnoff.⁵⁸

⁵⁵ Interview with James W. McCormick op cit.

⁵⁶ Interview with Bruce Wilson op cit.

⁵⁷ Lord also did not want to compromise ongoing Chinese cooperation on the issues of North Korea's nuclear programme and the peace process in Cambodia.

⁵⁸ David M. Lampton, 'China Policy in Clinton's First Year'; op cit p.21.

The Chinese had not responded well to the talks with either Holbrooke or Roy, and Winston Lord also met with resistance.⁵⁹ Not surprisingly, Beijing once again refused appeals for human rights progress. Neither was it accommodating on the issue of proliferation or arms control, having stiffened its stance in response to President Bush's agreement to sell F-16s to Taiwan in 1992.⁶⁰ The PRC did effect a number of familiar gestures designed to court American opinion. As in earlier years, Beijing looked to sign valuable commercial deals with US multinationals such as Boeing, Coca-Cola, Motorola and General Electric.⁶¹ Also, as the Administration acknowledged in announcing its policy on China on May 28, Beijing released a number of prominent political dissidents.⁶² However, the more substantial progress sought by Winston Lord was not forthcoming.⁶³

Lord appears to have been more optimistic about his

⁵⁹ William Drozdiak, 'Clinton to Allies: Continuity is the Key'; *International Herald Tribune* October 8 1993 and Don Oberdorfer, 'How Washington and Beijing Avoided Diplomatic Disaster'; *Washington Post* November 7 1993.

⁶⁰ Beijing's muted response at the time to the decision reflected their desire to see Bush re-elected. See Edward Friedman, 'The Challenge of a Rising China: Another Germany?', Chapter Ten in Robert J. Lieber (ed), *Eagle Adrift: American Foreign Policy at the End of the Century*; Longman (New York, 1997) p.227.

⁶¹ Interview with Calman J. Cohen, President of the Emergency Committee on American Trade (ECAT), November 13 1997, Washington D.C.

⁶² 'Report to Congress Concerning Extension of Waiver Authority for the People's Republic of China' May 28 1993; The Office of the Press Secretary, The White House, Washington D.C.

⁶³ Interview with Winston Lord op cit.

conversations with the Chinese regarding areas of progress in the future. While having publicly advocated MFN conditionality and linkage, he had also defended strong engagement with Beijing.⁶⁴ Accordingly, Lord wanted to establish realistic and reasonable conditions for human rights progress. Lord explains that it was his goal to;

"...make the bar low enough so that the Chinese should be able, in good faith and with incentives to improve the relationship, jump over it."⁶⁵

His discussions in this area appear to have been influential on the issues subject to 'overall significant progress' in the Executive Order.

THE RESPONSE TO MFN 1993 RENEWAL AND EXECUTIVE ORDER 12850

Clinton announced his recommendation to renew China's 1993 MFN trading status in Presidential Determination 93-23 on May 28 1993. He also announced the implementation of Executive Order 12850, that made China's 1994 MFN status subject to two

⁶⁴ See for example statement of Winston Lord before the Subcommittees on Human Rights and International Organizations; Asian and Pacific Affairs; and International Economic Policy and Trade, of the House Committee on Foreign Affairs, May 29 1991; *Most-Favoured-Nation Status for the People's Republic of China*; Joint Hearing before the Subcommittees on Human Rights and International Organizations; Asian and Pacific Affairs; and International Economic Policy and Trade, of the Committee on Foreign Affairs, House of Representatives, 102nd Congress, 1st Session, May 29 1991, Washington D.C. (United States Government Printing Office, 1992)

⁶⁵ Interview with Winston Lord op cit.

specific and five broad demands for human rights improvements.⁶⁶ Of the two specific demands, one was required by the Jackson-Vanik amendment of the 1974 Trade Act. This demanded that renewal of MFN status substantially promote the freedom of emigration, The second specified condition required China to comply with the 1992 bilateral Memorandum of Understanding prohibiting the export of prison labour goods to the United States.

In addition, the Executive Order required 'overall significant progress' in the following areas: adherence to the Universal Declaration on Human Rights; releasing and accounting for prisoners detained for their political and religious beliefs; the human treatment of prisoners and consenting to prison inspections by international humanitarian and human rights organisations; the protection of Tibet's religious and cultural heritage; and permitting international radio and television broadcasts into China.⁶⁷

⁶⁶ The Executive Order was accompanied by two documents addressing the broader aspects of the Administration's China policy: 'Report to Congress concerning Extension of Waiver Authority for the People's Republic of China' and 'President Clinton's Statement on China/MFN' May 28 1993.

⁶⁷ *Executive Order - Conditions for Renewal of Most-Favoured-Nation Status for the People's Republic of China in 1994* May 28 1993, The Office of the Press Secretary, The White House, Washington D.C.; reproduced in *US Department of State*

Flanked by members of Congress, representatives of the business community and human rights activists, the President highlighted the degree of consensus on the policy. Explaining his decision on MFN, he warned:

"Whether I extend MFN next year, however, will depend upon whether China makes significant progress in improving its human rights record."⁶⁸

In testimony to Congress in June, Winston Lord went into greater detail explaining the policy defined by the Executive Order, accompanying documents, and unconditional renewal of China's MFN status.⁶⁹ Acknowledging that progress offered by Beijing in the spring had been welcome but insufficient, Lord presented Clinton's decision to set conditions, evaluated by the Secretary of State, on the renewal of China's 1994 MFN status. The Assistant Secretary emphasised the wide consultation process that had contributed both to the design of the policy, and to the consensus of opinion supporting it. Nevertheless, Lord also stressed the importance of China to US interests across a broad range of areas, as he had done in his confirmation hearing.⁷⁰ Moreover, he expressed that it was the Administration's desire to seek deeper engagement with China, so that the bilateral relationship and the domestic China policy debate could be taken to another level.

⁶⁸ 'President Clinton's Statement on China/MFN' May 28 1993; op cit p.425.

⁶⁹ Statement of Winston Lord before the Subcommittee on Trade of the House Ways and Means Committee June 8 1993; op cit.

⁷⁰ Statement of Winston Lord before the Senate Foreign Relations Committee, Washington D.C. March 31 1993; *Confirmation Hearing: Winston Lord, Assistant Secretary-designate for East Asian and Pacific Affairs; Senate Foreign Relations Committee, Washington D.C., March 31 1993* (United States Government Printing Office, 1993)

"The Clinton Administration's China policy looks beyond the annual debate on MFN and seeks to broaden the framework for bilateral ties. It defines an effective course which will advance US goals and balance US interests...we will strive to resolve our serious differences with Beijing while building on areas of agreement. We will engage the Chinese in a variety of ways to make progress during the coming year and beyond."⁷¹

Lord believed that engagement with Beijing was a necessary aspect of the policy of linkage, as progress relied upon diplomacy with, not isolation of Beijing.⁷² Thus he argued that the Administration's pursuit of linkage through the use of an executive order was realistic:

"We believe that the conditions set out in the executive order are firm and credible. We also believe they are achievable in the coming year."⁷³

The two documents released alongside the Executive Order, the 'Report to Congress concerning Extension of Waiver Authority for the People's Republic of China', and Clinton's

⁷¹ Statement of Winston Lord before the Subcommittee on Trade of the House Ways and Means Committee June 8 1993; op cit p.428.

⁷² Interview with Winston Lord op cit.

⁷³ Ibid.

White House speech of May 28 sought to confirm the existence of a China policy consensus.⁷⁴ In fact, the documents broached issues not carried by the Executive Order, such as proliferation of weapons of mass destruction, and in the former document, coercive birth control practices, and direct though unofficial relations with Tibetan representatives.

In doing so, Clinton hoped to placate those anxious that their particular concerns were not addressed by the Executive Order, and reassure them that such issues remained crucial to US China policy. Of course, the Executive Order reiterated that concerns such as proliferation and trade would be managed by existing legislation. Given the restrictive nature of legislation, this indicated a tough US stance on these issues and provided clear standards to which the People's Republic were expected to comply.⁷⁵

The Administration's stance on China was broadly welcomed.⁷⁶ Senator Mitchell called the policy "fair, reasonable, responsible."⁷⁷ Speaking in Congress on June 10 1993, Rep. Pelosi praised the Executive Order and recommended

⁷⁴ David M. Lampton, 'China Policy in Clinton's First Year'; op cit p.30.

⁷⁵ Shirley A. Kan, 'Clinton's China Syndrome'; *Far Eastern Economic Review* vol.156 issue 26 p.23.

⁷⁶ Vincent A. Augur, *Human Rights and Trade: The Clinton Administration and China*; Pew Case Studies In International Affairs, Case 168, Institute for the Study of Diplomacy, Georgetown University, Washington D.C. 1995 p.6.

⁷⁷ John R. Cranford, 'Clinton Ties MFN for China to Human Rights Gains'; *Congressional Quarterly Weekly Report* vol.55.no.22 May 29 1993 p.1349.

it the House.⁷⁸ She also warned however:

"Certainly within the next year, if China does not comply with the President's executive order...there will be through Congress, like wildfire, a vote to deny MFN."⁷⁹

As predicted, the Houses of Congress backed Pelosi and Mitchell in supporting the Executive Order. This was affirmed with the House rejecting Representative Gerald B H Solomon's bid to overturn the MFN decision by 318 votes to 105 on July 20 1993. Solomon's attempts to revoke MFN to China had attracted significant though insufficient support in the past. The Ways and Means Committee had voted to support Solomon's bill, so that it would be debated by the full House, but strongly recommended its rejection.⁸⁰ No such challenge arose in the Senate. Thus Congress and the Administration appeared united on China policy. Crucially, committees integral to Clinton's wider political agenda, Ways and Means, the Trade Subcommittee, and Foreign Affairs also backed the Administration.

⁷⁸ 'Renewal of Most-Favoured-Nation Status to the People's Republic of China', House of Representatives June 10 1993; *Congressional Record* June 10, 103rd Congress 1st Session, Washington D.C. (United States Government Printing Office) pp.H3437-H3438.

⁷⁹ John R. Cranford, 'Clinton Ties MFN for China to Human Rights Gains'; *op cit*. Pelosi led a demand that the Administration report on China's compliance with the conditions in six months time. Vincent A. Augur, *Human Rights and Trade*; *op cit* p.6.

⁸⁰ *Congressional Quarterly Almanac* 1993; vol.XLIX, 103rd Congress 1st Session p.184.

Some commentators identified the reason for Congressional concurrence as partisan politics.⁸¹ Typically, the most vehement Congressional critics of China policy were Democrats, but it appeared that, for 1993 at least, the new President would receive an easier ride.⁸² However, it is likely that agreement with the Administration followed a shift in perspective, especially among Democrats. A new coalition evolved that balanced a desire to respond to issues of contention in the US-China relationship (particularly human rights), with an acknowledgement of the importance and potential of that relationship.⁸³ Under the Mitchell/Pelosi stewardship this coalition backed the Executive Order. Certainly, Clinton was able to use this coalition to his advantage in creating a relatively popular policy.

As a whole, Republicans found little to object to in the substance of the Order. Criticism from this quarter centred upon a partisan view of Clinton's evolution from his campaign rhetoric against the Bush policy to his 1993 MFN decision, and questioned the difference between the two Administrations' policies.⁸⁴ Those whose scrutiny of China concerned areas outside the Executive Order were less satisfied. Senator Joseph Biden, anxious about Chinese proliferation of nuclear material

⁸¹ Interview with Mike Jendrzeczyk op cit.

⁸² Interview with Richard Bush op cit.

⁸³ Ibid and Lampton, 'China Policy in Clinton's First Year'; op cit p.25.

⁸⁴ Susumu Awanohara, 'Breathing Space'; *Far Eastern Economic Review* June 10 1993 p.13.

and technology, was not convinced that the Administration would pursue an acceptably tough line through existing legislation, particularly given Clinton's 'softening' on China policy.⁸⁵

A general overview of the responses of the variety of lobby groups outside government concludes that neither the human rights lobby, nor the business lobby were entirely satisfied with the Executive Order and MFN decision. Despite Clinton's desire to minimise opposition from interested lobby groups, especially the business community, the term 'unified' China policy had less meaning from this perspective.

Certainly, in lobbying a President apparently interested in both human rights, and business and trade, the human rights lobby were the most successful. While both lobbies had access to the policy-making process, the sympathies of the most influential actors within that process lay with human rights.⁸⁶ Agencies such as the National Economic Council, and the US Trade Representative, who inclined towards unconditional MFN renewal had less impact. Even Congress, where the business lobby could be most effective, was settling towards limited conditions for a policy controlled by the Executive.⁸⁷

⁸⁵ Interview with Frank S Jannuzi op cit and Lampton, 'China Policy in Clinton's First Year'; op cit p.27.

⁸⁶ Winston Lord reacted to the lobbying by business coalitions in the run up to the MFN decision by stating: "It would be very helpful if the business community lobbied the Chinese Government to make progress...as effectively as they are lobbying the Congress and the President". Susumu Awanohara, 'Breathing Space'; op cit. He repeated this point in his testimony to Congress in June. Statement of Winston Lord before the Subcommittee on Trade of the House Ways and Means Committee June 8 1993; op cit p.428.

⁸⁷ Lampton, 'China policy in Clinton's First Year'; op cit
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One factor in the success of the human rights lobby was a degree of concurrence on the means of China policy with the protectionists within the US.⁸⁸ The protectionists, fuelled by reports of copyright piracy in the People's Republic, barriers to US imports and the large US-China trade imbalance, were willing to support measures that demanded Chinese conformity to international (or more cynically, US) standards of state behaviour. They were unconvinced by the 'engagement' rationale for improving the Chinese human rights performance.⁸⁹ On the other hand, some pro-democracy advocates were anxious not to impose excessive pressure upon the People's Republic. They feared enormous and dangerous instability would result if the elites of the Chinese regime were toppled without a mature indigenous political system ready to replace it.⁹⁰ Nevertheless, the human rights groups were perhaps the most heartened in the Spring of 1993. While the human rights conditions fell short of those demanded of the Administration, at least a breakthrough

pp.18-19.

⁸⁸ The voice for US trade protectionism had grown louder with the end of the Cold War and with the popularised perception that the US should now look after its own. Fierce debates within the United States concerning proposals for the North American Free Trade Association (NAFTA) and GATT, and increasingly vociferous trade disputes with the European Union and more specifically Japan had given the protectionists' arguments greater exposure. The explosion of bilateral commercial ties had taken the protectionism argument to the heart of Sino-American relations.

⁸⁹ Susumu Awanohara et al, 'Vienna Showdown'; *Far Eastern Economic Review* June 17 1993 p.17-18.

⁹⁰ Interview with Mike Jendrzejczyk op cit and David Zweig, 'Clinton and China: Creating a Policy Agenda That Works'; op cit p.252.

had been achieved, and Clinton foreign policy rhetoric heightened the salience of the issue. Human Rights campaigner Mike Jendrzeczyk recalls the significance felt by the appointment and leading role of Winston Lord. Jendrzeczyk notes that, following the battles with the Bush Administration, Lord appeared to add enormous credibility and power to the MFN conditionality platform.⁹¹

Despite the apparent breakthrough, many in the human rights lobby remained wary. For example, there was a suspicion that the Clinton Administration's citing of wider human rights concerns in the 'Report to Congress' and Clinton's statement were an appeasement of single issue groups rather than genuine commitments.⁹² Moreover, campaigners voiced concerns regarding the degree of flexibility and ambiguity in the Executive Order and accompanying documents.

Of course the Administration, and members of the moderate coalition in Congress argued that China's importance to US interests, and uncertainty concerning its future necessitated that the President retain flexibility in the conduct of China policy. This correlates with the suggestion that the Administration was attempting to generate political and diplomatic time for the US-China relationship, though different interpretations exist as to why. The gathering strength of the human rights lobby, together with Clinton's campaign vitriol against Bush's China policy, had somewhat destabilized the US-

⁹¹ Interview with Mike Jendrzeczyk op cit.

⁹² Susumu Awanohara, 'Breathing Space'; op cit.

China relationship, particularly after the presidential election. This was set against a background that included the North Korean crisis, imbalances of bi-lateral trade and other trade related disputes, and continuing repression within the People's Republic. In setting such parameters for the 1994 MFN decision in the Executive Order, and negotiating with interested parties including the Chinese beforehand, it was argued that the Administration established time for the relationship to recover.⁹³ The People's Republic had another year to adjust to US demands.

Mike Jendrzeczyk of Human Rights Watch:Asia agrees that the use of an executive order, and the ambiguity of the documents, allowed the President flexibility and the US-PRC relationship a grace period of one year. However, with retrospect, he takes the view that important figures in the Administration were already manoeuvring to delink human rights from trade with the PRC. While he believes that Clinton did care about human rights, Jendrzeczyk maintains that the President also cared about trade and jobs, and the political implications of those issues. Therefore, Clinton was vulnerable to arguments presented by advocates of delinkage. Jendrzeczyk concludes that the Executive Order was designed to give the impression of fulfilling campaign pledges and to keep Congress off the President's back. It also provided time in which to press Beijing for gestures on human rights, to interpret them

⁹³ Ibid.

as acceptable, and to drop the policy in 1994.⁹⁴

This interpretation rests in part on the Executive Order's use of the phrase 'overall significant progress', and the conditions it identified. Jendrzejczyk insists that the conditions as defined represented the technical minimum requirement. Contrasting it with the specific conditions proposed by Pelosi, he argues that the conditions in the Executive Order were devised for open invitation.⁹⁵ Further, Jendrzejczyk suggests that the Administration adopted the expression 'overall significant progress' in an attempt to reflect the terminology of bills introduced by Pelosi and others to condition MFN. In other words, it was an attempt to solicit Congressional trust and political backing on China policy.⁹⁶ The nature of the conditions, however, did echo those proposed by Pelosi et al. This reflected Lord's consultations with this group.

While the business lobby was relieved that MFN had been granted without restrictions, and indeed that it had not been revoked, it was anxious about the effects of qualifying renewal in 1994 upon human rights improvements. The Administration appeared to accept many of the arguments it had advanced against restricting or revoking MFN.⁹⁷ The possible detrimental

⁹⁴ Interview with Mike Jendrzejczyk op cit.

⁹⁵ Ibid. This point is also made by Robert L. Bernstein and Richard Dicker, 'Human Rights First'; *Foreign Policy* no.94 Spring 1994 p.43 and pp.45-46. Bernstein and Dicker were also members of Human Rights Watch.

⁹⁶ Interview with Mike Jendrzejczyk op cit.

⁹⁷ Bernstein and Dicker argue that the Administration's

effect of such action upon American jobs, the competition for markets in China and East Asia, and on the interests of close allies Taiwan and Hong Kong ran counter to principles upon which the Clinton Presidency stood.

Still, they insisted that the Executive Order's conditions would undermine growing bi-lateral trade and economic relations in the longer term. The development of business links, trade and joint ventures could be impeded by uncertainty as to whether MFN would be revoked in 1994 if the conditions were not met.⁹⁸ Chinese officials had not been slow in pushing this bandwagon themselves in bi-lateral consultations prior to the 1993 decision.

Members of the business community also questioned the rationale upon which the Executive Order was based. In essence, their criticisms related to the argument that economic engagement provided the most effective way of promoting human rights in China, an argument used by the previous Administration, and one also employed at times by members of the Clinton Administration.⁹⁹ In other words, they doubted the wisdom of the Executive Order as a means of promoting human rights. Cal Cohen, of the highly influential Emergency Committee on American Trade asserts:

insistence only upon 'overall significant progress' was a direct result of the open letter from the coalition of 300 businesses, and the large Chinese orders for US manufactures and technology in the run up to the MFN decision. Robert L. Bernstein and Richard Dicker, 'Human Rights First'; op cit pp.44-45.

⁹⁸ Interview with Calman J. Cohen op cit.

⁹⁹ Especially officials in the economic agencies.

"In particular, it appeared to us, that Secretary Lord and his colleagues were over-emphasising one aspect, and this is very important, one aspect of human rights...which was...political dissent."¹⁰⁰

Cohen argues that the Administration made a critical mistake in reducing the US-China relationship, with its broad range of interests, down to a narrow set of human rights issues. He maintains that this effectively placed this crucial bilateral relationship in the hands of the Chinese, who would decide how they would respond to the Executive Order's ambiguous demands. Thus, Cohen concludes, the Administration was "...putting, in a sense, a gun to their own heads."¹⁰¹

The business lobby were also resentful of their lack influence on the policy-making process toward the Executive Order. While many recognised that Clinton would be likely to adhere to his campaign pledge on linkage, they felt strongly that their interests had not been recognised by a President who had declared 'its the economy, stupid'.¹⁰² Given the President's proactive economic mandate, and given the fact that the business community enjoyed an influential and successful role in the China policy debate during the Bush Administration, it appears that the business community had been somewhat complacent relative to the powerful voice for human rights that

¹⁰⁰ Interview with Calman J. Cohen op cit op cit.

¹⁰¹ Ibid.

¹⁰² Ibid.

existed in the Congress, the Administration, and the White House in the spring of 1993.

Conclusion

In a strict sense, the China policy announced on May 28 1993 met Clinton's three key objectives. Firstly, it established a strategy of linkage. Secondly and concomitantly, it meant that Clinton had adhered to his campaign pledge on China policy. Thirdly, it appeared to establish a consensus with Congress on China.¹⁰³ This was not an easy task. While there was agreement on the broad objectives of China policy, to encourage a stable China that participated responsibly in the international system while moving toward economic, political and societal liberalisation, there was little agreement as to the best way to promote these objectives. America wanted both to change China and participate in its development. This required a careful balancing of sometimes conflictual normative and realist US interests. Winston Lord argues of Clinton's Executive Order:

"He came up with a solution which he wanted of very modest conditions which hopefully wouldn't threaten it [MFN], and felt that with the mood in Congress and

¹⁰³ With the presidential election over, Clinton's political sensitivities related to Congress rather than public opinion. As Richard Bush notes, public opinion had little substantive influence on either the Clinton Administration's or Congress' handling of China policy. Richard Bush, *The Evolution of US Policy Toward China Under the Clinton Administration*; speech to Chinese foreign policy community, Beijing, December 1993 p.5.

his own statements in the campaign, that he had to sort of thread the needle here."¹⁰⁴

The adoption of MFN conditionality, of explicit linkage, did represent a new strategy toward China. In other words it did represent a clear departure from the path of ever greater engagement with Beijing, accepted in the late 1960s and pursued officially since the establishment of informal relations in 1972. Moreover, this new China strategy appeared to possess a strong degree of domestic legitimacy, given the political value of Clinton's pledge during the presidential election and Congress's support for the Executive Order of May 28.

However, the new strategy toward China and the domestic legitimacy that appeared to underpin it was not based on a considered, long-term strategic view of the Sino-American relationship. Rather, it was founded more on the President's short-term domestic political calculations. Similarly, Congress' support for the policy had strong political connotations. Democrats on the Hill clearly disagreed amongst themselves as to the most appropriate China strategy. However, the likes of Pelosi and Hamilton did concur on the need to support a new Democratic president, the first for twelve years, and one experiencing problems at home and abroad early in his term of office.¹⁰⁵ Democrats of divergent views on China found enough in the ambiguous Executive Order to feel able to offer

¹⁰⁴ Interview with Winston Lord op cit.

¹⁰⁵ Interviews with Richard Bush op cit and Mike Jendrzeczyk op cit.

Clinton their backing.

The predominantly political motivations behind the Executive Order demonstrated that the Clinton Administration had not addressed the inherent problems associated with the stance adopted during the presidential campaign.¹⁰⁶ The result was a flawed China policy-making process and a flawed China policy.

One of the most obvious problems was the tension between the promotion of human rights in China, and Clinton's focus on economic revitalisation. Clinton was determined to pursue an ambitious geo-economic agenda, promoting free and fair trade, itself a contradiction according to some.¹⁰⁷ Further he had promised to rejuvenate and support the domestic American economy, and to protect and create jobs. To officials such as Secretary of Commerce Ron Brown, China offered one of the most exciting opportunities in these areas, exemplified by his identification of China as one of ten 'Big Emerging Markets'.¹⁰⁸ This tension raised the question of whether the President would place the threat to revoke China's MFN status in the event of little human rights progress above the pursuit of economic interest. Put simply, where did Clinton's true commitments lie?

¹⁰⁶ See the conclusion in the previous chapter.

¹⁰⁷ Interview with Stephen Yates op cit.

¹⁰⁸ See Michael Cox, *US Foreign Policy After the Cold War: Superpower without a Mission?*; Royal Institute of International Affairs, Chatham House Papers, Pinter (London, 1995) Chapter Three especially pp.34-36. See also statement of Winston Lord before the Subcommittee on Trade of the House Ways and Means Committee June 8 1993; op cit p.428.

This fault line in the Administration's China policy highlighted another critical flaw. Neither the Executive Order, nor the statements that accompanied the introduction of the policy articulated and clarified the hierarchy of US interests in China. While references to the importance of China were common, there was no sense of prioritisation, other than the desire to adhere to campaign commitments and establish consensus with Congress. In effect the Administration had neglected to define a long-term strategic vision of China policy, that would have orchestrated US interests. The lack of commitment to US-China policy shown by the President, the Secretary of State and the NSA contributed to this problem. Different agencies would be free to pursue their own priorities with China undermining Winston Lord's task of engaging the Chinese on the policy defined by the Executive Order.¹⁰⁹

The lack of clarity and commitment to China policy undermined Washington's credibility with Beijing right from the start. The Chinese were not sure what the Administration wanted, and this eventually fed Chinese resentment and suspicions of American intentions. America's East Asian allies were also confused as to Washington's basic policy. They opposed America's pursuit of MFN conditionality with Beijing, fearing that it would provoke belligerence in their powerful though politically unstable neighbour.¹¹⁰ States such as

¹⁰⁹ In a memorandum to the Secretary of State in April 1994, Lord complained bitterly about the lack of hierarchy and discipline on China policy. This is discussed in the following chapter.

¹¹⁰ This was in spite of the fact that they could stand to

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Singapore, Indonesia and to a degree Japan, were also unhappy with the moralist tone of the Executive Order, as the *Far Eastern Economic Review* noted:

"The great danger is that hectoring from the White House will not only foreclose progress in China, it will unite Asian governments of divergent stripes against it..."¹¹¹

In this sense, the Administration's China policy also threatened to undermine its ambitious plans for developing America's economic, political and strategic ties with the countries of the Pacific.¹¹²

Bureaucracies and officials within the Administration were split on China policy from the start. The political purposes behind the China policy-making process had precluded the development of a policy that tried to reconcile the divergence of views. The consensus with and within Congress was also highly unstable. The drive for consensus had required consideration of a very broad range of views on the Hill, from those who advocated the immediate revocation of China's MFN to those who favoured unfettered engagement with Beijing, premised on a long list of normative, economic, political, security and

gain economically by replacing US business in China in the event of a revocation of MFN.

¹¹¹ 'China's Market-Leninism'; *Far Eastern Economic Review* September 23 1993.

¹¹² See for example Warren Christopher, *In the Stream of History: Shaping Foreign Policy for a New Era*; Stanford University Press (Stanford, 1998) Chapter Seven 'The New Pacific Community'.

environmental issues. The ambiguity in the Executive Order reflected the challenge of encompassing these views in a single policy.

However, the basis for this consensus made the policy highly vulnerable to any rise in US-PRC tensions, and a lack of demonstrable progress in any of the issues. Further, it also made the policy vulnerable to a change in the political make-up on Congress. As the following chapter shows, the Administration's mishandling of China policy, and the deterioration in Sino-American relations indeed destroyed the consensus created in the spring of 1993.¹¹³ The moderate coalition that emerged in the spring of 1993 transformed into a centrist bloc throughout 1993-1994, as members of Congress underwent their own learning curve on US-China relations. Of course, it was one of Clinton's key objectives to respond and placate the prevailing views on the Hill regarding China. Thus it allowed him to reverse the strategy established in May 1993, delink human rights from China's trading status, and reinstate the strategy of engagement with the backing of Congress.¹¹⁴ Yet the policy reversal and the new consensus established in 1994 resulted once more from political calculations, crisis management, and a focus on the short-term. The Administration's failure to define a long-term framework for US relations with Beijing in 1993 and to provide coherent leadership on the issue

¹¹³ In other words, it may be said that Congressional opinion on China was on the brink of change just as the Administration developed a policy reflecting that opinion.

¹¹⁴ As stated Mike Jendrzeczyk and others believe that this was the President's goal all along.

persisted through to, and beyond, the 1994 MFN decision. Washington's relations with China, and its ability to pursue engagement with Beijing suffered as a result.

CHAPTER SIX

US CHINA POLICY SPRING 1993 TO SPRING 1994 THE CLINTON ADMINISTRATION PURSUES A STRATEGY OF LINKAGE

The Clinton Administration had appeared to establish a new strategy for China with Executive Order 12850. Advocates of linkage and MFN conditionality were optimistic that US leverage could now be employed to secure progress on human rights, and other issues, from Beijing. The policy drew criticism from a variety of perspectives. A minority thought that a tougher policy of confrontation was required, to challenge China's growing power and abuse of international norms of behaviour. A larger group thought that linkage undermined US engagement with the PRC, would sabotage the pursuit of US interests in China, and would hinder China's gradual political and societal liberalisation. Another body of opinion, predominantly the human rights community, doubted that the strategy of linkage defined by the Executive Order was strict and precise enough.¹ Yet, a broad consensus in Congress had backed Clinton's adherence to his electoral pledge to institute MFN conditionality.

However the policy proved unsustainable over the ensuing twelve months, and Clinton delinked human rights and other broad conditions from US-China trade with his recommendation on

¹ See for example Robert G. Sutter (with Seong-Eun Choi), *Shaping China's Future in World Affairs: The Role of the United States*; Westview Press (Oxford, 1996) pp.74-76.

China's 1994 MFN status. This chapter will show how the essential flaws in the formulation of the Executive Order manifest themselves in the US China policy-making process and the pursuit of China policy through 1993-1994. The particular merits or otherwise of a strategy of linkage will not be discussed.² Rather, the chapter will explain that the policy faltered because it was predicated on Clinton's domestic political concerns. As a result, the Administration failed to move beyond an expression of America's broad objectives toward China by defining and articulating a clear and coherent framework of China policies and priorities. Further, as analysis of the 1993-1994 period will demonstrate, Clinton neglected to provide strategic leadership and discipline on China policy. This left the policy's main architect, Assistant Secretary of State for East Asian and Pacific Affairs Winston Lord, in an exposed and weak position, and facilitated fragmented pursuit of US interests in which different agencies followed their own agendas with Beijing.

While the Administration attempted to readdress its strategy on China in late summer 1993, these essential defects in the policy-making process remained. Therefore, chapter six will show how Clinton's first China policy provoked resentment and incredulity in Beijing, frustration in the US congress, and

² For example Mike Jendrzeczyk of Human Rights Watch: Asia argues that the Administration's handling of the policy, rather than the policy itself led it to fail. Others, such as Frank Jannuzi, a China specialist at the State Department at the time insists that a strategy of linkage aimed a China was bound to fail anyway. Interview with Mike Jendrzeczyk, November 4 1997, Washington D.C., and Interview with Frank S. Jannuzi, November 12 1997, Washington D.C.

divisions within the US Administration. Clinton's decision to renew China's 1994 MFN status without conditions, and to return to the longstanding policy of broad engagement with the PRC did to a degree reflect an acknowledgement of previous policy-making failings. However, to a much greater extent the decision represented another case of crisis management informed by domestic political calculations. The essential flaws in the Clinton Administration's China policy persisted.

The Clinton Administration Pursues a Strategy of Linkage

THE IMMEDIATE DETERIORATION IN US-CHINA RELATIONS FOLLOWING THE 1993 MFN DECISION

The Administration embarked upon the pursuit of its redefined China policy with optimism. The Executive Order had brought harsh criticism from Beijing, but it was understood that the Chinese were privately relieved that its MFN status had been renewed without immediate restrictions.³ However Sino-American relations deteriorated rapidly. Pressed by a watchful Congress, the Executive wanted to demonstrate its resolve in promoting US interests with China, and prove that it was willing to challenge unacceptable aspects of China's behaviour.⁴ Congress

³ 'Clinton MFN Order gets Mixed Reviews; Business, Human-Rights Groups Back Compromise as China Balks'; *Asian Wall Street Journal* May 31 1993 p.1 and interview with David M. Lampton, President of the National Committee on US-China Relations, November 14, New York.

⁴ National Security Advisor Anthony Lake, who many regard as having a 'missionary-like' compulsion to change China, was relatively involved in China policy-making at this point.

too wished to take a tough line with the PRC. Beijing, entering a period of political uncertainty related to the succession of paramount leader Deng Xiaoping, was typically determined to resist US demands and interference. A number of incidents in the summer of 1993 reflected this confrontation.

US and Chinese representatives came to diplomatic blows at the UN Conference on Human Rights in mid-June. State Department Counsellor Timothy Wirth accused the Chinese of leading an effort to prevent the drafting of a "meaningful final document".⁵ This was followed by a new period of political repression in China, highlighted by the arrest of a number of prominent political dissidents. Other than the 'political fix' embodied in the May 28 announcement, it appeared that the bilateral human rights dialogue undertaken by Christopher, Lord and other officials in the spring of 1993 had achieved little else.⁶

The issue of security, absent from the Executive Order's MFN conditions, and governed for the US by existing legislation, also became a focus for bilateral contention within two months of the launch of Clinton's China policy.

The month of July saw two incidents that raised American anxieties about China's role in the proliferation of militarily sensitive materiel to Iran. In the first case, China openly

Interview with Ted Galen Carpenter, Vice-President, Foreign Policy and Defence Studies, CATO Institute, November 6 1997, Washington D.C.

⁵ 'US Chides China on Rights'; *Chicago Tribune* June 18 1993.

⁶ See previous chapter for an overview of these discussions.

declared that it would assist Iran in building a nuclear power plant, in the face of US objections.⁷ At the same time, US intelligence revealed their suspicions that a Chinese freighter, the *Yin He*, was covertly supplying chemical weapons components to Iran.⁸ Despite the tough stance taken on the issue by the Administration, the Chinese refused to allow an inspection of the ship until August 4, when no evidence to support US allegations was found.⁹ Not for the first time, Beijing came out top in the public relations war.

These disputes were expounded by continued US allegations that the People's Republic were shipping missile technology (specifically M-11 missiles) to Pakistan.¹⁰ This particular issue greatly concerned and annoyed the Administration, in the context of the 1992 Memorandum of Understanding secured by Secretary of State Baker eliciting Chinese support for the Missile Technology Control Regime. Chinese protestations that the missiles fell outside the Regime's 300 km limit angered Administration officials who hoped not only to limit China's role in the proliferation of weapons of mass destruction, but

⁷ Vincent A. Auger, *Human Rights and Trade: The Clinton Administration and China*; Pew Case Studies in International Affairs, Case 168, School of Foreign Service, Georgetown University, Washington D.C. p.7.

⁸ 'The Voyage of the *Yin He*'; *Washington Post* August 11 1993 p.A18.

⁹ Kerry Dumbaugh, *China-US Relations: Chronology of Developments During the Clinton Administration*; Report for Congress 97-484 F, Library of Congress, Washington D.C., October 15 1997 p.4.

¹⁰ John Goshko, 'US Warns China of Sanctions for Missile Exports to Pakistan'; *Washington Post* July 26 1993 p.A10.

to secure Beijing's signature on anti-proliferation measures, such as the MTCR. Talks between Warren Christopher and Chinese Foreign Minister Qian Qichen at the Association of South East Asian Nations (ASEAN) meeting in Singapore in late July, and a coincidental diplomatic trip by Undersecretary of State Lynn Davis to Beijing, proved fruitless.¹¹ The Administration imposed sanctions on the People's Republic in August.¹² Worth almost \$1 billion over a two year period, the sanctions covered a variety of high-technology exports predominantly to the Chinese Defence and Aerospace ministries.¹³ This action raised a significant point; namely the suggestion that the Clinton Administration was willing to sacrifice US commercial interests to US national security interests, but not human rights interests. This suspicion, sewn by the May 28 Executive Order, would grow on the back of bilateral incidents in the run up to the 1994 MFN decision.

Congress too exhibited a desire to punish China. Certain members, led by Senator Jesse Helms, pushed officials for a more resolute stand on China's proliferatory and arms trading

¹¹ Ibid. Davis was conducting a five state tour promoting an end to nuclear testing. 'US Envoy to Explore Worldwide A-Test Ban'; *Washington Post* July 20 1993 p.A14.

¹² The Defence Agencies expressed frustration with the lack of progress on issues of proliferation secured by top officials during this period. These sanctions represented a minor success, however. Interview with Ronald N. Montaperto, Senior Fellow, Institute for National Strategic Studies, National Defence University, November 12 1997, Washington D.C.

¹³ Daniel Williams, 'US Punishes China Over Missile Sales'; *Washington Post* August 26 1993 p.A1.

activities.¹⁴ More significantly, Congress voted overwhelmingly in opposition to Beijing's bid to host the Olympic Games in the year 2000, on the basis of China's human rights record. The debate in the Senate was particularly critical of China, and the Administration decided to follow its lead. China protested strongly at Washington's interference, and blamed the US for the narrow defeat of its bid in late September.¹⁵

The diplomatic fall-out triggered by these disputes left US-China relations under significant strain. The US perceived the Beijing regime to be engaged in deliberately provocative behaviour, while the Chinese repeated their protests of an interfering and imperialist America. The thirty-ninth Chinese nuclear test in early October, that broke the five established nuclear nations' informal moratorium on testing, only served to consolidate these views in the diplomatic clash that ensued.¹⁶ Administration officials, particularly within the State Department and the defence agencies, and certain members of Congress such as Rep. Lee Hamilton, were concerned by the deterioration in relations.¹⁷ These figures were worried that

¹⁴ Lally Weymouth, 'Chinese Take-Out; Supplying Weapons to Rogue States'; *Washington Post* August 12 1993 p.A27.

¹⁵ Ezra F. Vogel, 'How Can the United States and China Pursue Common Interests and Manage Differences?' Introduction to Ezra F. Vogel, *Living with China: US-China Relations in the Twenty-First Century*; The American Assembly, W.W.Norton and Company Inc. (New York, 1997) pp.25-26.

¹⁶ Lena H. Sun, 'China Resumes Nuclear Tests'; *Washington Post* October 6 1993 p.A23. Adherence to the moratorium, (which the US planned would precede a Comprehensive Test Ban Treaty - CTBT), was seen as evidence of China's integration into the 'world community'.

¹⁷ Interview with Winston Lord, Assistant Secretary of State
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Sino-American tensions would compromise Washington's ability to deal with the deepening crisis regarding North Korea's nuclear programme, as Beijing's cooperation on the issue was thought valuable.¹⁸ This apprehension led to a review of China policy in July-September 1993.

THE ADMINISTRATION ATTEMPTS 'COMPREHENSIVE ENGAGEMENT' WITH CHINA

Assistant Secretary of State Winston Lord had argued that engagement with Beijing was necessary if the strategy of linkage and MFN conditionality was going to work.¹⁹ Indeed, State Department officials at junior levels had pursued, or more accurately continued diplomatic engagement with their Chinese counterparts before and after the announcement of the Executive Order. However, tough-sounding statements, often issued by White House officials, undermined this endeavour.²⁰ This view is supported by Lord:

for East Asian and Pacific Affairs 1993-1996, November 7 1993, New York and interview with Richard Bush, former professional staff on the House Subcommittee for Asian and Pacific Affairs, October 29, Washington D.C.

¹⁸ See chapters three and four for discussions of the North Korea issue.

¹⁹ Statement of Winston Lord, Assistant Secretary of State for East Asian and Pacific Affairs before the Subcommittee on Trade of the House Ways and Means Committee, Washington D.C., June 8 1993; reproduced in *US Department of State Dispatch* vol.4 no.24. June 14 1993.

²⁰ Interview with Robert M. Perito, former Senior China Specialist, Department of State, November 10 1997, Washington D.C.

"I was uncomfortable...with our style [on China policy]...We Weren't putting the best public face on it."²¹

Feeling that the US-China relationship was accumulating problems that needed to be addressed, Lord consulted widely within the China policy community.²² As a consequence, he recommended a strategy of 'Comprehensive Engagement' with Beijing in a memorandum to the President in mid-July 1993, signed and activated by Clinton in September.²³ Clinton welcomed the recommendation. His own reservations regarding the linkage policy had been fuelled by Japanese and South Korean disapproval voiced to the President on his tour of the countries in late July.²⁴ The memorandum established the basis for a series of high-level US visits and exchanges intended to secure an improvement and promote understanding in bilateral relations.²⁵ Nevertheless, it was designed to reinforce, not replace, the strategy of linkage.

NSA Lake and Assistant Secretary Lord communicated the new

²¹ Interview with Winston Lord op cit.

²² Lord recalls an "...undercurrent of dissatisfaction in certain elite circles of our policy." Ibid.

²³ Ibid. The delay in Clinton signing and activating the action memorandum indicates the lack of commitment he afforded US China policy.

²⁴ David M. Lampton, 'America's China Policy in the Age of the Finance Minister: Clinton Ends Linkage'; *The China Quarterly* no.139 September 1994 p.610.

²⁵ See also Elaine Sciolino, 'Clinton and China: How the Promise Self-Destructed'; *New York Times* May 29 1994 p.1.

approach to PRC Ambassador to Washington Li Diaoyu on September 25 1993.²⁶ Warren Christopher's reiteration of the message in his meeting with Qian Qichen in New York on September 30 drew a favourable response from Qian.²⁷ Accordingly Assistant Secretary of State for Human Rights John Shattuck visited Beijing in mid-October. The fact that Shattuck was the first senior official to go to the PRC was intended to symbolise the centrality of the human rights issue to Washington's relations with Beijing. The Chinese resisted his appeals for progress.²⁸

Shattuck was followed to Beijing by Agriculture Secretary Mike Espy and Charlene Barshefsky of the Office of the United State Trade Representative (USTR). While Espy's visit was encouraging, Beijing dismissed Barshefsky's claim that China was blocking US access to its markets.²⁹ The most significant exchange occurred in early November, when Assistant Secretary of Defence Charles Freeman undertook two days of talks in Beijing.³⁰ This represented the highest-level bilateral military exchange since Tiananmen June 1989.³¹

²⁶ Kerry Dumbaugh, *China-US Relations: Chronology*; op cit p.4.

²⁷ Daniel Williams, 'US to Renew Contact with Chinese Military; Meeting Reflects Strategy of Easing Tension'; *Washington Post* November 1 1993 p.A1.

²⁸ Ibid.

²⁹ Using familiar courting tactics, the Chinese raised the prospect of major grain purchases with Espy. Ibid.

³⁰ Lena Sun. 'Military Talks in Beijing 'Productive'; *Washington Post* November 3 1993 p.A12.

³¹ Throughout the mid to late 1980s, US-PRC military negotiations and exchanges had been at the forefront of the burgeoning bilateral relationship. Interview with Ronald N.

While little substantive progress was made in the series of talks, they did improve the diplomatic atmosphere between the two governments in advance of Clinton's scheduled meeting with Chinese President Jiang Zemin, at the Asia Pacific Economic Cooperation (APEC) summit in Seattle November 19.³² In an echo of the Bush Administration's early tactics toward China, and establishing a precedent for future conduct, the Administration also offered concessions as a means of improving relations. On the eve of the Clinton-Jiang meeting, the Administration communicated its willingness to waive the sanctions it imposed in August in return for a PRC pledge not to export M-11 missiles or similar in the future. Beijing expressed interest in the proposal while denying the transfers occurred in the first place.³³ The Administration also revealed its decision to permit the sale of a supercomputer requested by Beijing.³⁴

The Clinton-Jiang meeting reflected an improvement in relations, but yielded no progress.³⁵ Jiang was unmoved by

Montaperto op cit.

³² Interview with Winston Lord op cit. See also Don Oberdorfer, 'Replaying the China Card; How Washington and Beijing Avoided Diplomatic Disaster'; *Washington Post* November 7 1993 p.C3. This meeting was the first between US and Chinese leaders since Tiananmen.

³³ R. Jeffrey Smith and Daniel Williams, 'US Offers to Waive China Trade Sanctions'; *Washington Post* November 11 1993 p.A39.

³⁴ Ruth Marcus and Daniel Williams, 'US Agrees to Sell Supercomputer to China'; *Washington Post* November 19 1993 p.A48.

³⁵ Ruth Marcus and Daniel Williams, 'China Cool to Clinton Conditions; President and Jiang Meet in Seattle'; *Washington Post* November 20 1993 p.A1.

Clinton's insistence on progress on human rights and other issues. Indeed to illustrate the importance in which the US regarded the matter, Clinton informed Jiang of a letter signed by two hundred and seventy members of Congress demanding an improvement of human rights progress.³⁶

The period after the September instigation of 'comprehensive' engagement, culminating in the Clinton-Jiang meeting in November had a number of important implications for the Administration's management of China policy. Firstly, the endorsement of high-level contacts led to the resumption of bilateral military dialogue. This, according to one defence analyst, allowed defence officials with a stronger appreciation of the strategic importance of US-China relations a greater influence in the policy-making process. Their role was limited by the White House's continuing preoccupation with domestic political factors. It did, however, facilitate the growing influence later in the Administration of William Perry, who would replace Les Aspin as Defence Secretary.³⁷

On the other hand, the pursuit of engagement undermined US credibility in Beijing.³⁸ The Administration was determined to

³⁶ Daniel Williams, 'US, China in Test of Strength'; *Washington Post* November 22 1993 p.A17. This repeated the China policy custom of the Administration informing the Chinese that the US Congress would act against China unless progress on specified bilateral relations was forthcoming.

³⁷ Perry was widely acknowledged to have a strong and rationale vision of US China policy. Interview with Ronald N. Montaperto op cit.

³⁸ This concern was raised by some officials. Daniel Williams, 'US to Renew Contact with Chinese Military; Meeting Reflects Strategy of Easing Tension'; op cit.

take a resolute stand on human rights. Clinton, Christopher and other high-level officials in the State Department and National Security Council (NSC) impressed upon the Chinese that compliance with the conditions stipulated in the Executive Order was required for MFN renewal. Yet the Administration also offered concessions to sweeten the relationship. Some commentators considered the talks with the Chinese military, key figures in the June 1989 repression, in this vein.³⁹ Further while elite officials such as Clinton issued tough rhetoric and demands, more junior officials within the State Department were actively pursuing positive engagement.

The Administration began to doubt that Executive Order would be met, and that it would be faced with revoking China's MFN status in 1994. These doubts convinced some within the Administration, and in particular within the State Department, that a firmer stance toward China was required.⁴⁰ Others, within and outside the Administration believed that engagement was necessary, but that the US needed to communicate its interests and requirements in a more considered and coherent way. A number of private diplomatic initiatives were undertaken in line with this recommendation. One congressional staffer conducted an 'academic trip' to Beijing, the real purpose of which was;

"...a kind of propaganda operation on the Chinese community, stating as stronger a case for why it was

³⁹ For example see John Kruger and Charles Lewis, 'Bills Long March'; *Washington Post* November 7 1993 p.C3.

⁴⁰ Interview with Mike Jendrzeczyk op cit.

in China's interests to buy on to the E.O. [Executive Order] and do the minimum of what was necessary."⁴¹

However the latter months of 1993, and the Clinton-Jiang meeting in particular convinced other officials that the policy adopted in May was unwise and should not be pursued. The economic agencies led by the Commerce Department and the National Economic Council were convinced of the value of pursuing America's commercial interests in China, or at least not having them curtailed by MFN revocation.⁴² Similarly, the defence agencies wished to expand its reinitiated dialogue with the Chinese military, and argued that MFN revocation would be detrimental to US security interests. Indeed Clinton came to feel that he could not risk the isolation of Beijing, and that China was too important to punish, following his APEC meeting with Jiang.⁴³

These conclusions, when brought together might have pointed to a reconcerted effort by the Administration to pursue its broad range of interests in China. Instead, it led to considerable disunity within the Administration, and even greater inconsistency and incoherence in China policy. Despite

⁴¹ Interview with Richard Bush op cit. Bush delivered a speech entitled 'The Evolution of US Policy Toward China Under the Clinton Administration'.

⁴² Interview with Stephen Yates, China Policy Analyst, the Heritage Foundation, November 5 1997, Washington D.C. Yates served as an aide to Commerce Secretary Ron Brown.

⁴³ Robert S. Greenberger and Michael K. Frisby, 'Clinton's Renewal of Trade Status for China Follows Cabinet Debates, Congress's Sea Change'; *Wall Street Journal* May 31 1994 p.A18.

appreciating the importance of China, the President still did not commit himself to the issue. The Administration's chaotic approach to relations with Beijing contributed to a further deterioration in bilateral relations and a growing political crisis in 1994.

*A FURTHER DETERIORATION IN US-CHINA RELATIONS IN 1994
THE DISINTEGRATION OF THE ADMINISTRATION'S CHINA POLICY*

In some respects the new year started well for the Administration. Treasury Secretary Lloyd Bentsen's trip to Beijing towards the end of January secured a Chinese commitment vital to the renewal of MFN as defined by the Executive Order. Beijing agreed to a round of inspections of Chinese prisons by US Custom Officials, pursuant of the 1992 Memorandum of Understanding on the export of prison labour to the US.⁴⁴ Further, Beijing responded positively to an announcement by USTR Mickey Kantor that the US would impose sanctions worth over \$1 billion following evidence of Chinese transshipment of textiles to the US. Demonstrating its awareness that Washington was gearing itself up for the debate on China's MFN, the Chinese government declared a determination to prevent such transshipments in the future.⁴⁵ The Chinese authorities also began talks with the International Committee of the Red Cross concerning access to Chinese prisons, and released a number of

⁴⁴ Kerry Dumbaugh, *China-US Relations: Chronology*; op cit p.5.

⁴⁵ Elaine Sciolino, 'Clinton and China: How Promise Self-Destructed'; op cit.

political prisoners. Administration officials recognised that these gestures did not satisfy the conditions of the Executive Order.⁴⁶

Anxieties regarding the MFN decision in the face of China's lack of progress on human rights continued to grow. Senior officials called for improvements while insisting that the threat to revoke MFN still stood. Commencing his trip to China, Secretary Bentsen said:

"...some progress had been made, but we were expecting more before this president had to make his decision."⁴⁷

The Secretary of State, known to be supportive of linkage backed this demand in late January, maintaining:

"I think that at this present time, they have not met the conditions of the executive order."⁴⁸

The Administration defence of linkage came under heightened scrutiny at the beginning of February, with the release of the annual State Department Report on Human Rights in China.⁴⁹ While the report recognized that some small steps

⁴⁶ Clay Chandler and Daniel Southerland, 'A Slow Pace on Rights by Beijing, but it May Suffice'; *International Herald Tribune* January 22-23 1994 p.1 and p.4.

⁴⁷ Thomas L. Friedman, 'Bentsen Says China Isn't Doing Enough on Rights'; *New York Times* January 20 1994.

⁴⁸ Elaine Sciolino, 'US Again Warns Beijing on Rights'; *New York Times* January 20 1994.

⁴⁹ *China Human Rights Practices, 1993*; United States Department of State, Bureau of Public Affairs (United States

had been taken to improve human rights, such as the release of some political prisoners and accession to international inspection of its prison labour facilities, the State Department largely condemned China's record. The report argued that the China's human rights performance in 1993;

"...fell far short of internationally accepted norms as it continued to suppress domestic critics and failed to control abuses by its own security forces."⁵⁰

State Department Counsellor Timothy Wirth placed the report's conclusions in the context of the Executive Order's prescriptions for the 1994 MFN decision, in spite of the fact that the report appeared to suggest that linkage was failing. He insisted that the progress Beijing had made on human rights was "limited", adding:

"...we must see significant progress before we renew. Limited progress does not mean significant progress."⁵¹

Despite these statements in defence of the Executive Order and the strategy of linkage, conflicting messages were coming from the Administration. The economic agencies were becoming

Government Printing Office, Washington D.C.) February 1994.

⁵⁰ Ibid.

⁵¹ Mary E. Kortenak, 'China's Trade Status Tops Debate on Human Rights'; *Congressional Quarterly Weekly Report*, February 5 1994 p.258.

increasingly frustrated with a policy that appeared to be achieving little specific progress while fuelling a decline in relations. Leading figures such as Commerce Secretary Ron Brown and NEC Chairman Robert Rubin began to lobby within the Administration for an abandonment of the threat to revoke MFN and a commitment to open, economically driven engagement with the PRC.⁵² Indeed, Rubin was reported to have informed journalists that he favoured divorcing China's MFN status from human rights conditions.⁵³

Defence agencies also lobbied for a reassessment. Not only were they concerned about proliferation and the growth of the Chinese military, they were also demanding that attention be given to the issue of North Korea's nuclear programme.⁵⁴ Thus while the Administration demanded human rights concessions in advance of the 1994 MFN recommendation, it was also sending Assistant Secretary of State Robert Gallucci to Beijing to request China's assistance with Pyongyang.⁵⁵ The Administration's disparate approach was further reflected in its concession to a Congressional demand to repeal the 1982 Communiqué on arms sales to Taiwan. While it prevented the repeal going ahead, the Administration did agree to approve a

⁵² Interview with Stephen Yates op cit. See also Robert S. Greenberger and Michael K. Frisby, 'Clinton's Renewal of Trade Status for China Follows Cabinet Debates, Congress's Sea Change'; op cit p.A18.

⁵³ Daniel Williams and Clay Chandler, 'The Hollowing of a Threat'; Washington Post May 12 1994 p.A23.

⁵⁴ Interview with Ronald N. Montaperto op cit.

⁵⁵ 'US to Seek China's Aid on North Korea'; *International Herald Tribune* April 12 1994 p.2.

considerable number of arms shipments to Taiwan at a particularly sensitive point in US-PRC relations.⁵⁶

Congress too expressed its frustration with the Administration's China policy. A significant number on the Hill were beginning to doubt the wisdom of linkage and MFN conditionality. They also chastised the Administration for its handling of China, with Democrats as well as Republicans decrying the degree of incoherence and uncertainty.⁵⁷ The mood was particularly angry in the committee hearing on China's MFN status, at which Winston Lord announced his Mid-Term Review on China.⁵⁸ Lord provided a comprehensive brief on the achievements and frustrations in bilateral relations since May 1993. He highlighted the importance of China in economic and other terms and asserted:

"...we share the view that it would be far more desirable to extend MFN than to revoke it."⁵⁹

However, having strongly defended the Executive Order and its objectives, and implicitly blamed US business and other forces for undermining the Administration's stance with the Chinese,

⁵⁶ Jim Mann, 'As China Looks on, US Agrees to Sales of Arms to Taiwan'; *International Herald Tribune* April 28 1994 p.6.

⁵⁷ Interview with David M. Lampton op cit.

⁵⁸ *United States-China Trade Relations*; Hearing before Subcommittee on Trade of the House Ways and Means Committee, 103rd Congress, 2nd Session, February 24 1994, Washington D.C. (United States Government Printing Office, 1994).

⁵⁹ 'Mid-Term Review on China' Statement of Winston Lord, Assistant Secretary of State for East Asian and Pacific Affairs before the House Subcommittee on Trade, February 24 1994; op cit p.87.

Lord added:

"This is only possible, however, if we all send the unambiguous message that further progress on human rights is required."⁶⁰

Clinton's lack of credibility with Congress on China was illustrated by the vehemence with which members criticised the Administration throughout the hearing. In particular, they reproached the lack of unity amongst senior officials, and highlighted the fact that the Administration was presenting incoherent and contradictory messages on China policy.

An appreciation that the policy was failing and that a political crisis was looming on the MFN decision persuaded a centrist bloc of predominantly Democratic members to explore compromises and alternatives. Led by Representatives Hamilton, Matsui, Senator Baucus and other members of the moderate coalition of 1993, they looked for politically-acceptable ways of maintaining MFN. Proposals included imposing limited, targeted sanctions to promote human rights, and pursuing the issue through non-trade measures.⁶¹ This initiative was a doubled-edged sword for Clinton. On the one side, debate on this kind strongly undercut the credibility of the existing policy in China. Beijing became increasingly convinced that it need only rely on domestic forces in the US and do nothing

⁶⁰ Ibid.

⁶¹ Thomas L. Friedman, 'Democrats Seek a Compromise on China Policy'; *International Herald Tribune* April 22 1994 p.1 and p.8.

itself to secure unconditional renewal of its trading status. It also fuelled divisions within the Administration. On the other side, the initiative offered the prospect of deflating a damaging political crisis, an issue of greater personal interest to the President. He recognised that the centrist bloc could be a crucial counterweight to anti-China group led by Rep. Nancy Pelosi, which was already preparing to vote to revoke MFN on the back of continued human rights violations.⁶²

The debate within the foreign policy community also reflected clear opposition to the revocation of MFN in the absence of human rights progress. In particular, a forum of the Council on Foreign Relations argued that while the objectives of the Administration were laudable, its tactics were in fact simultaneously detrimental.⁶³ Again this provided support for a reversal of policy, easing the domestic cost of doing so, but also represented a serious attack on the Clinton Administration.

As the MFN June 3 deadline approached, it was clear that the Administration was divided over China policy. Under Secretary of Commerce Jeffrey Garten underlined this fact during a trip to Beijing, when he emphasised the importance the US attached to trade with China.⁶⁴ Even Warren Christopher,

⁶² Robert S Greenberger, 'Lawmakers Support Report Charging China Still Exports Prison Labour Goods'; *Wall Street Journal* May 19 1994.

⁶³ See Thomas W. Lippman, 'Clinton's China Policy Under Attack at Home'; *International Herald Tribune* March 17 1994 p.1.

⁶⁴ Elaine Sciolino, 'Clinton and China: How Promise Self-Destructed'; *op cit*.

while continuing to defend the Executive Order in public, commissioned legal advice on the minimum progress required to satisfy the qualifications for unconditional MFN renewal.⁶⁵

The bureaucratic crisis over China policy came to a head with the Secretary of State's visit to Beijing in mid March. The visit not only highlighted the confusion and lack of discipline associated with the conduct of China policy, it sealed splits within the Administration, and the fate of the policy of linkage.⁶⁶

The Chinese proved uncooperative at the UN Commission on Human Rights, shortly before Secretary of State Warren Christopher was due to undertake the diplomatic stopover in Beijing as part of a tour of Asia. Chinese officials obstructed an American attempt to censure China for human rights abuses, protesting against US interference in their internal affairs. In a correlative action, the Chinese also hindered the attempts to arrange the Christopher delegation's negotiations in Beijing.⁶⁷

Beijing's reception of Secretary Christopher on March 11 epitomised the regime's confidence in resisting US calls for human rights improvements as the MFN deadline approached. It also served as an illustration of the importance the Chinese

⁶⁵ Ibid.

⁶⁶ See Bruce W. Nelan, 'No Room for Compromise'; *Time* March 21 1994 p.37, and Elaine Sciolino, 'Cold-Shoulder Treatment for Christopher In Beijing'; *International Herald Tribune* March 12-13 1994 p.1 and p.4.

⁶⁷ Vincent A. Auger, *Human Rights and Trade: The Clinton Administration and China*; op cit p.9.

placed on diplomatic and political 'face', Christopher's trip coinciding with the meeting of the National People's Congress.⁶⁸

Assistant Secretary of State for Human Rights John Shattuck, already in Beijing, had met leading dissident Wei Jingshen five days before the Secretary of State's visit, without the knowledge of Christopher, Lord or Clinton. Shattuck met Wei in public, in the coffee garden of the China World Hotel, but did not draw public attention to the ninety minute talk. Wei was not so reserved in the days that followed. The consequences were highly significant in that the Chinese authorities arrested Wei the day Christopher's delegation arrived in Beijing, branding Wei a "criminal on parole" and accusing Shattuck of breaking Chinese law.⁶⁹

While he did not cancel the visit, aware that to do so would put the policy process towards the MFN decision under greater strain, Christopher did cancel several public speeches and a tour of Beijing in protest. He also declared that Under Secretary of Defence for Policy Frank Wisner would not cultivate expanded bilateral military ties as planned, but limit his discussions with the Chinese military to the issue of human rights. Further, Christopher was explicit in his condemnation of the Regime's behaviour, stating:

"these actions will have a negative effect on my trip to China as well as on the subsequent review of the

⁶⁸ Interview with David Shambaugh, Director, Gaston Sigur Centre for East Asian Studies, George Washington University, October 27 1997, Washington D.C.

⁶⁹ Elaine Sciolino, 'Clinton and China'; op cit.

favoured nation trade question."⁷⁰

American business executives whose companies traded with China were less than pleased with the Secretary's criticism and in meetings in Beijing with the US delegation they urged him to end the linkage between human rights and MFN.⁷¹

Nevertheless, three days into the visit, Christopher did announce that the US intended to relax the satellite-related sanctions imposed in August. When questioned about what appeared to be a somewhat inconsistent piece of diplomacy, the Secretary of State argued that it "simply sends a signal of even-handed treatment."⁷² In fact, despite the difficulties of the trip, the US delegation achieved two breakthroughs. Firstly, agreement was reached on a joint declaration terminating Chinese prison labour exports to the US. This was an issue attracting increasing attention within Congress and the wider China policy community. Secondly, the Chinese promised to resolve a number of unsettled emigration concerns. Of course, both breakthroughs related directly to specific demands made in Executive Order 12850.

These achievements did not insulate the Secretary of State from intense domestic criticism for his trip, nor did it mask serious problems in the Administration's China policy-making

⁷⁰ Elaine Sciolino, 'US Showing Frustration Over China's Human Rights Policy'; *New York Times* March 9 1994.

⁷¹ Vincent A. Auger, *Human Rights and Trade: The Clinton Administration and China*; op cit p.9.

⁷² Elaine Sciolino, 'US Moves to Ease Beijing Sanctions'; *New York Times* March 8 1994.

process.⁷³ Crucially, the President was known to have been particularly irritated by Christopher's management of the clash and the attention it attracted.⁷⁴ This not only demonstrated the lack of support for linkage that now existed within the White House, but also highlighted Clinton's unwillingness to provide leadership on the issue and back those officials attempting to implement the China policy he introduced in May 1993. As Winston Lord notes:

"There wasn't, shall we say, immediate support out of the White House for Secretary Christopher."⁷⁵

The fact that the White House blamed the Secretary of State, rather than the Chinese, reinforced this point.⁷⁶ Further, the whole incident underscored Winston Lord's weakness within the policy-making process. His attempts to pursue a consistent line with the Chinese, advocating strong engagement while requesting at least minimum compliance with the Executive Order, were severely compromised by other officials pursuing their own agendas with Beijing. Without the commitment of the President, or indeed to a lesser extent the Secretary of State, Lord was unable to impose the kind of discipline that would

⁷³ David Lampton is particularly critical of Christopher's handling of the trip. Interview op cit. Unsurprisingly Lord, who accompanied Christopher, is more defensive of the trip. Interview op cit.

⁷⁴ Elaine Sciolino, 'Clinton and China: How the Promise Self-Destructed'; op cit.

⁷⁵ Interview with Winston Lord op cit.

⁷⁶ Ibid.

have prevented the Shattuck/Christopher controversy.⁷⁷ Indeed Lord was highly frustrated with the tendency of officials in the economic agencies to voice their disapproval of the existing policy. He maintains that "...very frankly, they were not being helpful with the Chinese."⁷⁸

Lord was not the only official to express frustration with the indiscipline exhibited by senior members of the Administration. Another complained:

"Its frustrating. We seem to do the Chinese work for them. If they need someone to argue against revoking MFN, they only have to get some guy from the economic branch of the government."⁷⁹

Nevertheless, it was Winston Lord's widely leaked confidential memorandum to Warren Christopher in April that illustrated the extent of disarray.⁸⁰ The memorandum did reflect on a broad range of improvements in Washington's relationship

⁷⁷ Interviews with David Lampton op cit and Ronald M. Montaperto op cit. The economic agencies actually protested that the State Department, and Winston Lord in particular, had too much control over China policy. See Elaine Sciolino, 'Winston Lord; Where the Buck Stops on China and Human Rights'; *New York Times* March 27 1994.

⁷⁸ Interview with Winston Lord op cit.

⁷⁹ Reported in Daniel Williams, 'China's Hard-Nosed Rights Stance Against Trade Status'; *Washington Post* March 3 1994.

⁸⁰ 'Emerging Malaise in our Relations with Asia'; undated confidential memorandum to Secretary of State Warren Christopher. See Daniel Williams and Clay Chandler, 'US Aide Sees Relations with Asia in Peril'; *Washington Post* May 5 1994 p.A38.

with the Asia-Pacific region.⁸¹ Yet considerable press attention was given to his concerns for China policy, and the lack of support it received amongst countries of the region. He urged a reappraisal of Asia, and China policy, designed to produce a more coherent and strategic view of US interests. In other words, Lord demanded that Christopher and Clinton establish a clear hierarchy of priorities. He also implicitly criticised the economic agencies for pursuing their own agendas without regard for the greater picture. The Assistant Secretary insisted:

"There will be times when trade-offs are required between competing short-term objectives. At times we will need to set clear priorities."⁸²

Some commentators interpreted this remark as indication that Lord had changed his mind on the efficacy of linkage, and that he was now advocating unconditional renewal of China's MFN irrespective of its human rights performance.⁸³ Further, commentators disagreed as to the purpose of the leaked memorandum. While some suggested that it was an declaration of an intention to resign, others argued that it was an attempt to shift the blame for policy failures away from himself. Some observers concurred with Lord's assertion that it was an

⁸¹ Interview with Winston Lord op cit.

⁸² 'Emerging Malaise in our Relations with Asia'; in Daniel Williams and Clay Chandler, 'US Aide Sees Relations with Asia in Peril'; op cit.

⁸³ Lord suggests that he was addressing problems of style rather than substance in the memorandum. Interview op cit.

attempt to provoke debate and reassessment within the Administration. Nevertheless, all were agreed that the central criticisms presented by Lord were valid.⁸⁴

Christopher's disastrous trip to China appeared to persuade the White House that it would have to address the challenge of either revoking MFN, something it was very reluctant to do, or implementing a major policy reversal.⁸⁵ Both options threatened considerable domestic political costs, yet Lord's memorandum had revealed the disarray in which the Administration found itself in over the present policy of linkage. Clinton decided to explore the political possibility to delinking human rights from trade and embracing broad and open engagement with the PRC.

The Search for an Acceptable Path to Delinkage

By April, the Clinton Administration was faced with escalating bilateral and political crises. Relations with the Chinese were deteriorating. Washington's credibility with Beijing had evaporated, and little progress of substance was being made on human rights and other issues. Senior officials had realised that Beijing was not going to compromise, knowing that it could rely on the US business lobby and centrists in Congress to make

⁸⁴ Interviews with Winston Lord op cit, Ted Galen Carpenter op cit, David Lampton op cit and interview with James W. McCormick, former professional staff of House Subcommittee on Asian and Pacific Affairs, November 7 1997, Washington D.C.

⁸⁵ Lord explains that the Christopher trip revealed that China was not going to make sufficient progress on human rights to satisfy the Executive Order. Interview op cit.

its case for delinkage.⁸⁶ The split within the Administration between those defending the Executive Order, and those who had already abandoned it and were lobbying for delinkage, continued to grow. Lord's memorandum failed to resolve this split, and instead highlighted the problems of the existing policy. The Administration had also lost significant credibility with Congress, a large proportion of which now appeared to favour delinkage.

The President had three options for his MFN 1994 recommendation.⁸⁷ Firstly, he could determine that the PRC had satisfied the conditions of the Executive Order, and renew MFN accordingly. Officials recognised that this stance would have no credibility with neither Beijing nor Congress, and would simply attract ridicule. Secondly, Clinton could adhere to the Executive Order and revoke MFN in the light of China's failure to satisfy the conditions. This was also unpalatable to the President, who "...never wanted to revoke MFN."⁸⁸ This option had its own political implications in the form of the likely reaction of the business community. Clinton had often enjoyed valuable support from this community for his domestic and geo-economic policies.⁸⁹ Thirdly, he could attempt to manipulate a

⁸⁶ Interview with Stephen Yates op cit.

⁸⁷ Interview with Winston Lord op cit.

⁸⁸ In rejecting this option, Lord's reasoning echoes the Bush Administration's defence of engagement. In other words, MFN revocation would have hurt reformists in China, undermine the incremental liberalising effects of engagement, hurt US economic interests, hurt allies in the region, and left the US isolated internationally. Ibid.

⁸⁹ Big businesses also provided Clinton with important

policy reversal. Thus he would acknowledge the PRC's failure to satisfy the conditions, but make the case for delinkage and engagement as the most effective path ahead. This would represent a significant admission of failure, especially in the light of his castigation of Bush during the 1992 presidential elections. However, ironically, it also offered the route of minimum political resistance, and was Clinton's preferred option.

From early April, senior officials within the Administration and the White House began a consultative process in an effort, once again to gauge prevailing opinion. This process took several paths; debates and discussions involving White House and Administrations officials, consultations with Congress, consultations with Beijing, and consultations with lobby groups and sinologists. Political calculations were critical to this process.

THE INTERNAL POLICY-MAKING PROCESS

Angered by the lack of support he received following his difficult trip to China, and concerned by the splits within the Administration, Christopher decided to convene a joint meeting of the NSC and NEC on March 22. The Secretary of State still favoured the pursuit of linkage, and standing tough on demanding human rights improvements. Backed by NSA Anthony

campaign and political fundraising donations. Interview with David Lampton op cit. See John Kruger and Charles Lewis, 'Bills Long March'; op cit.

Lake, Christopher argued that the Administration needed to unify behind a China policy linking human rights with MFN in line with the Executive Order. Christopher contended that only by presenting a unified position would US China policy appear credible to the Chinese, supported by US determination on the issue of human rights. The official line, that cosmetic rights concessions would be insufficient to renew MFN, was to be retained, for the time being.⁹⁰

Nevertheless, the Secretary of State's acknowledged commitment to human rights was not the only reason he adhered to the US government's stated, but crumbling, position. As one senior State Department official explained:

"This is partly about who is going to be in charge of China policy. The Secretary is trying to keep the Commerce and Treasury Departments from trying to make a run over taking over the policy. He wants to make sure the State Department keeps a very strong control over the Chinese relationship, that its not tenable to have economic agencies in open revolt against the policy."⁹¹

Compromise was reached within the Administration, and the coordination of the China policy process altered. In return for following a unified line in defending linkage (for the time

⁹⁰ David M. Lampton, 'America's China Policy in the Age of the Finance Minister: Clinton Ends Linkage'; op cit p.618.

⁹¹ Elaine Sciolino, 'US to Try a Conciliatory Track with China'; *New York Times* March 23 1994.

being), the economic team secured greater access and influence in the policy making process. The development of China policy towards the MFN deadline would be lead by the top officials from the NSC and NEC through a new joint committee, putting the process back firmly in the hands of the White House.⁹² In effect, the NSC and NEC deputies Sandy Berger and Bo Cutter directed the joint committee. Berger, a pragmatist, is recognised to have favoured delinkage of human rights from trade in the MFN 1994 recommendation, and Cutter too favoured this option. The fact that Berger and NEC Chair Robert Rubin were close friends of the President strengthened the case for delinkage. Lake, who like Christopher still favoured a tough stand on the human rights issue, was more distant and more removed from this tight circle of consultation.⁹³

The transfer of effective authority for the China policy-making process to the White House had a number of important implications. Firstly, it strengthened the case for delinking trade from human rights and other issues on policy grounds. That is to say delinkage and broad engagement was advocated as the best way of pursuing US interests in China. For example it gave Secretary of Defence William Perry greater access to the core of decision-making. The emphasis he placed on the vital importance of protecting America's security relationship with

⁹² David M. Lampton, 'America's China Policy in the Age of the Finance Minister: Clinton Ends Linkage'; op cit p.618.

⁹³ Interviews with David Lampton op cit and Calman J. Cohen, President of the Emergency Committee on American Trade (ECAT), November 13 1997, Washington D.C. Cohen cites Rubin's advocacy of delinkage as being of critical importance to the President's final decision.

the PRC, especially with regard to the ongoing question of the North Korean nuclear programme, was also thought to have influenced Clinton.⁹⁴

Secondly, the White House's usurpation of policy-making gave the economic agencies a greater opportunity to press their arguments. For a start Robert Rubin and in particular Bo Cutter were in charge of the policy-making process. The tightly controlled framework of in-house discussions also allowed Clinton confidant Ron Brown an increasingly influential role. Brown was entirely committed to delinkage and the enthusiastic pursuit of commercial engagement with the PRC. In White House discussions, he railed against the moral arrogance of the policy of human rights linkage. Yet Brown was also a formidable political animal, and his assertions that delinkage was the politically most acceptable course of action proved irresistible to Clinton.⁹⁵ Brown, Rubin and Secretary Bentsen also provided a valuable conduit for the business lobby, and ECAT in particular. They not only communicated the business lobby's intellectual arguments against linkage, but also reminded the President of the domestic political implications of revoking MFN.⁹⁶ The economic agencies were clearly the dominant Administrative force in the internal debate by mid May

⁹⁴ Interview with Ronald N. Montaperto op cit.

⁹⁵ Interviews with Ted Galen Carpenter op cit and Stephen Yates op cit. See also Robert S. Greenberger and Michael K. Frisby, 'Clinton's Renewal of Trade Status for China Follows Cabinet Debates, Congress's Sea Change'; op cit p.A18.

⁹⁶ Interview with Calman J. Cohen op cit.

1994.⁹⁷

The third important implication of White House control of policy, concerns the role of Clinton's political advisors. Three in particular, the former Chief of Staff Thomas McLarty, a former business executive, personal advisor George Stephanopoulos, and senior counsellor David Gergen had constant and extensive access to Clinton. All three attended a significant White House meeting on China policy on May 18, at which the President, Lake, Rubin, Cutter, Berger (but not Christopher or Lord) were also present. It is believed that the three advisors promoted MFN renewal on political grounds, even if they personally thought otherwise.⁹⁸

The fourth implication concerns the diminished role of the State Department, and of Warren Christopher and Winston Lord in particular. Christopher had attracted a great deal of criticism for his handling of China policy, especially since his trip to Beijing in early March. Further his continuing support for linkage and the promotion of human rights through conditionality isolated him in a debate that was moving rapidly in the opposite direction. It is understood that Christopher and NSA Lake were the last to hold out on maintaining the linkage strategy and the threat to revoke China's 1994 MFN status.⁹⁹

⁹⁷ Interview with David Lampton op cit.

⁹⁸ David Lampton, 'America's China Policy in the Age of the Finance Minister'; op cit p.617 and Robert S. Greenberger and Michael K. Frisby, 'Clinton's Renewal of Trade Status for China Follows Cabinet Debates, Congress's Sea Change'; op cit p.A18.

⁹⁹ Interviews with David Lampton op cit, Frank Jannuzi op
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Lord had attempted, with diminishing success, to control and coordinate China policy through his role as chairman of an inter-agency Senior Steering Group (SSG) on China. Despite being the Executive Order's principle architect, he had been frustrated with the conduct of China policy since the May 1993 announcement. He insisted that the lack of commitment to China policy at the elite levels had prompted a split within the Administration and the subsequent failure of policy. Other officials, and in particular those within the economic agencies, blamed Lord and the adherence to a strategy of linkage.¹⁰⁰ As a result, Lord's ability to control China policy, from the relatively weak position of Assistant Secretary of State eroded as the MFN decision approached.¹⁰¹

Lord's exclusion from the policy-making process in the spring of 1994 is illustrated by fact that from mid-March to May 26 the joint NSC/NEC committee met nine times, and that Lake, Rubin, Berger and Cutter met five times. In contrast, the Senior Steering Group on China policy chaired by Winston Lord met only twice.¹⁰² Lord was left with the responsibility of

cit and Ted Galen Carpenter op cit.

¹⁰⁰ Interviews with Ted Galen Carpenter op cit and with Edward B. Gresser, Policy Director, Senator Max Baucus (D-MT), October 31 1997, Washington D.C. Robert Perito, former Senior State Department China analyst supports Lord's view. Interview op cit.

¹⁰¹ Lampton also noted that Lord was neither trusted by the Republicans because he had joined a Democratic Administration, having chastised President Bush, nor by the Democrats because he had been a Republican. Interview with David Lampton op cit.

¹⁰² Lampton, 'America's China Policy in the Age of the Finance Minister'; op cit p.618.

consulting with Congress (in fact a crucial task to Clinton) and selling the subsequent decision to delink.¹⁰³

The final implication of the transfer of China policy-making to the White House is that it represented Clinton's inclination toward reactive policy-making and crisis management. Though more committed, and at an earlier stage in the policy-making process than the previous year, Clinton only paid attention to the issue when it threatened to provoke a domestic political crisis. He had failed to react with any substance to the deterioration in bilateral relations, nor to the emerging splits within his Administration. Only when faced with the political implications of either revoking MFN or conceding to a policy reversal, did Clinton engage himself on the issue.

CONSULTATIONS WITH CONGRESS

The Administration's consultations with Congress were of paramount importance to the president, as they had been the year before. He was opposed to revoking China's MFN status, but he was also determined to prevent the imposition of Congressional legislation on China policy. He feared that with China's lack of human rights progress, he could be faced with a formidable challenge from Congress when he announced his decision to renew MFN without conditions, and to delink trade from human rights. Clinton's three principle objectives in 1993

¹⁰³ Interview with Mike Jendrzeczyk op cit.

had been to adhere to his campaign promises, (thus) implement a policy of linkage, and forge consensus with Congress. In 1994, only one objective remained.

Rather like many Administration officials such as Winston Lord, members of Congress had undergone a learning curve on US-China relations through 1993-1994.¹⁰⁴ As stated, members of Congress had initiated a public debate on China policy options earlier in the spring. Thus by May/June 1994 a majority of members supported the delinkage of human rights and other conditions from China's MFN status. A number of factors explain this critical shift in opinion.

Firstly, dissatisfied with simply falling in behind established Congressional 'experts' on China such as Pelosi and Mitchell, especially as the exposure and controversy of China policy increased, members of Congress began to investigate the issue of US-China relations themselves. From mid-1993, Congresspersons from both main parties became more aware of the variety of US interests in bilateral ties.¹⁰⁵ One crucial reason for this was that for the first time since the Tiananmen Square massacre, large numbers of members of Congress undertook visits to China.¹⁰⁶ Senator John Kerry, previously an advocate of sanctions for China reported:

¹⁰⁴ Interviews with Edward B. Gresser op cit and Kerry Dumbaugh, Specialist in Foreign Affairs, Congressional Research Service, November 5 1997, Washington D.C.

¹⁰⁵ Interview with Kerry Dumbaugh op cit.

¹⁰⁶ For example see Senator Max Baucus, *China Trip Report*; August 15-28 1993.

"I came back from my visit there just absolutely convinced that things are much different now than in 1989."¹⁰⁷

The pace and depth of economic modernisation in particular struck the visitors, and Kerry for example communicated this fact in the number of meetings he had with the President.¹⁰⁸

A second factor was the Administration's lack of credibility on China policy with members of Congress.¹⁰⁹ They were particularly critical of the lack of direction, commitment and coherence exhibited by senior officials, a charge levied at the Administration in the run up to the MFN 1993 decision.¹¹⁰ As early as February 1994, members of Congress had expressed their dissatisfaction with the Administration's conduct of China policy on the occasion of Winston Lord's Mid-Term Review on China.¹¹¹ One member complained:

"...its hard to know what the policy is or who is in charge."¹¹²

¹⁰⁷ Robert S. Greenberger and Michael K. Frisby, 'Clinton's renewal of Trade Status for China Followed Cabinet debates'; op cit p.A 18.

¹⁰⁸ David M. Lampton, 'America's China Policy in the Age of the Finance Minister'; op cit p.607.

¹⁰⁹ Rep. Robert Matsui, chair of the House Ways and Means Committee was particularly scathing of the Administration's mismanagement of US-China relations. Interview with Richard Bush op cit.

¹¹⁰ See previous chapter.

¹¹¹ *United States-China Trade Relations*; Hearing before House Subcommittee on Trade, February 24 1994; op cit.

¹¹² Hobart Rowen, 'Administration in Disarray on China Trade

A third factor of fundamental importance was the lobbying of Congress by the business community. The impact of business, and in particular ECAT was felt on a number of levels. Firstly, the business community provided a strong intellectual argument as to why MFN revocation would be detrimental to US interests.¹¹³ The argument was expressed not only in narrow commercial terms, nor simply as a defence of US jobs. Organisations such as ECAT maintained that the US had critical strategic, security, environmental and other interests that would be seriously threatened by a revocation of MFN. Further they reiterated the argument that the best way to promote human rights and political liberalisation in the PRC was through US economic engagement.¹¹⁴ Commentators suggested that the lobby made a stronger defence of engagement with the PRC than did the Bush Administration throughout its term of office.¹¹⁵

The business lobby also appealed to America's narrow commercial interests in renewing MFN unconditionally. They argued that valuable business would be lost to Asian and European competitors, that jobs US jobs would be lost, and that consumer prices for Chinese-made imports would rise.¹¹⁶ On a

Policy'; *Washington Post* March 20 1994 p.H6.

¹¹³ Interview with James W. McCormick op cit.

¹¹⁴ Interview with Calman J. Cohen, President of ECAT, op cit. See also statement of Robert A. Kapp, President-designate of the US-China Business Council before the House Subcommittee on Trade, February 24 1994; op cit pp.188-194.

¹¹⁵ Interview with James W. McCormick op cit.

¹¹⁶ Interview with Calman J. Cohen.

third level, the business lobby reminded members of Congress of their constituency interests, where those constituencies had economic ties with China. Thus members were reminded of their own political sensitivities.¹¹⁷

A fourth ingredient to the shift in opinion concerned the Hill's fatigue with the annual debate on China's MFN status. Indeed, this fact had been recognised in 1993, when Clinton declared his desire to move beyond the annual debate. An increasing number of advocates and opponents of engagement regarded this mechanism as a waste of time, given the unlikelihood of the Senate supporting conditionality, or the fact that President tended to obstruct any initiatives anyway.¹¹⁸

This line of thinking relates to a fifth factor in Congress' approach to China. Irrespective of whether their concerns with China lay with human rights, proliferation and security, economics and trade or other matters, a significant number on the Hill now regarded MFN as an inappropriately blunt tool with which to pursue US interests. This informed the debate on the possibility of renewing China's 1994 MFN status, but imposing a number of specific and targeted sanctions.¹¹⁹ In particular, Democrats who had voted for conditionality during

¹¹⁷ Ibid and interview with Edward B. Gresser op cit.

¹¹⁸ Interview with Kerry Dumbaugh op cit. This is a rather simplistic view. Congressional threats to revoke MFN prompted President Bush to make a number of readjustments in his policy on China. See chapter three.

¹¹⁹ Thomas L. Friedman, 'Democrats Seek a Compromise on China Policy'; op cit.

the Bush Administration for partisan reasons now considered the measure unnecessary.¹²⁰

These factors led to a Congressional awakening on China. Following the partisan battles under the Bush Administration, and the partisan-tinged desire to see President Clinton adhere to his election promises in 1993, consideration of China's 1994 MFN status was the first time many members had really expressed their views on China and voted accordingly.¹²¹ As Kerry Dumbaugh notes, in the light of the threat to revoke China's MFN established by the Executive Order and China's failure to meet its conditions, members of Congress finally realised "...we might actually have to live with this policy."¹²² The result was the emergence of a strong centrist coalition that advocated delinkage and engagement with China.¹²³ The task facing the Administration was to discover and work with this Congressional force.

The need to canvas Congressional opinion in the run up to the 1994 MFN decision arose at the initiative of the President himself, and was launched at an Executive `Congressional

¹²⁰ Rep. Lee Hamilton voiced this point regularly. Interview with Richard Bush op cit.

¹²¹ Interviews with Richard Bush op cit, Edward B. Gresser op cit, and James W. McCormick op cit.

¹²² Interview with Kerry Dumbaugh.

¹²³ David M. Lampton, 'America's China Policy in the Age of the Finance Minister'; op cit pp.606-607. Lampton identifies key actors in this coalition as Senators Dole (R), Boren (D), Kerry (D), Baucus (D), Bradley (D) and Johnston (D), and Representatives Fole (D), Hamilton (D), Gibbons (D), Matsui (D), McDermott (D), Ackerman (D), and Leach (R).

strategy meeting' on April 6.¹²⁴ In a reflection of the 1993 MFN policy process, it was not the Administration's central intention to find a policy that balanced national interests and moral dimensions. Rather, by assessing the dominant views on the Hill, Clinton hoped to find a policy that would meet minimum resistance in the Legislature, and preserve political capital for more contentious domestic and foreign policy issues. Clinton committed himself directly to the procedure on April 20 when he met two Congressional groups representing opposing views. Uncharacteristically, he said little.¹²⁵ Indeed on May 26, the day of the MFN announcement, the President spent most of the day talking to members of Congress by phone.¹²⁶

The centrist bloc in Congress played an instrumental role in ascertaining that the votes existed to sustain delinkage. One congressional aide, who was a central participant in this process, was prompted both by the Administration and by Robert Kapp of the US-China Business Council to canvass Congressional opinion in advance of the final decision to delink.¹²⁷ Working with members of the business community, an extensive investigation revealed that a minimum of half the House of Representatives supported delinkage.¹²⁸

¹²⁴ Lampton, 'America's China Policy in the Age of the Finance Minister'; op cit p.618.

¹²⁵ Ibid.

¹²⁶ Douglas Jehl, 'A Policy Reversal'; *New York Times* May 27 1994 p.A8.

¹²⁷ This figure was Richard Bush, congressional aide to Rep. Hamilton. Interview with Richard Bush op cit.

¹²⁸ The Senate was not expected to block delinkage and the
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The anti-China bloc, led by Rep. Nancy Pelosi, persuaded some within the Administration that delinkage would only prompt the introduction of legislation targeting the economic activities of the People's Liberation Army, a more specific and targeted measure. This raised the prospect of either the imposition of restrictive legislation if the Senate backed Pelosi, or a potentially disastrous political clash between the President and members of his own party.¹²⁹ The canvassing efforts of the centrist coalition were vital in persuading the Administration that linkage was possible. The congressional aide suggests:

"I don't know if in the end...whether that helped to tip the balance, but I think it was an important data point."¹³⁰

Acting upon this information, Lord and other Administration and White House officials encouraged members of the centrist bloc to speak out in favour of delinkage, in favour of engagement, and in opposition to the platform established by Pelosi. Principle amongst these protagonists were Representatives Hamilton and Foley, and Senators Baucus, Nunn and Bradley, all Democrats. Hamilton, chairman of the

renewal of China's 1994 MFN status. Interviews with Edward B. Gresser op cit and David Lampton op cit.

¹²⁹ See Elaine Sciolino, 'Conflicting Pressures On Clinton Mount over China's Trade Status'; *New York Times* May 20 1994 p.A9.

¹³⁰ Interview with Richard Bush op cit. Bush communicated his findings to contacts on the NSC staff.

Foreign Affairs Committee, argued in defence of MFN and expanded economic contact as a means of fuelling the process of liberalisation in China, telling the American Enterprise Institute "We should seek ways to support those trends."¹³¹ Democratic Senator John F. Kerry, retracting his previous stance of punishing China, added his voice in considering the wider picture of bilateral relations:

"The situation in China changed enough, and dynamics between the United States and China have changed enough that it is time to begin a new dialogue [on all bilateral issues]."¹³²

The lobbying efforts on the centrist coalition, supported strongly by the business community, played a fundamental role in establishing and maintaining momentum for approval of a decision to delink. They were helped in this regard by media reporting and editorials that clearly reflected a pro-delinkage bias.¹³³ In defeating Pelosi's attempt to impose limited sanctions on China's MFN (HR 4590) and approving Hamilton's endorsement of the decision to delink (HR 4891) Congress

¹³¹ Thomas L. Friedman, 'Legislator Urges Diplomacy to Improve Rights in China'; *New York Times* May 11 1994 p.A12.

¹³² Daniel Williams and Clay Chandler, 'The Hollowing of a Threat'; *op cit.* See also Senator Bill Bradley's editorial, 'Trade, the Real Engine of Democracy'; *New York Times* May 25 1993 p.A21.

¹³³ See for example 'Don't Fudge on China'; *New York Times* May 22 1994 section 4 p.4, Michael Kramer, 'Keep China Trade'; *Time* May 2 1994 p.41 and Karen Breslau and Michael Elliot, 'Is Win Lord's Work Done?'; *op cit.*

appeared to reestablish a moderate bipartisan consensus on China.¹³⁴ Thus it appeared that Congress was adopting a more prudent approach to US-China relations following several years of partisan battling. However, the Republican sweep of the 1994 mid-term Congressional elections, combined with the Administration's persistent failure to address China policy-making problems would prompt the return of partisanship in 1995.

CONSULTATIONS WITH BEIJING

In parallel with the consultation process on the Hill, the NSC/NEC joint committee also decided to pursue last-minute negotiations with the Chinese. This tack was initiated at the funeral of former President Richard Nixon in late April, when Lake, Rubin and Lord met with Chinese Ambassador Li Daoyu.¹³⁵ Li accepted the US officials' suggestion that a special envoy be sent to Beijing on a private mission to seek progress on the issue of human rights and MFN. The envoy chosen was veteran diplomat Michael H. Armacost, a former Ambassador to Japan, who was known for his opposition to the revocation of MFN from China. Armacost was briefed by Lake, Rubin, Berger, Cutter and

¹³⁴ The Pelosi bill was defeated by 270 votes to 158, and the Hamilton bill passed by 280 to 152. Rep. Solomon's bill (HJ Res 373) disapproving the President's unconditional renewal of China's MFN was overwhelmingly defeated by 356 votes to 75. 'Congress Lets Renewal of China MFN Stand'; *Congressional Quarterly Almanac* vol.L 103rd Congress 2nd Session (CQ Press, 1993).

¹³⁵ Lampton, 'America's China Policy'; op cit p.619.

Lord on April 26 before spending May 7 to 10 in China. Armacost had to be convinced that the Administration was sincere in its agreement to delink. Armacost asserts:

"I wanted to satisfy myself that the Administration was serious about getting rid of it, and a visit to Washington did confirm that impression."¹³⁶

Armacost notes that the NSC and the NEC were the catalysts both behind the initiative to delink, and concomitantly, the decision to send a pro-delinkage emissary to Beijing:

"It was my impression that the State Department was the least enthusiastic about my taking this on, and that the White House was more keen on it; probably being encouraged by other departments, most notably Treasury."¹³⁷

The purpose of the mission was to investigate whether a decision to delink elicit would prompt reprococity from Beijing that would make the decision easier and set the stage for progressive engagement. Armacost was in no doubt that the motivation was political, in that the White House wanted to find a solution to dropping the Executive Order position, that would generate as little controversy and criticism as possible:

"I think that the people in the White House...they

¹³⁶ Interview with Ambassador Michael Armacost, President, The Brookings Institute, November 12 1997, Washington D.C.

¹³⁷ Ibid. Armacost qualified this with "that was just a superficial impression at the time."

had already pretty well decided to move away from MFN...and were trying to get a better deal for the public negotiations."¹³⁸

He returned with several moderate Chinese concessions that, naturally hinted more at Chinese realpolitik and political tactics than serious long-term progress.¹³⁹ Indeed, the gestures appeared to be part of the familiar Beijing campaign of prisoner releases and commercial deals that had accompanied votes on MFN since 1990.¹⁴⁰ Despite the political cynicism of the Chinese concessions, their symbolism was highly significant. Clinton could highlight these developments as indications of progress with China on the human rights issue, and the results of a strategy founded on quiet diplomacy and bilateral negotiation rather than public posturing and threats. Out of the public eye, the Administration understood that, in line with the legal advice given to Christopher at the start of the year and the acceptance of largely symbolic gestures from the Chinese, Clinton had something to work with. China's

¹³⁸ Ibid.

¹³⁹ The steps made included the release of leading dissident Chen Zeming and six religious prisoners, a degree of progress on outstanding emigration cases, headway on Chinese jamming of Voice of America broadcasts, and further promises of discussions with the International Committee of the Red Cross on prison inspections. David M. Lampton, 'America's China Policy in the Age of the Finance Minister'; op cit p.619. Armacost regards the concessions as minimal, though observes that the Chinese knew they need do no more. Interview with Michael Armacost op cit.

¹⁴⁰ See for example Patrick E. Tyler, 'In a Surprise Gesture, China Releases a Major Dissident'; *New York Times* May 14 1994 p.7.

earlier agreement to adhere to the prison labour export ban, and the progress on emigration achieved by Armacost, satisfied the minimum requirements recognised by the Administration to allow MFN renewal for China.

CONSULTATIONS WITH LOBBY GROUPS

The business lobby had exhibited a large degree of complacency during the spring of 1993, and when they did petition the government, they found that the policy process dominated by State Department officials advocating a strong human rights stance. They were determined not to allow a repeat of this in the subsequent policy process. Thus organisations representing US businesses with ties with the Chinese economy embraced various tactics to influence the Administration's assessment of Beijing's compliance with the Executive Order.¹⁴¹

The lobby was thorough in cultivating a strong pro-MFN coalition within the US governmental system, finding fertile ground in the swing in China policy sentiments on the Hill, and in an economically orientated Bureaucracy. It also displayed deft political skill in appealing to public opinion, always a predominant factor in the President's own judgements. For example, US business ensured widescale media coverage of Chinese President Jiang Zemin's visits to the Boeing factory and a worker's home while in the US for the APEC summit in November. Their purpose was to highlight the connection between

¹⁴¹ Interview with Calman J. Cohen op cit.

direct economic links with China and jobs in the domestic economy.¹⁴²

The business lobby developed this theme in emphasising the electoral impact of America's trade with China, with particular regard to jobs. In April 1994, the President received a public letter from the Business Coalition for US-China Trade, a group acting on behalf of over 400 Californian companies, warning that MFN revocation could endanger \$1.7 billion of Californian exports to the People's Republic, along with 35,000 jobs. Calman Cohen, the President of the Emergency Committee on American Trade (ECAT) acknowledges that these tactics were a successful attempt to appeal to Clinton's political sensitivity.¹⁴³ This highlights Clinton's concern that revocation could bring greater political cost than a policy reversal of delinkage.

K R Williams, also of ECAT, provided the intellectual argument against linkage when testifying before the Subcommittee on Trade of the House Ways and Means Committee, February 24 1994. Williams argued in favour of the liberalising effects of US participation in the PRC economy, pointing to the economic, political and societal developments in China's wealthy coastal regions. He also placed the issue in broader strategic terms:

"...the stakes in the China MFN issue are of enormous consequence. US trade increasingly is focused on

¹⁴² Peter Behr, 'US Businesses Waged Year-Long Lobbying Effort on China Trade'; *Washington Post* May 27 1993 p.A28.

¹⁴³ Interview with Calman J. Cohen op cit.

Asia...Japan and China are the giants of Asia. It is critical to our national interest that our relations with China be as positive as possible. US security is at issue."¹⁴⁴

As stated, the business lobby found an influential voice within the Administration's policy-making process in the officials of the economic agencies, and considered the Chairman of the NEC Rubin and Treasury Secretary Bentsen particularly influential in making their case in the internal debate. Rather like the business lobby, the economic agencies were determined not to be sidelined in the 1994 MFN China policy process.

The principle problem experienced by the human rights community at large was their failure to propose a credible policy alternative that retained their main objectives. The impression that the Executive Order, a policy the rights lobby criticised for being too weak and ambiguous, was too confrontational and in fact a liability had spread amongst decision makers. As stated by late April, very few within the decision making elite supported complete revocation of MFN. However, the human rights community were unable to find an acceptable path short of complete revocation, that would be effective, implementable, would not provoke retaliation from Beijing, and crucially, would elicit support in Congress.¹⁴⁵

¹⁴⁴ Statement of K.R. Williams, Vice-President of ECAT before the House Subcommittee on Trade, February 24 1994; op cit p.169.

¹⁴⁵ The debate concerning the option of MFN renewal but with the imposition of specific and targeted sanctions offered human

Indicative of this failure, were the conspicuous splits among the Chinese dissident community as to the most effective way to promote human rights in China. Such divisions had been evident since June 1989, although Clinton had co-opted the affiliation of the section of the community that favoured a tougher stance both in his presidential campaign and for his presentation of the Executive Order on May 28 1993.¹⁴⁶ Yet in early 1994, it was clear that some dissident groups still favoured a tough human rights stance, some were opposed and preferred engagement, and some simply could not come to any conclusion. Author Liu Binyan illustrated this confusion when he appeared at a Council on Foreign Relations meeting on March 15 1995. Liu, speaking on the wisdom of the threat to withdraw MFN, revealed:

"I think that it will discourage rights fighters in China, and encourage the hardliners to be more harsh in dealing with the United States...Maybe we can find some middle way here, or some conditions on the MFN to make it renewed or just - I don't know how to - how to deal with that."¹⁴⁷

The incohesion and indecisiveness within the human rights

rights activists some optimism for a while. Interview with Mike Jendzejczyk op cit.

¹⁴⁶ Interview with Stephen Yates op cit.

¹⁴⁷ Council on Foreign Relations, 'Policy Impact Panel on US-China Relations'; March 15 1994: transcribed by Journal Graphics Inc: in Lampton, 'America's China Policy'; op cit p.609.

community as a whole significantly reduced their ability to influence the direction of China policy making between May 1993 and May 1994.

Clinton also personally sought the counsel of a wide range of informed opinion in the days leading up to the MFN decision. The President convened a meeting of his senior advisors, consulted cabinet-level officials on May 24, and sounded out Henry Kissinger, Zbigniew Brzezinski and former President Carter (twice).¹⁴⁸ The purpose of such meetings was to focus on viable China policy options, in contrast to his consultations with members of Congress that attempted to identify an amenable domestic political environment to the MFN decision.

Clinton's consultations with Carter were possibly the most revealing. Carter had answered a request by the Clinton Administration to meet Chinese Ambassador Li on May 19, to ask for two further concessions: to establish a date for negotiations with the leadership in Tibet, and to release more political prisoners. The Chinese did neither.¹⁴⁹ Of greater importance was Carter's refusal to head an independent 'blue-ribbon' panel on human rights in China, as proposed by the Secretary of State. Clinton had come to Carter with the idea at the very last moment, having already decided in favour of extending China's MFN status some time before. The former President asserted that such a panel would be queried and

¹⁴⁸ Daniel Williams and Clay Chandler, 'The Hollowing of a Threat'; op cit.

¹⁴⁹ Elaine Sciolino, 'Clinton and China: How the Promise Self-Destructed'; op cit.

discredited by human rights organisations. More crucially, Carter argued that the panel would inevitably end up embarrassingly impotent and futile, as it would consist of both human rights and business leaders, each resolute in its own political agenda. In a move highly indicative of his crisis management and reactive style of decision-making, Clinton only jettisoned the idea moments before he announced his MFN decision on May 26.¹⁵⁰

THE VIEWS OF AMERICA'S EAST ASIAN ALLIES

It is worth commenting upon America's relationship with the East Asian and Pacific region. Relations with the states of East Asia, outside the relative success of the Seattle APEC summit in November, were problematic. In the realm of economic relations, the outstanding dispute concerned the failure to conclude a 'framework agreement' with Japan regarding trade deficits, an issue complicated by Japan's lack of effective central government. In fact, Japan had become more directly involved in US China policy in March 1994. In Beijing shortly after the departure of the frustrated Warren Christopher, Japanese Prime Minister Hosokawa allegedly told Premier Li Peng that Western concepts of human rights should not be applied to all nations. David M. Lampton learned from an official in the Clinton Administration that Washington believed "Hosokawa

¹⁵⁰ Ibid.

undercut us on human rights".¹⁵¹

The East Asian states, along with most other states, publicly opposed revocation of China's MFN status.¹⁵² Although they may have been able to take advantage of diminished US economic ties with China, it was in East Asian nations' interests to see China continue to develop economically, in line with the development of intra-regional trade. More critically, all the states in the region feared the rise of a belligerent, expansionist China, and hence argued vehemently against any US actions that might provoke China down that path.¹⁵³

SECRETARY OF STATE CHRISTOPHER'S RECOMMENDATIONS FOR MFN 1994

Secretary of State Warren Christopher met with Clinton on May 23 to report on China's human rights performance in the context of the MFN decision, and the conditions stipulated in the Executive Order. Christopher was able record that, on the information he was receiving, the Chinese had satisfied the two explicit conditions of compliance with the prison labour exports agreement and progress on emigration. He also reported

¹⁵¹ David M. Lampton, 'America's China Policy in the Age of the Finance Minister'; op cit p.611. The US was also in dispute with Singapore over the caning of an American teenager convicted of vandalism, and had recently imposed sanctions on Taiwan for the trade in tiger bones and rhinoceros horn. Thomas L. Friedman, 'US Puts Sanctions on Taiwan'; *New York Times* April 12 1994 p.D1 and p.D10.

¹⁵² Interview with Stephen Yates op cit.

¹⁵³ Interview with Ronald M. Montaperto op cit.

that Beijing had released a number of prominent Tiananmen and Tibetan prisoners, conceded to negotiations concerning inspections of prisons by the International Committee of the Red Cross, and was willing to review the jamming of Voice of America with US experts.¹⁵⁴

However, Christopher observed that, within the whole picture; "...these positive developments cannot be said to meet the expectations set forth in the EO."¹⁵⁵ Indeed, the Secretary of State recognised that China had not satisfied 'overall significant progress' in the other five criteria defined by the Executive Order. Christopher did not offer a recommendation on MFN renewal on May 23, leaving the decision to the President. He did however urge Clinton to impose sanctions on Chinese munitions exports to the US, and to reject Bentsen's proposal to 'clean the board' and impose no sanctions at all.¹⁵⁶

President Clinton had a number of factors to consider in deciding whether to delink trade from human rights and other issues and to renew China's MFN status without conditions. Firstly the economic agencies, with substantial support from the business community, had provided the intellectual argument for delinkage. Clinton had been extremely reluctant to revoke

¹⁵⁴ It is worth noting that China had released prominent, or newsworthy, symbolic dissidents, rather than account for all political and religious detainees as requested by the Executive Order.

¹⁵⁵ Warren Christopher, *China's MFN Status: summary of the report and recommendations of Secretary of State Warren Christopher*; released by the Department of State, May 26 1994.

¹⁵⁶ Elaine Sciolino, 'Clinton and China: How the Promise Self-Destructed'; op cit.

China's MFN status, and he now had a powerful and popular rationale for not doing so. For their part, the human rights lobby was divided as to the most effective way to pursue the issue with the PRC.¹⁵⁷

Clinton had also been forced to address America's narrow strategic and security interests with China and the region. The US required China's cooperation in addressing the North Korean nuclear programme, in cementing the peace process in Cambodia, in moving toward a Comprehensive Test Ban Treaty and other non-proliferation measures, and at any time China's cooperation within the UN Security Council. The defence agencies, and in particular Secretary of Defence William Perry, impressed upon the President the importance of these issues.¹⁵⁸ In addition, Clinton did not want to expose his much maligned foreign policy performance to further criticism, either by taking an unpopular decision on China's MFN or being seen to have neglected important US interests in taking that decision.¹⁵⁹

Of greater importance to Clinton were the strong domestic political reasons supporting delinkage. The President was acutely concerned about the reaction to such a conspicuous policy climbdown. However the business lobby had been

¹⁵⁷ The debate on the option of renewing China's MFN but imposing specific and targeted sanctions offered some optimism for a solid proposal for a while. Interview with Mike Jendrzeczyk op cit.

¹⁵⁸ Interview with Ronald M, Montaperto op cit. See for example Kevin Fedarko, 'Pushing it to the Limit'; *Time* May 30 1994 p.34.

¹⁵⁹ See George J. Church, 'Dropping the Ball'; *Time* May 2 1994.

successful in persuading Clinton that revoking China's MFN status, or indeed imposing limited sanctions on China, carried its own political costs. Doing so, they argued, would contradict his drive for domestic economic revitalisation and geo-economic competitiveness. Further, Clinton was reminded of the political value of his close links with the business community, not least its political donations.¹⁶⁰

Moreover the critical shift in the balance of opinion in Congress on US-China relations facilitated his decision to delink. This shift in opinion, echoed in the press, allowed the possibility that delinkage would appear to be a prudent decision rather than a humiliating policy reversal. The vital role played by the centrist bloc meant that the President avoided a politically devastating clash with his own party, that might lead to Congressional assaults on his real policy priorities.

THE 1994 MFN DECISION AND DELINKAGE: CLINTON CONFIRMS THE CHINA POLICY REVERSAL

On May 26 1994 Clinton announced that China's MFN status would be renewed, and that the Administration would no longer link China's human rights performance to its trade with the United States. The only future consideration, in line with the 1974 Jackson-Vanik Amendment to the Trade Act, would be the issue of freedom of emigration. In explaining the decision, Clinton defended the 1993 Executive Order by asserting that "...linkage

¹⁶⁰ Interview with David Lampton op cit.

has been constructive during the past year", but he reasoned that "...based on our aggressive contacts with the Chinese in the past several months, that we reached the end of the usefulness of that policy..."¹⁶¹ The President chose not to demote the issue of human rights explicitly in justifying his position. He argued that the point was not whether human rights should be pursued with the People's Republic, but identifying the most effective way of doing so, an argument praised by a *Washington Post* editorial.¹⁶² For example, in a statement that illustrated the reversal in China policy, Clinton asserted:

"To those who argue that in the view of China's human rights abuses we should revoke MFN status, let me ask you the same question I have asked myself: Will we do more to advance the cause of human rights if China is isolated, or if our nations are engaged in a growing web of political and economic cooperation and contacts."¹⁶³

Clinton's announcement echoed the Constructive Engagement strategy of the Bush Administration further, when he explained that delinkage, and the Administration's new approach "...offers the best opportunity to lay the basis for long-term

¹⁶¹ President Clinton, 'US Renews Most-Favoured-Nation Status for China' May 26 1994; *US Department of State Dispatch* vol.5 no.22 May 30 1994 United States Government Printing Office (Washington D.C., 1994) p.345-347.

¹⁶² 'Decision on China'; *Washington Post* May 27 1994 p.A24.

¹⁶³ Thomas L. Friedman, 'US is to Maintain Trade Privileges for China's Goods; Clinton Votes for Business'; *New York Times* May 27 1994 p.A1.

sustainable progress on human rights and for the advancement of our other interests in China."¹⁶⁴ This was a crucial reflection of the intellectual arguments offered by the economic lobbies. The President did disclose the new measures through which the US would pursue human rights with China, including a ban on Chinese munitions exports to the US, increased broadcasts of the Voice of America and Radio Free Asia, increased support for non-governmental organisations concerned with human rights in China, and the promotion of voluntary set of human rights principles for US businesses dealing with China. However, in contrast to the previous year, Clinton placed a far greater emphasis on other US China policy interests relative to the issue of human rights. He was firm on the importance of a good US-China relationship to issues such as the North Korean crisis, and interests such as the economic benefits to be sought in China specifically and in Asia more generally. Clinton justified the policy reversal by stating: "I believe...this is in the strategic, economic and political interests of the United States."¹⁶⁵

Not surprisingly, he did not comment specifically on the changes in circumstances 'in the past several months' that had rendered the policy defined by the Executive Order obsolete. However, the President did acknowledge the continued abuse of human rights in China, and that the Regime "...did not achieve

¹⁶⁴ Ann Devroy, 'Clinton Reverses Course on China; MFN Action Separates Human Rights, Trade'; *Washington Post* May 27 p.A1.

¹⁶⁵ Daniel Williams, 'US Stress on Rights Gives Way'; *Washington Post* May 27 1994 p.A1.

overall significant progress in all the areas outlined in the executive order." In accordance with these facts, and along with the new 'direct' measures, Clinton confirmed the continuation of sanctions imposed since 1989 in the wake of the Tiananmen Square massacre. These were the prohibition of the export of US weapons and military equipment to China, the obstruction of Chinese participation in a number of US development programmes, and US opposition to the majority of World Bank loans to China. Clinton admitted that the success of the reversal on China policy depended to a large degree on China's side of the bargain, a comment that appeared to acknowledge Washington's lack of credibility with Beijing. The President told White House aides that the argument preached by the Chinese government and the Administration's economic team, that China policy should be based on concessions and cooperation rather than threats, would have to yield results.

Conclusion

In abandoning linkage and embracing a strategy of broad engagement with Beijing, Clinton had appeared to revert to the long-standing orthodox tradition of China policy that had been accepted in the mid to late 1960s and pursued since 1972. There was widespread agreement that in abandoning engagement, and defining China policy by the Executive Order of May 1993, Clinton had created a political time-bomb with respect to the 1994 MFN recommendation.¹⁶⁶

Many senior officials in the Administration, including to a degree the President himself, had undergone a learning curve on China policy through 1993-94. The Administration in 1994 possessed a stronger awareness of the broader aspects of the US-China relationship.¹⁶⁷ This had involved a reassessment of America's economic relationship with the PRC, and a stronger appreciation of America's security and strategic interests with Beijing. One former State Department official describes this learning curve as a 'bottom-up' process in which advice from experienced professionals finally began to percolate through to the highest decision-making circles within the White House and the Administration.¹⁶⁸ This appeared to suggest that the Clinton Administration was developing a more equitable balance between the broad range of US interests in China, and the need to

¹⁶⁶ Interview with Michael Armacost op cit.

¹⁶⁷ Interview with Kerry Dumbaugh op cit.

¹⁶⁸ Interview with Frank Jannuzi op cit.

establish domestic legitimacy for the policy.

Clinton had also overseen the reestablishment within Congress of a bipartisan consensus on China. Thus, once again, he had satisfied the major preoccupation of his approach to China. Administration officials such as Winston Lord understood the diplomatic value of a domestically legitimised policy. However, the President was more concerned with keeping to the path of least political resistance on a policy low on his list of personal priorities. Clinton was perhaps fortunate that two communities with whom Clinton wanted to maintain good relations, Congress and business, concurred enough on policy toward China, that he could follow their lead and effect delinkage. What is more ironic is that the Administration helped to reestablish a domestic consensus on engagement with China through the failure of its 1993 China policy. The lack of progress from Beijing, coupled with the Administration's falling credibility on the Hill, led to the Congress and the Administration moving in the same direction on China. The Administration's persistent mishandling of China policy following the mid-term elections of 1994 would contribute to a resumption of partisan battles between both branches of government in 1995.

Although Clinton had navigated the political crisis threatened by the MFN 1994 decision, he had failed to resolve serious defects in the policy-making process. The Clinton Administration's approach to China was largely reactive; an exercise in crisis management. Clinton and certain other senior

officials had only been prepared to address US-China relations when a political crisis loomed.

It is true that Clinton became more involved at an earlier stage in the MFN decision-making process than he had in 1993. Nevertheless, his activities were largely confined to exploring and manipulating the political options facing him. Once the crisis had passed, he withdrew from the issue. This fact questioned his proclamations on the importance of China in his MFN 1994 announcement, and indicated that Clinton was not committed to the issue of China policy in a strategic sense. As a result, he failed to provide or articulate a coherent policy framework for China policy, that identified clear hierarchies of US interests. This led through 1993-94, and beyond, to indecision and confusion as to the purposes of the Administration's policy, and to a lack of discipline which saw different agencies pursuing their own agendas with Beijing, provoking suspicion and incredulity amongst senior Chinese officials. As one US official noted:

"Decisions are never fully made, so the MFN decision does not denote a long term strategy...There is an inability in government to sort out domestic needs from foreign needs. So you get conflict avoidance and a desire for harmony...This is management by miasma, chew the fat, nothing happens...Most routine decisions go big groups where anyone has a voice. So, by the end, only in a crisis do you get a

decision."¹⁶⁹

These problems can be illustrated further by looking at the role of Assistant Secretary of State Winston Lord. Lord had assumed a major hand in the crafting of the Executive Order and the strategy of linkage. Nevertheless he had been frustrated with the conduct of China policy since the May 1993 announcement. He did not regard the policy as the problem, maintaining that the conditions were realistic and achievable.¹⁷⁰

Lord's main contention was the lack of commitment on China exhibited by more senior officials, and especially the President. This, he argued, led to the disparate and divided approach to China policy, and the deepening splits within the Administration through 1993-94. He was particularly critical of the failure to articulate America's China policy interests at the highest levels, revealing:

"Very frankly, we pressed to have a presidential speech for three years, without success."¹⁷¹

¹⁶⁹ Unnamed source. David M. Lampton, 'America's China Policy in the Age of the Finance Minister'; op cit p.614.

¹⁷⁰ Lord did however overestimate the degree to which Beijing would resist American overtures for minimal progress on human rights. He had consistently argued prior to his appointment as Assistant Secretary, that the current Chinese regime was a temporary phenomenon, and would be unable to defy the global trend toward accountable government. It is perhaps on this point that Lord's view of China policy had most altered by spring 1994. See Winston Lord, 'Bush's Second Chance on China'; *New York Times* May 9 1990 and Winston Lord, 'Will Bush Support the Chinese People?'; *New York Times* October 6 1991.

¹⁷¹ Interview with Winston Lord op cit.

Lord had insisted that the strategy of linkage, and indeed America's broad range of interests with China necessitated solid diplomatic engagement with Beijing. Clinton's failure to articulate a vision for policy, and to commit himself to US-China relations except in times of crisis, usually political, undermined Lord's objectives.¹⁷² By the spring of 1994, he recognised that China was not going to meet the Executive Order. According to some, Lord continued to defend linkage until it was clear that an alternative course would be taken out of a sense of loyalty to the Administration and the President.¹⁷³

To some analysts, the period 1992-1994 represented a lost opportunity to develop US-China relations. They assert that partisan politics and politically-driven decision-making obscured the possibility of a Clinton Administration pursuing engagement with China, backed by a favourably partisan Congress.¹⁷⁴ Certainly in mismanaging relations with the PRC, Washington lost an enormous amount of credibility in Beijing.¹⁷⁵ Clinton's failure to appreciate the defects in the China policy-making process in the spring of 1994, married to his lack of commitment to the relationship, would mean that the

¹⁷² David Lampton asserts that Lord provided an 'attitude' rather than specific proposals on China. Interview op cit.

¹⁷³ Interviews with Frank Jannuzi op cit and Ted Galen Carpenter op cit. See also Karen Breslau and Michael Elliot, 'Is Win Lord's Work Done?'; Newsweek May 30 1994 pp.30-32.

¹⁷⁴ Interview with Ronald N. Montaperto.

¹⁷⁵ Interview with Mike Jendrzeczyk op cit.

Administration would continue to treat China policy like a campaign issue.¹⁷⁶ The platform established by the 1994 MFN decision did not lead to the successful execution of a domestically legitimate China strategy. Rather it precipitated a return of imprudent partisan politics, and the worst deterioration in bilateral relations since engagement with Beijing was embraced.

¹⁷⁶ Interview with Ted Galen Carpenter op cit.

CHAPTER SEVEN

THE CLINTON ADMINISTRATION'S ENGAGEMENT WITH CHINA 1994-1996 THE FAILURE TO RESOLVE FLAWS IN THE POLICY-MAKING PROCESS

Clinton's decision to delink China's MFN status from human rights, or other conditions appeared to reestablish a number of precepts that had traditionally underscored the long-term development of US China policy and US-PRC relations. However, the decision was motivated more by domestic political reasons than bilateral strategic reasons. In other words, although the Administration had appeared to revert to a broad strategy that had governed US China policy since the late 1960s, it had failed to resolve serious defects in its policy-making processes. As a result, the lack of a strong and coherent framework for post-Cold War US China policy led to a deepening crisis in US-PRC relations over 1994-1996.

MFN 1994 did have a number of positive features. Firstly, it cemented the process of diplomatic engagement that had begun in the September of 1993. In removing the threat to withdraw MFN in the absence of human rights progress, the Administration removed a highly sensitive and provocative issue from bilateral negotiations.

Secondly, MFN 1994 represented an important watershed in the US government's handling of China policy. It suggested that the domestic policy-making debate had moved beyond the political gamesmanship that had arisen during the Bush Administration, and shadowed Clinton's decision to adopt MFN

conditionality in the spring of 1993. The domestic debate on China's 1994 MFN status reflected a more sober consideration of US China policy interests in the post-Cold War environment, implying that members of the Administration and members of Congress had experienced a learning curve on China policy through 1993 to early 1994.

Thirdly, the decision restored a strong degree of domestic unity on China policy. A majority of actors within the Administration, Congress and the wider domestic community with concerns for US-PRC relations now appeared to favour a strategy of cautious comprehensive engagement with Beijing. They agreed on the need to focus on the long-term progress of Sino-American ties, the need to promote US involvement and influence on China's development, and to encourage Beijing's growing participation in the international community. They also agreed on the need to defend US interests by addressing specific tensions in the US-PRC relationship. Non-governmental actors with interests in China, such as the business community and human rights organisations, continued to lobby Washington with their particular concerns and protests. Further, there was a growing recognition of the areas in which US and PRC post-Cold War national interests diverged. Given that Americans still viewed Beijing with a strong degree of scepticism and apprehension, policy-makers could not disregard bilateral disputes in the name of expanding US-PRC relations.

However, the positive aspects of the Clinton Administration's decision on China's 1994 MFN status were subverted by its failure to address substantial problems with

its policy-making processes. The fact that the decision was driven by Clinton's desire to respond to Congressional opinion and to pressure from the business community underlined this fact. The President had yet to balance his sensitivity to domestic political calculations with a considered assessment of how best to pursue America's long-term interests with the PRC.

The emergence of a dominant Congressional coalition against a strategy of MFN linkage was due, in part, to dissatisfaction with the Administration's handling of China policy through 1993 and early 1994. In spite of its attempt to reflect the views of this body of opinion, the Administration's pursuit of comprehensive engagement after the spring of 1994 did little to restore its credibility on the Hill, or indeed, with Beijing. Thus the Administration's management of relations with China over the next two and a half years failed to dispel the perception a of reactive, crisis-led China policy-making process, in which White House politicians continued to frustrate the recommendations of China experts and officials.¹

As this chapter will explain, the Administration failed to provide a considered and meaningful definition of its strategy of comprehensive engagement with the PRC. Accordingly, it failed to articulate the means and ends of China policy to either its domestic audience or to the Chinese government.²

¹ Interview with Dr. Ronald N. Montaperto, Senior Fellow, National Defence University, November 12 1997, Washington D.C.

² Secretary of State Christopher admits that his address before the Council on Foreign Relations on May 17 1996, entitled 'American Interests and the US-China Relationship' represented the Administration's first formal speech dedicated to the crucial issue of China policy. See Warren Christopher, *In the Stream of History: Shaping Foreign Policy For a New Era*; Stanford University Press, (Stanford, 1998) p.428.

Members of the Administration, senior and junior, did engage in negotiations with Chinese counterparts across a broad range of important issues. However, engagement of this kind was contradicted by condemnations and accusations levelled at the Chinese by members of the Administration responding to the domestic political environment.³ Therefore the domestic audience was left with the impression of a confused, rudderless China policy, while Beijing became increasingly suspicious of the Administration's declared commitment to the positive development of Sino-American relations.⁴

Despite the political crises prompted by MFN 1993 and accompanying Executive Order 128590, Clinton neglected to provide consistent leadership on relations with the PRC throughout the rest of his first term of office. As a result, China policy continued to be an uncoordinated exercise. The MFN 1994 decision had given the green light to engagement with the PRC, but in the absence of leadership at the highest level, different agencies were allowed to pursue their own agendas. Therefore while agencies such as the State Department and the Office of the United States Trade Representative (USTR) threatened specific sanctions over issues such as proliferation and the protection of intellectual property, the Department of Commerce continued to chase major trade deals with the Chinese. Attempts by the White House to deal with the diplomatic confusion that ensued reinforced the image of a policy-making

³ Interview with Robert M. Perito, former Senior China analyst, US Department of State, November 10 1997, Washington D.C.

⁴ Karsten Prager, 'China: Waking Up to the Next Superpower'; *Time* March 25 1996 pp.38-39.

process dictated by crisis management.

Concomitantly, Clinton also failed to provide consistent leadership on China within the domestic political arena. Following their sweeping successes in the mid-term elections of November 1994, in which they regained control of both the House and the Senate, Republicans in Congress attempted to fill the vacuum. The subsequent struggle between the Administration and Congress for the control of China policy echoed the standoffs that occurred during the Bush Administration. As before, the reasons behind Congressional attempts to seize the initiative on China were twofold. Firstly, members of both parties held genuine concerns for Chinese conduct in the areas of trade, proliferation, human rights, and increasingly through 1994 to 1996, Taiwan. Dissatisfaction with the Clinton Administration's ability to deal effectively with these issues prompted certain members of Congress into action of their own. Secondly, the early mismanagement of China policy exposed the Administration to partisan attacks from Republicans, particularly on the issue of Taiwan. Having dealt Clinton a serious political blow in the mid-term elections, Republicans sought to exploit other areas in which the President was perceived to be vulnerable.

Sino-American relations evolved through three phases from the spring of 1994 to the end of the Administration's first term of office. The first period, from the MFN 1994 decision in late May to early 1995 was characterised by growing uncertainty and frustration. Despite the Administration's attempt to relocate China policy back towards the established strategy of engagement and to restore domestic legitimacy for US-PRC

relations, little progress of substance was achieved between the two governments, while discontent continued to simmer within Congress.

Following the mid-term elections of November 1994, the Republican controlled Congress began to present significant challenges to the Administration's control of China policy. This domestic situation contributed to a second phase in US-PRC relationship which saw a rapid deterioration in bilateral relations, and the political resurrection of the controversial issue of Taiwan. Relations reached their lowest point for twenty five years in the spring of 1996, when the Administration attempted to respond to another crisis in the Taiwan Strait.

Sino-American relations recovered throughout the remainder the year. The spring crisis proved to be a sobering experience for the both governments, and the US Congress. It prompted the Administration to re-evaluate its strategy on China, and address serious defects in the China policy-making process. Beijing softened its stance towards the US, while Congress moderated its approach to China policy. The improved bilateral and domestic atmosphere facilitated Clinton's success in preventing China policy becoming an issue in the 1996 presidential elections.

Bilateral Uncertainty and Domestic Frustration in 1994

COMPREHENSIVE ENGAGEMENT AND A NEW PLATFORM FOR CHINA POLICY

The Administration's decision to delink China's MFN status from human rights, and to commit itself in full to a strategy of 'comprehensive engagement' with Beijing appeared, on the surface, to offer better prospects both for the bilateral relationship and for the restoration of a domestic consensus on China policy. Secretary of State Warren Christopher devoted part of his address to the Asia Society on May 27 1994 to an explication of China policy in the light of the 1994 MFN decision.⁵ He defended the President's policy reversal on MFN conditionality and provided broad short and long-term reasons for US engagement with China.⁶ Above all, he justified engagement in terms of America's post-Cold War interests:

"I am convinced our strategy of comprehensive engagement offers the best chance to influence China's development. In that way, we will advance our security, our prosperity, and our values."⁷

⁵ Warren Christopher, 'America and the Asia-Pacific Future'; Address to the Asia Society, New York, May 27 1994, in Warren Christopher, *In the Stream of History: Shaping Foreign Policy For a New Era*; op cit Chapter Ten.

⁶ Christopher cited 'China's evolution' and the developing crisis over the North Korean nuclear programme as short-term reasons for the necessity of engaging China. Ibid p.160.

⁷ Ibid p.162. Christopher insisted that economic engagement and Chinese economic liberalization alone would not be sufficient for progress on human rights. Thus he reiterated the Administration's proposals for new human rights initiatives, highlighted by Clinton in his recommendation for China's 1994 MFN status the day before. Ibid p.161.

While offering little in the way of specific policy proposals, Christopher's exposition of comprehensive engagement on May 27 presented two interesting connotations. Firstly, the tone and broad thrust of the strategy closely reflected the thinking of Assistant Secretary of State Winston Lord. Christopher's references to the importance of China echoed arguments submitted by Lord in his confirmation hearing the previous year.⁸ Further, Christopher's commendation of a "...more comprehensive, finely nuanced strategy of engagement..." directly reflected language used by his Assistant Secretary of State.⁹ Finally, the emphasis placed by Christopher on the importance of domestic consensus on China policy echoed Lord's comments on the value of this principle.¹⁰

Lord had supported the decision to delink human rights from MFN, and, it is argued, only defended linkage in the run up to the 1994 MFN decision out of a sense of loyalty to the Administration.¹¹ Lord had played a leading role in the design

⁸ Winston Lord, Assistant Secretary-designate for East Asian and Pacific Affairs, Statement before the Senate Foreign Relations Committee, Confirmation Hearing; Washington D.C., March 31 1993. Christopher cited the value of Chinese cooperation in areas such as global and regional stability and security, its role in the United Nations Security Council, the size of its military, the value of Sino-American trade to the US environmental protection.

⁹ Warren Christopher, *In the Stream of History: Shaping Foreign Policy For a New Era*; op cit p.160, and Lord, Confirmation Hearing March 31 1993; op cit.

¹⁰ Ibid (Christopher). Interview with Winston Lord, Assistant Secretary of State for East Asian and Pacific Affairs 1993-1996, November 7 1997, New York.

¹¹ Interview with Frank S. Jannuzi, former China specialist, US Department of State, November 12 1997, Washington D.C.

of the President's Executive Order 12850, but was increasingly isolated from the China policy-making process through 1993-94. From this perspective, the Administration's commitment to a nuanced comprehensive engagement strategy in late spring 1994 represented a resurrection of Lord's role within the policy-making process. However, as in the period 1993-94, Lord's subsequent influence on decision making would erode as the Administration attempted to pursue the strategy through 1994-96. The fact that the official with direct responsibility for China policy had little influence on the conduct of that policy only contributed to the lack of coordination within the Administration.

The second implication behind Christopher's May 27 address concerns the mood and stance of Congress. Knowledge of Congressional support for delinkage and a strategy of engagement allowed the Secretary of State to pin the Administration's colours to the policy reversal before the Hill had voted on the renewal of China's MFN status. Of course, this highlights the degree to which Clinton's China policy was a product of Congressional opinion and leadership on the issue rather than a strategic decision the President was prepared to fight for.

Congressional support for delinkage was confirmed on August 9 1994, when the House rejected two bills challenging Clinton's 1994 MFN recommendation. A joint resolution of disapproval (HJ Res 373) was defeated by seventy five votes to three hundred and fifty six, while Rep. Pelosi's attempt to impose PRC state sector-targeted MFN conditionality (HR 4590)

was defeated by one hundred and fifty eight votes to two hundred and seventy. Further, a substitute bill (HR 4891) introduced by Rep. Hamilton and cosponsored by leading figures of the moderate coalition in the House, that sought to codify Clinton's MFN announcement passed the House by two hundred and eighty to one hundred and fifty two.¹² In the wake of the vote on HR 4590, Senator Mitchell decided against pushing for his companion bill (S 2269) in the Senate.¹³

Led by the moderate coalition that reemerged through 1993-94, Congress endorsed the Administration's new initiative on engagement for a number of reasons. Firstly, the real threat of revoking China's MFN status in 1994 had sharpened the debate on China policy. Proponents of engagement on the Hill, supported by the press and by influential organisations such as the Council on Foreign Relations and the business community's Emergency Committee on American Trade (ECAT) prevailed in the intellectual argument against MFN linkage.¹⁴ During the Bush Administration, members of Congress were able to support conditionality knowing that a presidential veto of such legislation would be sustained in the Senate. In 1994, the real

¹² Richard Bush, professional staff member and Congressional aide to Rep. Hamilton at the time, participated in an extensive lobbying effort in support of the President's decision. A series of 'Dear Colleague' letters designed to appeal to a wide range of interests were sent to Representatives in the run up to the August 9 vote. Interview with Richard Bush, former professional staff, Subcommittee on Asian and Pacific Affairs of the House Foreign Affairs Committee, October 29 1997, Washington D.C.

¹³ 'Issue: China MFN'; *Congressional Quarterly Weekly Report* vol.52 no.43 November 5 1994 p.3155.

¹⁴ Interview with James M. McCormick, former professional staff, Subcommittee on Asian and Pacific Affairs of House Foreign Affairs Committee, November 7 1997, Washington D.C.

possibility that America might have to live with legislated conditionality caused many to rethink their support for such a strategy.¹⁵ Secondly, some members were swayed by their constituency interests. Those with large industrial and agricultural trading links with the Chinese economy, and in particular Democrats anticipating a tough re-election campaign in the forthcoming mid-term elections, were easily persuaded of the benefits of unconditional renewal of MFN.¹⁶ Partisan politics also played a role. The chances of Congress, with the Democratic Party in control of both chambers, voting to override a veto from their own president were remote. Further, although certain Democrats wanted to distance themselves from a President drawing low approval ratings for his conduct in domestic and foreign policy, they did not want to prompt a split within the party on such a conspicuous issue.¹⁷ Once again, with the mid-term elections in mind, pragmatic Democrats understood the need for unity and solidarity.¹⁸

Clinton's unconditional renewal of China's MFN status in 1994 reestablished the pivotal role of the pro-engagement centrist bloc within Congress. As one experienced professional staff member argues:

¹⁵ Interview with Kerry Dumbaugh, Foreign Affairs Specialist, Congressional Research Service, November 5 1997, Washington D.C.

¹⁶ Interview with Richard Bush op cit.

¹⁷ See 'American Survey: The Labours of William'; *Economist* July 30-August 5 1994 pp.41-42.

¹⁸ Interviews with Mike Jendrzeczyk, Washington Director of Human Rights Watch: Asia, November 4 1997, Washington D.C., and Ted Galen Carpenter, CATO Institute, November 6 1997, Washington D.C.

"You are not going to have a decent relationship with China unless you have...this core centrist bloc that's able to fight off attacks from the left and the right."¹⁹

As a result, Clinton achieved his key objective of rebuilding a bipartisan consensus on China policy. The fact that this was due, in parts, to the failure of his policy of MFN conditionality and linkage, as well as to partisan politics, was of little concern to the President.²⁰ Clinton was more concerned with reserving domestic political capital for issues and proposals he cared more about. Clinton and his political advisors had carefully assessed, and pursued, the prevailing mood within Congress, and opted for the least politically contentious policy. This allowed Clinton to delegate the oversight of China policy to colleagues, while he diverted his attention to other matters.

The Administration embarked upon a programme of official engagement in the summer and autumn of 1994. Symbolically, the initiative was spearheaded by two critical areas of US post-Cold War bilateral engagement with China, trade and economics, and military ties. Despite Washington's regret at a PRC nuclear weapons test conducted in the June that challenged the Administration's appeal for an international voluntary moratorium on such testing, Sino-American relations appeared to

¹⁹ Interview with Richard Bush op cit.

²⁰ Ibid.

progress over the period.²¹

Two exchanges in particular signified an improvement in relations. Firstly, Secretary of Commerce Ronald Brown secured over \$5 billion worth of business deals on a visit to China in early September. Brown's overt promotion and lobbying of bilateral economic relations and his claim to have raised human rights in private (disputed by some aides on the trip) seemed to exemplify the Administration's new approach to Beijing.²² The second exchange saw Secretary of Defence William Perry conduct four days of talks in Beijing in the October.²³ Most obviously, this represented the first high-level military exchange between the US and the PRC since Tiananmen.²⁴ In his set-piece address, Perry spoke of the importance the Administration attached to a strong strategic and security relationship with China.²⁵

²¹ China conducted a second test on October.

²² See Sam Seibert, Matt Forney and Sudarsan Raghavan, 'A Blank Check for China on Human Rights?'; *Newsweek* September 5 1994 p.24, Kevin Fedarko, 'Let's Make a Deal'; *Time* September 12 1994 p.44, and Steven Mufson, 'Brown Declared China Trip Political, Business Success'; *Washington Post* August 31 1994 p.A27 and p.A31.

²³ This followed Perry's meeting with the deputy Chief of Staff of the People's Liberation Army in Washington in August. Kerry Dumbaugh, *China-US Relations: Chronology of Developments During the Clinton Administration*; Report to Congress 97-484 F, Congressional Research Service, Library of Congress, October 15 1997, p.6.

²⁴ The Secretary of Defence followed up this trip by leading a delegation of fifty US military officials on a four day visit to the PRC in December. Robert G. Sutter (with Seong-Eun Choi), *Shaping China's Future in World Affairs: The Role of the United States*; Westview Press (Oxford, 1996) Chronology p.168.

²⁵ Perry highlighted mutual "special responsibility" in areas such as stability in the East and South Asian regions, proliferation, peace and stability on the Korean Peninsula and Taiwan. He also stressed the value of expanding military dialogue between the US and the PRC. William Perry, 'The Sino-US Relationship and Its Impact on World Peace'; Address at the

However, the significance of this trip lay in the fact that Perry was now able to play a more prominent role in the Administration's engagement of China. Perry is credited by some as being the only high level member of the Administration who really understood the need for a strong and stable framework for US China policy. Dr. Ron Montaperto of the National Defence University testifies:

"He was the only one...in that whole Administration who understood, or had some sense, of the overall...significance of US-China relations."²⁶

Perry's influence on the policy-making process had previously been restricted for two reasons. Firstly, there was still some resistance within and without government to the restoration of military ties with the PRC. The role of the People's Liberation Army (PLA) in the Tiananmen massacre made such a step somewhat contentious.²⁷ Further, the weakened position of the Pentagon and related agencies had been reinforced by the determination of the State Department and the White House, at different times, to control the China policy-making process over 1993-1994. Secondly, in spite of the Secretary of Defence's opposition to the strategy of linkage

National Defence University, Beijing, October 18 1994, *United States Department of State Dispatch* vol.5 no.44 October 31 1994.

²⁶ Interview with Ronald N. Montaperto op cit. David Lampton suggests that Perry was the "...only statesman of the bunch." Interview with David M. Lampton, President of the National Committee on US-China Relations, November 14 1997, New York.

²⁷ See for example Michael R. Gordon, 'Perry Visit Seeks to Rebuild Ties with Chinese Military'; *New York Times* October 17 1994 p.A8.

implemented in spring 1993, he remained loyal to Clinton's declaration that the Administration would 'speak with one voice' on China policy. Indeed, Perry abandoned an earlier speech on US-China relations "...on the grounds that it was too statelike", more appropriate to a Secretary of State or president.²⁸ Further, some have argued that Perry did not wish to compromise his position within the Administration by challenging the counsel given to Clinton by his political advisors.²⁹ Nevertheless, the President's public espousal of comprehensive engagement allowed one of the strongest advocates of the strategy greater access to the policy-making process.

Further signs of progress were achieved before the end of the year. Chinese Foreign Minister Qian Qichen ended a trip to the United States by concluding a bilateral agreement on weapons proliferation and fissile material production. In a joint statement with Warren Christopher on October 4, Qian declared that China would adhere to the guidelines of the Missile Technology Control Regime (MTCR) once the US waived sanctions imposed upon the PRC in August 1993 for transferring missile parts to Pakistan. Qian also committed China to close cooperation with Washington to promote an international verifiable ban on the production of nuclear weapons material.³⁰

²⁸ Ibid. The author cites Montaperto.

²⁹ Interview with Ronald M. Montaperto op cit.

³⁰ 'The US and China: Curbing Missile and Nuclear Weapons Proliferation': Joint Statements, October 4 1994, Washington D.C.; *United States Department of State Dispatch* vol.5 no.42 October 17 1994. China had committed itself to adhering to the MTCR in March 1992, but had failed to live up to this agreement according to US intelligence reports. The agreement was signed on December 4 1994.

For his part, Christopher noted that he had raised the issue of human rights in his talks with his counterpart.

In his meeting with Clinton on November 3, Qian also delivered a letter from Chinese President Jiang Zemin conveying his satisfaction at the recent improvement in bilateral relations.³¹ This communication prepared the ground for Clinton's meeting with Jiang at the annual Asia-Pacific Economic Cooperation (APEC) forum in Indonesia on November 14. Again, this meeting symbolised the Administration's desire for cooperation and dialogue with Beijing. During the course of the private talks, Clinton raised amongst others the issues of proliferation, trade, human rights and the question of the North Korean nuclear programme.³² While pursuing proposals for a voluntary code of human rights principles for US businesses with interests in China prior to the APEC forum, the President disappointed American human rights activists by declining to make a public statement on human rights before travelling to Indonesia.³³

Nevertheless, Clinton did stiffen the broad diplomatic stance toward the PRC in September. Following an internal Taiwan policy review, the Administration announced that it

³¹ Robert G. Sutter, *Shaping China's Future*; op cit p.166.

³² Robert G. Sutter and Kerry Dumbaugh, *China-US Relations*; Issue Brief IB94002, Congressional Research Service, Library of Congress, June 19 1995 p.6. Jiang Zemin was reportedly enthusiastic about the US-North Korean nuclear accord. The North Korean nuclear crisis is discussed later in the chapter.

³³ Bruce W. Nelan, 'Business First, Freedom Second'; *Time* November 21 1994 pp.60-62. Clinton instigated a White House discussion with interested groups (chaired by deputy head of the National Economic Council Bowman Cutter) on the subject of voluntary principles. Ibid p.61.

would take modest steps to increase contacts with the island.³⁴ This included the expansion of high-level exchanges, authorization for one-day transits in America for Taiwanese officials, and consenting to a higher-profile for the island's pseudo-embassy in the US.³⁵ This initiative also reflected the recommendations of Assistant Secretary Winston Lord.³⁶ Beijing lodged an official protest but took no further action.³⁷

PROBLEMS BENEATH THE SURFACE OF US ENGAGEMENT, 1994

High-level negotiations and diplomacy, major trade deals and reaffirmation of non-proliferation agreements appeared to suggest that the Administration's new approach to comprehensive engagement was paying off.³⁸ However, the new initiative failed to address two fundamental problems that would contribute to

³⁴ Kerry Dumbaugh, *China-US Relations: Chronology*; op cit p.6.

³⁵ James Walsh, 'Cornell's Reunion is China's Nightmare'; *Time* June 5 1995 p.34 and 'The Lobby Factor'; *Asiaweek* June 22 1995 p.29. Taiwanese senior officials had been barred from entering the US since the 1979 establishment of US-PRC diplomatic relations.

³⁶ Lord believed that such measures would challenge any complacency in Beijing's approach to Washington, and signal America's preference for working with democratic, Western-orientated governments. See for example Winston Lord, 'Bush's Second Chance on China'; *New York Times* May 9 1990 p.A31.

³⁷ Beijing did cancel a prospective visit by Federico F. Pena, after the Transportation Secretary undertook a trip to Taiwan at the beginning of December. 'China Bars US Aide Who Went to Taiwan'; *International Herald Tribune* December 14 1994 p.8.

³⁸ Some commentators regarded the anti-proliferation agreement and enhanced atmosphere of US-PRC relations as examples of Clinton's improving management of foreign affairs. See Christopher Ogden, 'Is it Skill, or is it Just Good Luck?'; *Time* October 31 1994 pp.68-69.

the deterioration in US-PRC relations through 1995-96. Firstly, serious defects in the policy-making process persisted within the Administration. There was still an absence of leadership and coordination of strategy, partly due to the failure to define a decisive and authoritative framework for Sino-American relations. In a sense there had been an attempt to distinguish a hierarchy of US interests in China, the subject of Winston Lord's memorandum to Warren Christopher in the spring of 1994. However, this amounted to different government agencies pursuing their own independent agendas with Beijing, with little regard for overall prioritization, and thus the Administration's approach to China remained highly reactive. Secondly, the Administration struggled to deal with the perception that US China policy was securing too little progress with the Chinese, especially in the area of human rights. Indeed, China was seen to be growing in confidence and power which, to some American observers, represented a growing threat to US strategic and normative interests. As a result, the Administration's strategy of comprehensive engagement struggled to contain domestic disquiet regarding US-China relations.

Although a matter of dispute, some commentators viewed Clinton's decision to renew China's 1994 MFN status without conditions purely in terms of Washington's attempt to deal with the crisis regarding the North Korean nuclear weapons programme.³⁹ Due to its traditional links with the regime in

³⁹ Richard Bush disagrees with this interpretation, arguing that the decision was to a greater extent the product of domestic politics. Interview with Richard Bush op cit.

Pyongyang, Beijing was seen as an important player in efforts to resolve the issue.⁴⁰ From this interpretation, Clinton's policy reversal in May 1994 had less to do with a reassessment of US strategy toward China, than an attempt to court Beijing's favour, and thus its assistance in dealing with North Korea. There is compelling evidence for this argument. The crisis over North Korea's membership of the Nuclear Non-proliferation Treaty (NPT) and admission of International Atomic Energy Agency (IAEA) inspectors, that had escalated through 1992 and 1993, came to a head in the spring of 1994. Thus it coincided with the heated debate concerning China's 1994 MFN status. Figures such as Rep. Lee Hamilton, who played a critical role in the President's decision to renew MFN unconditionally, argued that maintaining a strategy of linkage with the Chinese would seriously jeopardize US efforts to resolve the North Korean crisis.⁴¹ Indeed, one senior sinologist insists that the Administration was close to taking unilateral military action against Pyongyang, and that Chinese cooperation with, or at least acquiescence to, this initiative was required. Thus it made no sense to simultaneously declare economic war on Beijing through the partial or full revocation of China's MFN status.⁴²

⁴⁰ For a comprehensive analysis of the crisis, and the US-North Korean Accord signed on October 21 1994, see Larry A. Nixsch, *North Korea's Nuclear Weapons Programme*; Issue Brief IB91141, Congressional Research Service, Library of Congress, July 27 1995.

⁴¹ A close aide to Rep. Hamilton revealed that the need to address the crisis was a vital aspect to the argument against linkage and MFN conditionality. Interview with Richard Bush op cit. See also Lee Hamilton, 'Introduction', in James R. Lilley and Wendell L. Willkie II, *Beyond MFN: Trade with China and American Interests*; The AEI Press (Washington D.C., 1994).

⁴² Interview with David M. Lampton op cit. It is likely that

The PRC indeed proved helpful in placing pressure on the North Koreans to concede to an agreement with Washington, informing President Kim Il Sung that it would not veto sanctions against his country proposed by Clinton to the UN Security Council.⁴³

Nevertheless, irrespective of the need to address the North Korean nuclear crisis, the Clinton Administration's programme of comprehensive engagement with Beijing following delinkage remained flawed. Although control of the China policy-making process had been transferred to the White House in the spring of 1994, it had been more an exercise in political crisis management than a judicious attempt to establish a definitive framework for US relations with the PRC. Indeed, Stephen Yates of the Heritage Foundation argues that the only constructive principle to have come out of the Administration's MFN 1994 decision was Clinton's acknowledgement that US-China relations could not be held hostage to human rights conditions.⁴⁴ Further, this reflected a learning curve within Congress rather than the White House.⁴⁵

the North Korean issue weighed heavily on the Administration's consideration of MFN, given the fact that the China policy-making process had been transferred, in part, to the National Security Council earlier in the spring. Interview with Ronald M. Montaperto op cit.

⁴³ Larry A. Niksch, *North Korea's Nuclear Weapons Programme*; op cit p.6.

⁴⁴ Interview with Stephen Yates, China Policy Analyst, Heritage Foundation, November 5 1997, Washington D.C.

⁴⁵ Many in the White House, and indeed in the State Department, still favoured the principle of human rights linkage, but recognized the political costs of retaining this stance; especially through the revocation of China's 1994 MFN status. Ibid, and interview with Mike Jendrzeczyk op cit. See also Robert S. Greenberger and Michael K. Frisby, 'Clinton's Renewal of Trade Status for China Follows Cabinet Debates, Congress's Sea Change'; *Wall Street Journal* May 31 1994 p.A18.

Linkage was unacceptable to Clinton because it was unacceptable to Congress. The President was less concerned with defining a long-term China strategy than he was minimising political conflict with Congress and retaining the support of the business community.⁴⁶ Insisting that the delinkage decision did not reflect a Presidential commitment to a considered strategy of engagement, but a response to lobbying from Congress and the business community, Yates adds:

"He heard them, they were loud enough, they had inflicted enough pain on him that he felt that he had to change; and so he just said 'OK, just tell me what you want me to say'.⁴⁷

Advocates of engagement within the Cabinet were able to exploit this political situation for their own interests, and no-one more so than Commerce Secretary Ron Brown. Brown, a powerful friend of the President and experienced political animal dominated the Cabinet debates on China's 1994 MFN status.⁴⁸ As a result, the Administration's engagement with China in the wake of delinkage centred upon Brown's commercial diplomacy and determination to trade with the PRC.⁴⁹

⁴⁶ The argument that US-PRC relations could not be held hostage to MFN conditionality (in particular human rights conditionality) was central to ECAT's lobbying of the White House. Interview with Calman J. Cohen, President, ECAT, November 13 1997, Washington D.C.

⁴⁷ Interview with Stephen Yates op cit.

⁴⁸ Interview with Shirley Kan, Foreign Affairs Analyst, Congressional Research Service, November 5 1997, Washington D.C. See Robert S. Greenberger and Michael K. Frisby, 'Clinton's Renewal of Trade Status'; op cit.

⁴⁹ Yates, who was an aide to Brown in the spring of 1994

His trip to Beijing in September 1994, the first cabinet level visit since Clinton delinked trade from human rights in May, was regarded as a success in narrow commercial terms.⁵⁰ However, it was also seen as representing the overwhelmingly commercial character of the Administration's new engagement with Beijing, and the degree to which commerce had superseded human rights as a US China policy interest. Although the preponderance of domestic opinion had favoured delinkage, questions were asked of the Administration's commitment to human rights. This unease was fuelled by reports of a fresh campaign of political repression and evidence of backtracking on human rights commitments made by the Chinese when its MFN status was renewed.⁵¹ Clinton's commerce-orientated approach to the APEC forum in November reinforced this impression.⁵²

A further example of the shift in emphasis came with the bilateral debate over China's accession to the General Agreement on Tariffs and Trade (GATT), which was due to transform into the World Trade Organisation (WTO) at the beginning of 1995. Beijing's insistence upon entry to the institutions, and Washington's determination that further

reflects that Brown was "...like a bull unleashed..." after the decision to renew MFN without conditions. Interview op cit.

⁵⁰ Some observers complained that Brown had failed to address the issue of China's rocketing trade surplus with the US.

⁵¹ For example, Beijing had suspended talks with the Voice of America regarding the jamming of its broadcasts, and with the International Red Cross on prison access. See Sam Seibert et al, 'A Blank Check for China on Human Rights?'; op cit and Kevin Fedarko, 'Let's Make a Deal'; op cit.

⁵² See Bruce W. Nelan, 'Business First, Commerce Second'; op cit.

economic liberalization would be required before this was possible, overshadowed bilateral relations in the latter months of 1994.⁵³ The fact that this issue rather than human rights, proliferation or North Korea (or a combination of these issues) dominated US-China relations, and media analysis of US-China relations, revealed the extent to which US China policy had changed after Clinton's policy reversal in May.⁵⁴

This commercial realignment of Clinton's China policy aided much of the Administration's economic agenda with Beijing, but undermined other policy goals. For example, following a breakdown of bilateral talks on the issue earlier in the month, US Trade Representative Mickey Kantor accused Beijing of inadequate protection of US intellectual property rights on December 31 1994.⁵⁵ With further talks producing no progress, the USTR announced its intention to impose sanctions exceeding \$1 billion on February 4 1995. The Chinese responded with retaliatory action, intimating that major Sino-American deals could be cancelled.⁵⁶ However, in spite of its resistance

⁵³ Beijing threatened to rescind commercial deals with the US unless Washington conceded to China's entry into Gatt/WTO by January 1 1995. Anthony Spaeth, 'Outside Looking In'; *Time* December 19 1994 p.52. Beijing did not carry out its threat despite Washington's refusal.

⁵⁴ See for example *ibid*, 'China and the WTO'; *International Herald Tribune* November 12-13 1994 p.6, Reginald Dale, 'The West Must Stay Firm With China'; *International Herald Tribune* November 18 1994 p.13, and Patrick E. Tyler, 'The Harsh Tones Coming From Beijing'; *International Herald Tribune*; December 20 1994 p.1 and p.8.

⁵⁵ 'US Picking Its Targets in China Trade Dispute'; *International Herald Tribune* December 31 1994 p.1 and p.5, and 'A Trade War Between US and China Gets Closer'; *International Herald Tribune* January 1 1995 p.1 and p.5.

⁵⁶ Robert Sutter and Kerry Dumbaugh, *China-US Relations*; *op cit* p.6 and 'China Threatens US Carmakers in Trade Dispute';

to 'foreign interference', Beijing still did not wish to compromise its economic growth and development.⁵⁷ Agreement on the issue was reached on February 26.⁵⁸ Similarly, Beijing proved relatively pliant on the issue of China's accession to the WTO, and responded to international allegations of trade dumping by Chinese firms.⁵⁹

With the limited exception of gradual developments in the bilateral defence relationship, Washington secured very little progress in other areas.⁶⁰ The most conspicuous and acrimonious impasse occurred over human rights. Assistant Secretary of State for Human Rights John Shattuck's visit to Beijing in mid January proved futile, while China successfully lobbied against a US sponsored UN resolution criticizing its human rights conditions at the beginning of March.⁶¹ Concern was also

International Herald Tribune January 11 1995 p.15.

⁵⁷ Interviews with Richard Bush op cit and Winston Lord op cit.

⁵⁸ Robert Sutter and Kerry Dumbaugh, *China-US Relations*; op cit p.6. One commentator noted that "...the Clinton Administration appears ready to risk confrontation over copyright infringement that it wasn't ready to risk over human rights concerns six months ago." Sheila Tefft, 'US Will Stress Better Human Rights in Visit to China'; *Christian Science Monitor* January 12 1995 p.7.

⁵⁹ Washington and Beijing signed an eight point guideline agreement on China's entry to the WTO on March 12 1995. Kerry Dumbaugh, *China-US Relations: Chronology*; op cit p.7. See also 'Beijing Urges Companies to Shape Up'; *International Herald Tribune* January 6 1995 p.12.

⁶⁰ Late March saw the first visit to China by a US warship in six years.

⁶¹ Beijing also protested against the US State Department report on China's Human Rights practices in 1994, that acknowledged that no progress had been made through the year. Robert Sutter and Kerry Dumbaugh, *China-US Relations*; op cit p.6, *China Human Rights Practices, 1994*; United States Department of State, Bureau of Public Affairs (United States

expressed, though no progress achieved, on China's ambitions as a nuclear power and its resistance to a global moratorium on nuclear testing, its sale of nuclear technology, and its claims to sovereignty in the disputed South China Sea region.⁶² Thus despite Secretary of Commerce Brown's efforts to expand economic ties, anxiety regarding Chinese behaviour in other areas failed to place Sino-American ties on a firm positive footing. Bilateral tensions continued to rise as Washington derided Beijing's human rights performance, its irresponsibility on strategic and security issues, and its failure to open its markets to US producers.⁶³

Congressional opposition to linkage, Clinton's desire to consolidate links with an increasingly sceptical business community, and Brown's dynamism within the Cabinet and the Administration's policy-making process resulted in a strategy of engagement that had appeared to be achieving progress with Beijing towards the end of 1994. Yet as Stephen Yates notes:

"They got momentum around commercial diplomacy, but that's only one part of a relationship, and they kept

Government Printing Office, Washington D.C.) February 1995, and 'China Avoids UN Censure'; *Guardian* March 9 1995 p.8.

⁶² See Michael Richardson, 'A Chinese Shadow Over the Pacific'; *International Herald Tribune* April 18 1995 p.7, 'China Rejects Plea Not to Sell Iran 2 Reactors'; *International Herald Tribune* April 18 1995 p.1 and p.7, Michael Richardson, 'US Admiral Warns of China's Big New Navy'; *International Herald Tribune* March 8 1995 p.1 and p.8, and Robert G. Sutter, *Shaping China's Future*; op cit p.169.

⁶³ On February 1 1995, it was announced that China's trade surplus with the US had grown to almost 430 billion. See Alan Friedman and Jonathan Gage, 'Simmering Feud Between US and China Erupts in Public Clash'; *International Herald Tribune* April 11 1995 p.1.

dealing ...[with]...it as the whole relationship."⁶⁴

Thus, as stated, US China policy continued to suffer from the absence of overall framework or purpose, and from an absence of leadership. The policy-making style shifted from domestic political crisis management in the spring of 1994 to bilateral crisis management through the rest of the year. This meant that when a crisis arose, the Administration found someone to react to it. Accordingly, the Defence Department and the NSC reacted to Taiwan's accidental shelling of the Chinese mainland in mid-November while the USTR reacted to the trade crisis late in the year, but each without any reference to the overall US stance on the PRC.⁶⁵ Moreover, as Secretary of Commerce Brown chased major trade deals with Beijing, and spoke forcefully of expanding US-China economic ties, Trade Representative Mickey Kantor criticised China's trade surplus with the US and threatened punitive sanctions over Beijing's failure to address violations of intellectual property rights.⁶⁶ Despite the Administration's apparent espousal of a strategy that more closely reflected his broad recommendations, Winston Lord's ability to supervise China policy continued to be undermined. With neither the President nor the Secretary of

⁶⁴ Interview with Stephen Yates op cit.

⁶⁵ See Stephen Strasser and George Wehrfritz, 'A Blast from the Past'; *Newsweek* November 28 1994 p.32, Patrick E. Tyler, 'Taiwan Apologises for Shelling that Wounded 4 on Mainland'; *International Herald Tribune* November 16 1994 p.7 and 'US Suspends Talks with China on Property Rights'; op cit.

⁶⁶ For example see Peter Behr, 'US Industry's High-Flying Salesman'; *International Herald Tribune* December 27 1994 and 'US Picking Its Targets in China Trade Dispute'; *International Herald Tribune* December 31 1994 p.1 and p.5.

State committed to China policy, Lord was unable to impose discipline on the policy-making process from the relatively weak position of Assistant Secretary of State. Indeed, the White House had assumed control of policy in its attempt to handle the political crisis surrounding China's 1994 MFN status. However, having dealt with the crisis the White House neglected to provide solid guidance for subsequent policy, and failed to delegate particular responsibility for US-China relations to any one official.⁶⁷ The result was a policy of drift.

The rather perfunctory improvements in the Sino-American relationship could not disguise the defects in the Administration's China policy-making process, nor its erroneous approach to bilateral diplomacy. Despite its willingness to concede on economic issues the regime in Beijing, under the grip of a secessionist struggle, did not wish to appear too flexible in the face of confused and discrepant signals from Washington.⁶⁸

The Administration's discordant China policy invited domestic criticism and distrust. The lack of consensus within the US as to the most appropriate way of pursuing the wide range of American interests in China did not help Clinton, but the Administration's persistent failure to address serious faults in its policy-making process and its conduct of US-China

⁶⁷ Logically, that official should have been either the Secretary of State, or the Assistant Secretary of State for East Asian and Pacific Affairs. Interview with Winston Lord op cit. NSA Anthony Lake's naivety regarding China inhibited his own strategic influence. Interview with David M. Lampton op cit.

⁶⁸ Interview with Stephen Yates op cit.

relations did little for its domestic credibility on this issue.⁶⁹ Despite the promise of a moderate improvement in ties with Taipei, members of Congress and in particular Republicans pushed for more. In November the Senate urged the Administration to back Taiwan's entry to the United Nations by inviting President Lee Teng-hui and other elite officials to Washington, and recommended an expansion in US arms sales to the island. Other pro-Taiwanese bills were only impeded by political disagreements within Taipei.⁷⁰ Furthermore, the Administration's willingness to get tough over issues such as intellectual property while apparently doing little to address Beijing's persistent violations of human rights attracted increasing criticism from opinion leaders and members of Congress.⁷¹ The atmosphere was such that Clinton's bid in late March 1995 to establish a voluntary code of human rights conduct for US businesses with interests in China was castigated by human rights proponents within Congress and the wider political community.⁷²

Clinton's political vulnerability in Congress, on China as

⁶⁹ See for example 'Hard Line in Beijing'; *International Herald Tribune* December 21 1994 p.4 and Patrick E. Tyler, 'China Warns US to Back Off on Rights or Face Break'; *International Herald Tribune* February 24 1995 p.1 and p.10.

⁷⁰ Tony Emerson with Sudarsan Raghavan, David Gordon and Matt Fornay, 'Taiwan's Cryptodips in Washington'; *Newsweek* December 5 1994 p.27.

⁷¹ See A.M. Rosenthal, 'Those Outside the Prison of Tibet Should Protest'; *International Herald Tribune* December 28 1994 p.5, Patrick E. Tyler, 'China's Forgotten Prisoners'; *International Herald Tribune* February 22 1995 p.4 and A.M. Rosenthal, 'Fine for Trade, but What Happened to Pressure for Human Rights?'; *International Herald Tribune* March 1 1995 p.6.

⁷² Robert G. Sutter, *Shaping China's Future*; op cit p.169.

well as many other issues, was not helped by the tendency of many members of his own party to distance themselves from the President. Throughout the autumn of 1994, for example, some feared that association with the increasingly derided Clinton would harm their chances in the mid-term Congressional elections.⁷³

**The Resurgence of Partisanship and the Issue of Taiwan:
The Disintegration of Sino-American Relations**

*THE IMPACT OF THE 1994 MID-TERM ELECTIONS ON US CHINA POLICY:
THE US VISIT OF TAIWANESE PRESIDENT LEE TENG-HUI*

The Republican Party's sweeping victory in the November 1994 mid-term Congressional elections and their acquisition of both Houses of Congress had a significant impact on the Clinton Administration's conduct of China policy.⁷⁴ In an echo of the Democrat-controlled Congressional challenge to the Bush Administration, Republican contention took two forms. Firstly, many members acted upon their frustration with the Administration's pursuit of US interests in China by attempting to seize the initiative on China policy-making. Secondly, Republicans attacked Clinton's China policy for political ends. In other words, it represented a return to partisan politics. Clinton's mismanagement of policy toward China could no longer

⁷³ Jonathan Alter, 'The Discipline Gap'; Newsweek August 22 1994 pp.20-22.

⁷⁴ Highlighting the unconditional renewal of China's MFN status every year since 1994, Winston Lord maintains that this refiguration of the political map did not have a "concrete impact" on the Administration's China policy. Interview op cit.

be protected by loyal Democrats in Congress, and it presented Republicans with an opportunity to inflict further political damage on a discredited president. The Republicans were determined to maintain the momentum of their political ascendancy. However, the nature of the Republican victory must be noted. Newt Gingrich's 'Contract with America' platform proved to be a powerful weapon against a vilified President increasingly estranged from members of his own party. Yet like the presidential election two years earlier, the Congressional mid-terms were overwhelmingly dominated by domestic issues. As a result, a large number of freshmen and women lacked experience and expertise in foreign policy and China policy-making which, according to Winston Lord, complicated the Administration's handling of foreign affairs.⁷⁵

The first significant challenge to the Administration by the 104th Congress centred on the issue of Taiwan. The status of the island and the question of Washington's relationship with Taipei had prompted little controversy since the 1982 Joint Communiqué on United States Arms Sales to Taiwan. However, through 1993-94, the issue had reappeared on the China policy agenda for a number of reasons. Firstly, Taiwan's growing economic power and its maturing de facto independent status had forced both Washington and Beijing to reassess its status, exemplified by the Clinton Administration's policy review of September 1994.⁷⁶ Secondly, the prospect of Taiwan's

⁷⁵ Ibid. Also interview with James L. Robb, former China specialist at the Asia Business Centre, US Department of Commerce, November 4 1997, Washington D.C.

⁷⁶ The Administration remained committed to the principle of 'one China', acknowledged in the three Sino-American

first democratic presidential election in 1996 had encouraged this reassessment.⁷⁷ Thirdly, debate within the US regarding the transfer of Hong Kong to PRC sovereignty in June 1997 spilled over into debates about the future of Taiwan, especially in the light of Beijing's ongoing repression of political dissent in mainland China. Fourthly, recent developments in the relationship between Beijing and Taipei had thrown the issue into the American media spotlight.⁷⁸ Fifthly, an intensive high expenditure Taiwanese lobbying campaign was finally bringing dividends. Various governmental and non-governmental institutions targeted the Republican controlled Congress, US lobbying organisations and public relations companies. Major trade deals were concluded or promised, raising the pro-Taiwanese temperature within Washington.⁷⁹

The Administration had already encountered pressure from

Communiqués. For example see Winston Lord, 'US Policy Toward East Asia and the Pacific'; statement before the Subcommittee on Asia and Pacific Affairs of the House International Relations Committee, Washington D.C, February 9 1995. *Dispatch Magazine*, United States Department of State, vol.3 no.9 article 2 p.143.

⁷⁷ Proponents of improved ties with Taiwan maintained that America was obliged to enhance relations with a state with such inclinations towards Western-orientated democracy and economic liberalism. See Nayan Chanda, 'Winds of Change'; *Far Eastern Economic Review* June 22 1995 p.14.

⁷⁸ These developments included the expanding economic and diplomatic relationship between the two Chinese entities, Beijing's persistent warnings against Taiwanese moves for independence, and Taiwan's accidental shelling of the mainland in November 1994. See Steven Strasser and George Wehrfritz, 'A Blast from the Past'; *op cit* and 'China Sees Room for Talks with Taiwan'; *International Herald Tribune* April 19 1995 p.4.

⁷⁹ \$4.5 million was committed to lobbying consultancy Cassidy and Associates alone. See 'The Lobbying Factor'; *op cit*. Washington was host to visits from a large number of Taiwanese officials during this period.

within the domestic political arena, including the Democratically-controlled Congress, to cultivate relations with Taiwan. Advocates argued that Taipei's de facto sovereignty and improvements in its relationship with Beijing had rendered America's long established stance obsolete.⁸⁰ The Administration managed to resist such initiatives until Congress latched on to Cornell University's invitation to Taiwanese President Lee to visit his alma mater in early June. The issue triggered a critical political standoff between the Administration and Congress, and precipitated a rapid disintegration in Sino-American relations already on shaky ground.

Disillusioned with the Clinton Administration's policies toward China and Taiwan, and determined to reward the Republic of China for progress in economic and political liberalization, Congress demanded that a visa allowing Lee to visit the US be granted by the Administration.⁸¹ Led by Senators Jesse Helms, Frank Murkowski and Alfonse D'Amato, both Houses of Congress voted on a non-binding resolution (H Con. Res. 53) expressing support for Lee's visit on June 9. The resolution was finally passed unanimously on May 5 1995, with the exception of one voice of dissent in the Senate.⁸² Although the campaign was

⁸⁰ See Lorna Hahn, 'America's Taiwan Policy is Outdated'; *International Herald Tribune* April 3 1995 p.10, and interview with Shirley Kan op cit. PRC President Jiang Zemin had presented an eight-point proposal for a development of Beijing-Taipei relations in January. Lee responded with his own proposals, and talks on the issue ensued. Anthony Spaeth, 'Into the World'; *Time* June 19 1995 p.19.

⁸¹ Nayan Chanda, 'Winds of Change'; op cit. For a review of the economic and political reform undertaken in Taiwan since 1987 see ibid (Spaeth) pp.17-19.

⁸² 'A Visa for Lee Teng-hui'; *International Herald Tribune* May 11 1995 p.6.

driven by Republicans, the measure clearly attracted bipartisan patronage. Democrats such as Gary Ackerman, a key figure in the centrist China policy coalition, lent their vocal support.⁸³

Initially, the Administration refused to give its consent. As early as February, Secretary of State Christopher declared his opposition to the visit in testimony to the Senate Budget Committee.⁸⁴ The State Department led the opposition, insisting that the move would seriously destabilise US-PRC relations, jeopardize Beijing's cooperation on issues such as the US-North Korean nuclear accord, and contravene US-PRC agreements on the status of Taiwan. Further, the State Department wished to limit Congressional leverage on the Administration's management of foreign policy.⁸⁵ The Administration's official line received support from significant quarters. Sinologist and former Assistant Secretary of Defence to the Clinton Administration Chas Freeman insisted that conceding to Lee's visit would inflict unacceptable damage to Sino-American relations. Former consul-general in Hong-Kong Burton Levin concurred with this view.⁸⁶ Even US Ambassador to Beijing Stapleton Roy was known to oppose the trip.⁸⁷

⁸³ 'I Shall Return'; *Asiaweek* June 22 1995 p.27 and James Walsh, 'Cornell's Reunion'; op cit p.34.

⁸⁴ Mark Frankel, 'Old School Ties Undone'; *Newsweek* March 20 1995 p.34.

⁸⁵ Steven Greenhouse, 'No Visa for Taiwan Chief, US Repeats'; *International Herald Tribune* May 12 1995 p.4.

⁸⁶ Julian Baum, 'Domino Theory'; *Far Eastern Economic Review* June 22 1995 p.17.

⁸⁷ Roy publicly supported the Administration's subsequent reversal on the issue however. 'I Shall Return'; *Asiaweek* op cit p.28.

Nevertheless, the Administration disclosed a change of mind, and the decision to grant Lee the required visa, in late May.⁸⁸ Risking a serious deterioration in relations with Beijing, which had threatened retaliation if a visa was granted, Clinton bowed to pressure from Congress and lobbying from Taipei. On the one hand, senior Administration officials revealed White House beliefs that the ban had been contrary to 'American values', and that policy-makers had felt uncomfortable with a demand that Lee not leave his plane as it refuelled in Hawaii in early 1994.⁸⁹ However the decision to grant Lee the visa rested more on domestic political calculations. Rather like the White House deliberations on China's 1994 MFN status (and indeed the formulation of the Administration's linkage policy on China), Clinton decided to follow Congress' lead on the issue. Thus he avoided a serious political showdown with the Hill, and reduced the likelihood of further legislative action from a wrathful Republican-controlled Congress.⁹⁰ Certainly, Clinton wished to resolve the standoff with the Republican Congress to prevent the issue becoming a major foreign policy feature of the 1996 presidential campaign.⁹¹

⁸⁸ Steven Greenhouse, 'Clinton to Offer Visa to Taiwan's Leader'; *International Herald Tribune* May 23 1995 p.4.

⁸⁹ James Walsh, 'Cornell's Reunion'; *op cit* pp.34-35.

⁹⁰ Tom Post, 'Welcome for a Tiger'; *Newsweek* June 5 1995 p.17. There was also the suggestion that Washington did not want to offend Taiwan, America's sixth largest trading partner. Anthony Spaeth, 'Into the World'; *Time* June 19 1995 p.16.

⁹¹ Robert G. Sutter, *Shaping China's Future in World Affairs*; *op cit* p.104.

It was thought that the President, along with many of his political advisors and White House staff, actually favoured granting Lee Teng-hui permission to visit the United States.⁹² From this perspective, the decision repeated a pattern of decision-making established in the spring of 1994; namely that in an effort to manage a political crisis, the White House usurped the State Department's control of policy on the basis of domestic political determinations. This reinforced the impression of a decision-making process lacking clear committed leadership and a considered long-term strategic framework for the execution of policy. This point was not lost on former Assistant Secretary of Defence Freeman who, in a speech to the Asia Society in Hong Kong, argued:

"The Lee Teng-hui visit proves that if you spend enough money on Washington lobbyists you can accomplish wonders, but it does not speak well for the clarity, vision and strategic purpose of US policy...There is no strategy. There is no coherent purpose in all of these actions."⁹³

The absence of strategic coherence and consistency in the Administration's policy toward the PRC, as much as decisions such as that regarding the visit of Lee, continued to have a detrimental affect of Beijing's view of US China policy. Chinese accusations of American duplicity over Taiwan

⁹² Anthony Spaeth, 'Into the World'; op cit p.16.

⁹³ Patrick E. Tyler, 'China Increases Pressure Over Taiwan Leader's US Visit'; *International Herald Tribune* May 26 1995 p.4.

exemplified their suspicions about the purposes of US China policy. Faced with confusing signals and actions from Washington, Beijing grew increasingly sceptical of Clinton's desire for engagement, and more convinced that the real objective was to confront China and undermine its development as a regional and global power.⁹⁴ The Administration did attempt to assuage Beijing's anger by blaming Congress for inciting the Lee visit affair.⁹⁵ In addition to diplomatic assurances of their commitment to positive engagement with the PRC, the Administration also took the steps of announcing its intention to renew China's 1995 MFN status without conditions, and of prohibiting further sales of advanced fighter aircraft to Taiwan.⁹⁶ Nevertheless Beijing pursued a number of measures in retaliation to the Lee visit. Principal among them were the withdrawal of its ambassador in Washington, the postponement of a planned visit to the US by the PRC Defence Minister and US official visits to Beijing, and the suspension of ongoing bilateral talks on missile technology control and cooperation on nuclear energy.⁹⁷

⁹⁴ Karsten Prager, 'Bulls in the China Shop'; *Time* June 5 1995 p.35, Robert G. Sutter, *Shaping China's Future in World Affairs*; op cit pp.125-130 and interview with David M. Lampton op cit.

⁹⁵ James Walsh, 'Cornell's Reunion'; op cit p.34.

⁹⁶ 'China Retaliates Over US Moves on Taiwan'; *International Herald Tribune* May 27-28 1995 p.5 and Steven Mufson, 'Angry Beijing Suspends US Talks'; *International Herald Tribune* May 29 1995 p.4. On the day of Lee's address at Cornell, the Defence Department did announce Taipei's decision to purchase military aircraft parts to the value of \$200 million. 'I Shall Return'; *Asiaweek* op cit p.28.

⁹⁷ Robert G. Sutter, *Shaping China's Future in World Affairs*; op cit p.101. This latter measure was of particular concern to the US Administration suspicious of China's

Although Jiang Zemin had been confirmed as successor to the ailing Deng Xiaoping, he was yet to consolidate his position domestically.⁹⁸ In this context, Jiang and other members of the regime could not afford to appear conciliatory on the issues of Taiwan and relations with America. Beijing, already unhappy with Lee Teng-hui's practice of 'vacation diplomacy', feared that his visit to the US could facilitate international recognition of Taiwan's independence.⁹⁹ However, the expansion of ties across the Taiwan Strait, and in particular the value of Taiwanese investment on the mainland, tempered Beijing's hostility toward Taipei.¹⁰⁰ Instead, the PRC directed its anger toward Washington.

CONGRESS RAISES THE PRESSURE ON SINO-AMERICAN RELATIONS

Although the visit of Lee Teng-hui dominated the domestic debate throughout the spring of 1995, Congress also expressed increasing frustration with the Administration's strategy for China, and the conduct of Beijing, in other areas of Taiwan and China policy. Some commentators anticipated moves within

adherence to non-proliferatory activities. See Steven Mufson, 'Angry Beijing Suspends US Talks'; op cit p.1 and p.4.

⁹⁸ Alan Friedman, 'Deng's Successor Revealed by China'; *International Herald Tribune* April 13 1995 p.1 and p.6. and George Wehrfritz, 'To Get Rich is Dubious'; *Newsweek* May 22 1995 p.36.

⁹⁹ Lee's private trips abroad, primarily throughout East Asia, and served to bolster Taiwan's image and independent role in the international system.

¹⁰⁰ Taiwan had over \$20 billion invested in the PRC. Tom Post, 'Welcome for a Tiger'; op cit p.16 and Nayan Chanda, 'Winds of Change'; op cit p.15.

Congress to press for Taiwan's accession to the WTO and International Monetary Fund. Chairman of the House Committee Rep. Benjamin Gilman suggested that the island should be allowed to join the UN if so desired by its population, a step bound to provoke considerable ire in Beijing, possibly to the point of military action against Taiwan.¹⁰¹

Legislation introduced by Gilman in mid May (HR 1561) reflected the prevalent anti-PRC mood within Congress.¹⁰² The bill strongly criticised China's human rights record, and specifically its coercive family planning policies and prison 'gulag' system. It also criticised China's "occupation" of Tibet and called for a US special envoy to Tibet, established conditions for American participation in the forthcoming UN International Conference on Women to be held in Beijing, and sought improved and more formal relations with Taiwan. Finally, it condemned China's militarily-driven claims to sovereignty over islands in the South China Sea, and warned that such activities were of 'grave concern' to the US. Some observers, such as Republican Asia expert Bill Triplett, suggested that military skirmishes between the PRC and the Philippines over control of the oil and mineral-rich Spratley Islands pushed Congress into assertive anti-PRC action.¹⁰³

¹⁰¹ Ibid (Chanda) p.15.

¹⁰² Robert Sutter, *China-US Relations*; op cit p.7. The Senate tabled legislation (S 309) that echoed the recommendations of the House bill.

¹⁰³ Nayan Chanda, 'Winds of Change'; op cit p.16. The islands were subject to sovereignty claims of several neighbouring countries, and discussed at an April meeting of the Association of South East Asian Nations (ASEAN), of which China is a member. See James Walsh, 'China Pushes its Weight Around'; *Time* March 6 1995 pp.30-32 and 'Analysts See Chance of

Despite introducing legislation (HJ Res 96) that would reject Clinton's unconditional renewal of China's 1995 MFN status, Congress decided not to act upon it.¹⁰⁴ Instead the House passed HR 2058 in July, which urged the President to pursue aggressively issues of human rights, proliferation and trade with Beijing, and provide Congress with a report on progress every six months.¹⁰⁵

Such Congressional initiatives on China, whether driven by genuine concerns or by partisan politics, were criticised by a number of senior Sinologists and diplomats.¹⁰⁶ Despite accusing the Administration of a weak China policy, Congress as a whole tended to single out specific issues for vociferous summary debates. In other words, Congress' handling of China policy was often inclined to focus on issues such as forced organ transplants and religious repression rather than the long-term strategic relationship between the US and the PRC.¹⁰⁷ Further,

Small Skirmishes in Disputed Spratlys'; *International Herald Tribune* April 21 1995 p.4.

¹⁰⁴ The view that MFN was an inappropriate vehicle for US interests in China continued to prevail in Congress. Interview with Ted Galen Carpenter op cit.

¹⁰⁵ Robert G. Sutter, *Shaping China's Future in World Affairs*; op cit p.117.

¹⁰⁶ See Patrick E. Tyler, 'As US-China Relations Slide, Taiwan Visit Gives a Push'; *International Herald Tribune* May 24 1995 p.4.

¹⁰⁷ One former China analyst at the State Department observes that Republican members of Congress, perceiving Clinton's approach to China to be over-conciliatory, considered themselves to be the 'keepers of the flame' of US interests and values in China. Winston Lord, amongst others, argues that the issues highlighted by the 104th Congress reflected the religious right powerbase within the Republican party; hence the focus on issues such as coercive abortion and repression of religious (Christian, rather than Muslim) freedom. Interview with Frank S. Jannuzi op cit. Interviews with Winston Lord op

officials in Beijing were acutely sensitive to issues pursued by members of Congress, such as those contained in HR 1561 and HR 2058. For example, Congressional initiatives on family planning, democratization, Tibet or Taiwan threatened to undermine the Chinese Communist Party regime's sovereignty and grip on power, especially at a time of domestic political uncertainty. Whatever the merits of the concerns risen in Congress, critics of this approach lamented the dearth of a longer term strategic debate.

Accordingly, Sinologists such as Burton Levin and Jonathan Pollack of the Rand Corporation argued that Congressional pressure could prove to be self-defeating and self-fulfilling. Rather than prompting or stimulating improvements in China, they maintained, Congressional hostility could bolster hardliners in Beijing who were convinced of America's desire to weaken China. Thus China would only retreat into isolation, with little prospect of improvements in its conduct on a broad range of issues.¹⁰⁸ However, the more significant danger lay in the Clinton Administration's handling of these debates. Lacking a clear strategic view of its own, far from committed to China policy at the highest levels, and providing little guidance on the management of US-PRC relations, Clinton was heavily disposed to following Congress' lead on China policy for domestic political reasons. Thus it failed, or indeed was incapable of engaging members of Congress in a strategic debate

cit and Kerry Dumbaugh op cit.

¹⁰⁸ Karsten Prager, 'Bulls in the China Shop'; op cit, Nayan Chanda, 'Winds of Change'; op cit p.16 and interview with Kerry Dumbaugh op cit.

on China.

US-CHINA CONFRONTATION AND THE COLLAPSE OF RELATIONS

Having avoided a critical political showdown with Congress over the visit of Lee Teng-hui (and surmising that Congress would not revoke China's 1995 MFN status), the Administration publicly and privately expressed confidence in a rejuvenation of Sino-American ties. Warren Christopher has suggested that his address to the National Press Club in Washington D.C on July 18 1995, in which he referred to the importance of US-PRC ties and engagement with China had a significant and reassuring effect on Beijing.¹⁰⁹ Christopher maintains that his remarks prepared the ground for a meeting with PRC Foreign Minister Qian Qichen, at the Asean Regional Forum (ARF) conference in Brunei at the beginning of August. While little substantive progress was made, Christopher noted that the atmosphere of the meeting was surprisingly warm. The Secretary of State suggested to the President that the meeting could represent a positive turning point in relations.¹¹⁰

Other senior officials also spoke positively of the US-PRC relationship, and defended past and potential progress of the Administration's pursuit of engagement. Despite the critical State Department report of China's Human Rights record, Assistant Secretary of State John Shattuck recommended the

¹⁰⁹ 'America's Strategy for a Peaceful and Prosperous Asia-Pacific': address to the National Press Club, Washington D.C., July 18 1995; Warren Christopher, *In the Stream of History*; op cit Chapter Twenty p.289.

¹¹⁰ Ibid p.290.

progress made on human rights following delinkage of the issue from trade and MFN.¹¹¹ Similarly, Assistant Secretary of State Lord, in testimony to Congress and press statements in October 1995, cited a recent stabilization of US-PRC relations, and promoted the importance of engagement in optimistic terms.¹¹² In an interview with *Current History* in September, Lord noted the complexities of dealing with China in the post-Cold War world, especially during the period of political succession. However he insisted that engagement had secured momentum in the bilateral relationship.¹¹³

However, in reality, bilateral relations showed no fundamental signs of improvement. The visit of Lee Teng-hui to the US, and the Administration's policy reversal after the Secretary of State's pledges that the Taiwanese President would not be given a visa, had provoked the PRC into suspicion and belligerence. Indeed their actions reflected the degree to which Clinton's approach to China lacked credibility in

¹¹¹ See Statement of John Shattuck, Assistant Secretary for Democracy, Human Rights and Labour, before the Subcommittees on Asia and the Pacific, and International Operations and Human Rights of the House International Relations Committee, Washington D.C., March 16 1995; reproduced in *Dispatch Magazine* vol.6 no.14. article 6 p.273.

¹¹² See Statement of Winston Lord, Assistant Secretary of State for East Asian and Pacific Affairs before the Subcommittee on East Asian and the Pacific Affairs of the Senate Foreign Relations Committee, Washington D.C., October 11 1995; reproduced in *Dispatch Magazine* vol.6 no.43 article 8 pp.773-775 and remarks at a press briefing following President Clinton's meeting with Chinese President Jiang Zemin, New York, October 24 1995; reproduced in *Dispatch Magazine* vol.6 no.45 article 3 p.816. Assistant Secretary of Defence Joseph Nye also defended the Administration's engagement policy in the summer. Joseph S. Nye, 'The Case for Engagement'; *Foreign Affairs* vol.74 no.4 July-August 1995.

¹¹³ 'A Sweet and Sour Relationship': An Interview with Winston Lord; *Current History* vol.94 no.593 September 1995.

Beijing. At a point when direct communication between the two governments had reached a deep trough, Beijing's conduct across the broad range of bilateral ties challenged US objectives and interests.¹¹⁴

In the area of human rights, Beijing's most conspicuous act was its arrest of Chinese-American dissident Harry Wu on July 8 1995.¹¹⁵ Wu, well known within US political and media circles, was detained on the charge of stealing state secrets, an offence that carried the death penalty. Although convicted, Wu was deported late August.¹¹⁶ The incident seriously impeded relations between Washington and Beijing, or, from the view of Henry Kissinger, sent the relationship into 'freefall'.¹¹⁷ Further, the Chinese authorities instigated a sweeping crackdown on political dissent in late 1995 and early 1996 which included the arrest of another prominent activist

¹¹⁴ See for example David Shambaugh, 'The United States and China: A New Cold War?'; *Current History* vol.94 no.593 September 1995. US Ambassador to China Stapleton Roy left his position in mid-June before a replacement had been confirmed. Some commentators attribute Roy's departure to his frustration with the Administration, and Congress's performance on China. See Patrick E. Tyler, 'US Envoy to Beijing Won't Wait for Replacement'; *International Herald Tribune* June 9 1995 p.1 and p.6.

¹¹⁵ Nigel Holloway and Lincoln Kaye, 'The Trouble with Harry'; *Far Eastern Economic Review* July 20 1995 p.17 and p.20.

¹¹⁶ Although denied by officials, some believed that the Administration linked his release to the proposed visit of First Lady Hillary Clinton to the UN Conference on Women, held in Beijing in early September. Anthony Spaeth, 'He's Out'; *Time*; September 4 1995 pp.20-21.

¹¹⁷ Nigel Holloway, 'The Great Divide'; *Far Eastern Economic Review* July 27 1995 p.18. One report suggests that the US was considering a Sino-American summit as a means of reviving relations, prior to Wu's arrest. Murray Hiebert, 'Comforting Noises'; *Far Eastern Economic Review* August 10 1995 p.17.

acclaimed in the US, Wei Jingsheng.¹¹⁸ The State Department's annual report on human rights in China (1995) acknowledged the increase in violations, and went as far as to say that the prevailing rationale that US economic engagement in China promoted political liberalization was flawed. While noting that US trade and investment in the PRC helped to improve standards of living, the report argued:

"...they cannot by themselves bring about greater respect for human rights in the absence of a willingness by political authorities to abide by the fundamental international norms."¹¹⁹

In effect, this amounted to an admission of failure with respect to the Administration's efforts to improve Beijing's human rights performance.

Officials also became increasingly concerned about China's proliferation of materials related to nuclear, chemical and conventional weapons of mass destruction. Late June saw the leak of a CIA report declaring evidence of proliferation to Iran and Pakistan.¹²⁰ In essence, the report accused the PRC of transferring missile-guidance technology to Teheran, and M-11

¹¹⁸ Anthony Spaeth, 'Jiang Plays Bully'; *Time* January 8 1996 pp.16-17.

¹¹⁹ *China Country Report on Human Rights Practices for 1995*; US Department of State, Bureau of Democracy, Human Rights and Labour (United States Government Printing Office, Washington D.C.) March 1996. See also Thomas W. Lippman, 'China's Economic Reforms Fail to Improve Rights, US Finds'; *International Herald Tribune* March 7 1996 p.4.

¹²⁰ Lincoln Kaye, 'Tit for Tat'; *Far Eastern Economic Review* June 29 1995 p.23 and p.26 and Robert G. Sutter, *Shaping China's Future in World Affairs*; op cit pp.108-109.

missile parts to Islamabad. While the accuracy of the intelligence was subject to debate within the Administration, the report heightened fears already aroused by Beijing's proposed sale of two nuclear reactors and related technology to Iran, an issue that surfaced in April 1995.¹²¹ Clinton's decision not to impose sanctions, and Beijing's decision not to deliver the reactors to Iran did not allay US suspicions.¹²² Accusations of Chinese transfers to Iran and Pakistan resurfaced in March the following year. Firstly, intelligence assessments suggested that Beijing was supplying Teheran with cruise missiles.¹²³ Of greater concern was evidence asserting that the PRC was providing Teheran with the technology and equipment to produce chemical weapons, though doubts existed as to the Chinese government's awareness of such activities.¹²⁴ Further, the Administration was forced to consider revelations that China had exported to Pakistan ring magnets used in the enrichment of uranium.¹²⁵ Appraisals of this kind, if accurate, demonstrated Beijing's defiance of its commitments to the NPT, and its promises to abide by the MTCR and other non-

¹²¹ Ibid (Sutter) p.110. If the report was proven, Clinton was required by law to invoke appropriate sanctions against the PRC. The splits within the Administration prompted by this report are discussed later in the chapter.

¹²² Judd Ginsberg, 'China Drops Nuclear Reactor Deal with Iran'; *CNN World News Online* September 27 1995.

¹²³ 'US Eyes China Sanctions'; *International Herald Tribune* March 8 1996 p.4

¹²⁴ R. Jeffrey Smith, 'Chinese Exports Fuel Iran Effort on Poison Gas'; *International Herald Tribune* March 9-10 1996 p.4.

¹²⁵ Ibid.

proliferatory measures.¹²⁶ On the broader front, China's execution of an underground nuclear test in May 1995, its test-firing of intercontinental ballistic missiles capable of reaching the United States, its claims to sovereignty of areas of the South China Sea, and the expansion of its military budget fed the perception that the PRC posed a growing threat to US East Asian and global security interests.¹²⁷ For its part, Beijing disclosed its suspicions that the US was attempting to contain Chinese influence through regional organisations such as APEC and the ARF, and proposals for a regional ballistic missile defence system.¹²⁸

Trade disputes continued to contribute to bilateral tensions. The USTR remained highly sceptical of Chinese pledges to combat piracy of US intellectual property, and in late April 1996, it threatened punitive sanctions over allegations that Beijing was failing its commitments to the February 1995 Sino-American agreement on intellectual property rights.¹²⁹ In addition, despite or indeed because of the expansion in US-PRC trade, US anxiety regarding China's trade surplus with America continued to rise. Even Ron Brown's enthusiasm for commercial

¹²⁶ The refusal of Republican Senators to ratify America's participation in the Chemical Weapons Convention undercut US pressure on Beijing on the poison gas issue. Ibid.

¹²⁷ Steven Mufson, 'A Nuclear Challenge from China'; *International Herald Tribune* May 16 1995 p.1 and p.6, Steven Strasser, 'The Neighbours are Restless'; *Newsweek* July 17 1995 pp.20-26 and Michael Richardson, 'Military Rivals Are Worrying Asian Forum'; *International Herald Tribune* November 17 1995 p.1 and p.6.

¹²⁸ Patrick E. Tyler, 'Chinese Denounce Big Nuclear Powers'; *International Herald Tribune* November 17 1995 p.1 and p.6.

¹²⁹ Kerry Dumbaugh, *China-US Relations: Chronology*; op cit p.8.

expansion with the PRC was tempered by expectations that the imbalance would reach \$38 billion by the end of 1995.¹³⁰

Beijing's hosting of the UN International Conference on Women stirred yet more controversy. The US was far from alone in criticising the Chinese Government's attempts to bar certain participants from the conference, while Hillary Clinton's barely concealed attacks on China's coercive birth control programmes incited PRC anger and further clouded the atmosphere of bilateral relations.¹³¹

THE ISSUE OF TAIWAN: SINO-AMERICAN RELATIONS REACHES A NADIR

The most antagonistic and destabilising bilateral issue continued to be Taiwan. Beijing continued to accuse Taipei and Taiwanese President Lee of seeking independence. To a great extent, Chinese anxieties were fuelled by the forthcoming Taiwanese presidential election, the first democratic election for Chinese peoples, due to be held in late March 1996. Although the leading contender, incumbent Lee, had not publicly endorsed a separate and sovereign Taiwanese identity, there was little doubt that he courted elements of pro-independence opinion in an effort to boost his campaign.¹³² Further, the

¹³⁰ Nigel Holloway, 'The Meeting is the Message'; *Far Eastern Economic Review* November 2 1995 p.15.

¹³¹ Beijing wished to bar participants representing Tibet and Taiwan, Asian women's rights, lesbian groups and anti-abortion groups. Barbara Crossette, 'Disputes Mar Parley On Woman Set in China'; *International Herald Tribune* April 5 1995 p.5 and Claire Shipman, 'Hillary Clinton Blasts China on Harassment, Sterilization'; *CNN World News Online* September 5 1995.

¹³² See Patrick. E. Tyler, 'China, the US and New
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Clinton Administration's policy reversal on Lee's visit to the US had bred in Beijing a deep distrust of US promises and objectives concerning the island.¹³³

On the diplomatic front, PRC President Jiang Zemin demonstrated Chinese sensitivities to the issue by refusing to meet with Clinton at the Pentagon in October 1995, in what would constitute sub-summit negotiations. The Chinese leaders were wishing to amplify the differences between the visit of Lee in June 1985, and the visit to the US of its own president in attendance to the UN's fiftieth anniversary conference.¹³⁴ High-level bilateral talks, such as Christopher's meeting with Qian Qichen in New York in late September, and Clinton's meeting with Jiang Zemin in late October, also in New York, were overshadowed by the issue of Taiwan.¹³⁵ Washington's insistence that it abided by the principle that 'there is but one China and Taiwan is part of China', enshrined in the three Sino-American Communiqués, did little to assuage PRC convictions that the US wished to contain China, and that it was effectively encouraging Taiwan's bid for independence.

While the Administration continued to be frustrated in its negotiations with recalcitrant PRC officials, China's military

Confrontation Over Taiwan'; *International Herald Tribune* February 16 1996 p.2.

¹³³ Nigel Holloway, 'The Meeting is the Message'; op cit p.15.

¹³⁴ Nigel Holloway, 'No Red Carpet'; *Far Eastern Economic Review* October 12 1995.

¹³⁵ Ibid, Nigel Holloway, 'The Meeting is the Message'; op cit, Russell Watson, 'Storm Warnings'; *Newsweek* October 23 1995, and 'This is Not the Way to Treat Others': Interview with Jiang Zemin; *Newsweek* October 23 1995.

activities in the Taiwan Strait proved the greater concern. An illustration of Beijing's truculent reaction to the Lee Teng-hui's visit to the US came in July 1995, when it launched four days of military exercises in the channel separating Taiwan from the mainland, including the firing of missiles close to the island. The PRC followed this up in August with ten days of naval exercises in the Strait, again involving live ballistic missile tests.¹³⁶ The US regarded the operations as exercises in belligerent diplomacy and an attempt by Beijing to remind Taiwan, the US, and other regional powers of their role within the region. Indeed, US officials reasoned that China would not want to risk the economic costs, nor did it possess the military capacity, to launch a military assault on Taiwan.¹³⁷ Nevertheless, Washington protested that such actions were not those of a responsible member of the international community. Further, officials could not be certain that the PRC would not raise the military stakes with the Republic of China, such was Beijing's fear of moves towards Taiwanese independence. Indeed, analysts with a more pessimistic view of China's ambitions toward Taiwan had highlighted the possibility of military exercises following Lee's US visit.¹³⁸

As the Taiwanese presidential elections of March 23 1996 approached, with both Lee Teng-hui's Nationalist Party and more overtly the opposition Democratic Progressive Party soliciting

¹³⁶ David Shambaugh, 'The United States and China'; *op cit* p.242, Kerry Dumbaugh, *China-US Relations: Chronology*; *op cit* p.8 and Peng Ming-min, 'So Concerned with China that they Spurn Taiwan'; *International Herald Tribune* January 11 1996 p.8.

¹³⁷ Anthony Spaeth, 'War Games'; *Time* August 28 1995.

¹³⁸ Nayan Chanda, 'Winds of Change'; *op cit*.

pro-independence sentiments, Beijing raised the ante against Taiwan. In late 1995, the PRC warned Taiwan not to pursue steps towards emancipation from the mainland. Moreover, in the new year, Beijing issued explicit threats of military action against the island, and revealed that it had completed contingency plans for such an attack.¹³⁹ Admitting that its gunboat diplomacy was intended to dissuade presidential frontrunner Lee from promoting Taiwanese independence, and dissuade Taiwanese voters from supporting such proposals, Beijing announced its intention to resume military exercises in the Strait in early March.¹⁴⁰ Accordingly, Chinese military forces began ballistic missile tests on March 8, targeting two impact areas close to the island. Missile tests using live ammunition ensued near the island of Matsu, while it was revealed that the PRC had conducted simulated invasion manoeuvres on the island of Pingtan in February.¹⁴¹ It is worth noting that the efforts at intimidation largely failed in that they stirred resentment in Taiwan, and had little effect on the selection of Lee as Taiwan's first democratically elected president.¹⁴²

¹³⁹ Patrick E. Tyler, 'Chinese Let the US Know they are Deadly Serious about Taiwan'; *International Herald Tribune* January 25 1996 p.4 and Bruce W. Nelan, 'Today Hong Kong, Tomorrow Taiwan'; *Time* February 12 1996. Chinese officials denied they had prepared plans for a military invasion. Kevin Murphy, 'China Denies Report of Plan for Attack on Taiwan'; *International Herald Tribune* January 25 1996 p.1 and p.4.

¹⁴⁰ Patrick E. Tyler, 'Intimidation of Taiwan is Justified, China Says'; *International Herald Tribune* March 7 1996 p.1.

¹⁴¹ Steven Mufson, 'China Sets New Round of Exercises Off Taiwan'; *International Herald Tribune* March 9-10 1996 p.1.

¹⁴² For example see Edward A. Gargan, 'Taiwanese Shrug Off China Tests'; *International Herald Tribune* March 9 1996 p.1 and

The Administration responded with diplomatic efforts viz-a-viz Beijing and Taipei, and with gunboat diplomacy of its own. The Administration united in publicly denouncing Beijing's military operations. While maintaining the view that the PRC was incapable of executing a successful military offensive against Taiwan, and that the tests posed little threat to international shipping, officials such as Defence Secretary Perry raised concerns for the political and diplomatic implications of the actions.¹⁴³ The Administration also reiterated its adherence to its long-standing policy of unofficial relations with Taiwan.¹⁴⁴ Indeed, in discussions with senior Chinese national security official Liu Huaqiu in early March, Perry and NSA Lake did not rule out another private visit from Lee Teng-hui, but rejected the idea of an unofficial invitation.¹⁴⁵ However, as China conducted its military exercises, the Administration also reaffirmed its policy of selling defensive arms to Taiwan, by approving the delivery of

p.4.

¹⁴³ 'China Lacks Capability to Take Taiwan, US Asserts'; *International Herald Tribune* February 16 1996 p.2 and 'Citing Dangers, US Assails China Over Missile Tests'; *International Herald Tribune* March 6 1996 p.4. See also 'The United States and the Security of Taiwan' Statement of Winston Lord before the Subcommittee on East Asia and the Pacific of the Senate Foreign Relations Committee, Washington D.C., February 7 1996; reproduced in *Dispatch Magazine* vol.7 no.6 article 3 (United States Government Printing Office, Washington D.C.) p.29.

¹⁴⁴ Ibid (Lord).

¹⁴⁵ Barton Gellman, 'Face-off Over Taiwan Led to a US-China Strategic Partnership'; *International Herald Tribune* June 22 1998 p.2. The Administration did grant a transit visa for the Taiwanese vice-president to permit his plane to refuel at Los Angeles on January 11 and 16. 'China Scolds US Over Taiwan Visa'; *International Herald Tribune* January 10 1996 p.6.

anti-aircraft missiles and other hardware.¹⁴⁶

Under considerable pressure from Congress to issue a tough response to the crisis, and in fact demonstrating an unusual degree of resolve and certitude itself, the Administration implied a military rejoinder of its own. The Administration reacted to Beijing's warnings to Taipei in late 1995 by dispatching the US aircraft carrier *Nimitz*, plus four escort ships through the Taiwan Strait in December; the first US naval presence in the channel since 1979.¹⁴⁷ However, its stance stiffened following talks between Anthony Lake and former Assistant Secretary of Defence Chas Freeman on January 4 1996.¹⁴⁸ Freeman, who had conducted private talks with senior PRC officials during the winter, notified Lake of the PLA's preparations for a sustained missile attack on the island, and its planning for an invasion of some kind. While analysts believed that Beijing still sought a peaceful path to reunification with Taipei, reports of this kind persuaded some that the PRC would launch a military assault if Taiwan declared independence.¹⁴⁹ Further, he reported the views of one senior Chinese military official who dismissed the possibility of US intervention on behalf of Taiwan, on the basis that US leaders

¹⁴⁶ Bradley Graham, 'US Approves Arms Sales to Taiwan'; *International Herald Tribune* March 21 1996 p.1.

¹⁴⁷ Bruce W. Nelan, 'Today Hong Kong, Tomorrow Taiwan'; op cit p.25. The PRC interpreted this gesture as clear evidence of Washington's sympathies for Taiwan.

¹⁴⁸ Patrick E. Tyler, 'Chinese Let the US Know they are Serious about Taiwan'; op cit and Barton Gellman, 'Face-off Over Taiwan'; op cit.

¹⁴⁹ Thomas L. Friedman, 'China will Pull Back from the Brink - Won't It?'; *International Herald Tribune* March 11 1996 p.8.

"...care more about Los Angeles than they do about Taiwan." To Freeman, this statement implied a threat to use nuclear weapons against the United States.

In their talks with Liu Huaqiu, Perry and Lake expressed their anger at the threat, and at Beijing's continuing use of military threats against Taiwan. Perry informed Liu that there would be 'grave consequences' should PRC missiles hit Taiwan, a statement that according to US officials attending the meeting, implied the threat of US military intervention. The threat, the first of its kind for over twenty five years of Sino-American relations, was repeated by Warren Christopher and Anthony Lake in their own meetings with Liu.¹⁵⁰

The Administration's public stance deferred more to the established position of 'strategic ambiguity' with regard to PRC-Taiwan relations.¹⁵¹ Senior officials stated that they would consider it an issue of 'grave concern, and there would be 'grave consequences' should Beijing attempt to resolve tensions across the Strait by non-peaceful means.¹⁵² However, they were no more explicit about the possible course of US action.¹⁵³

¹⁵⁰ The US offered to use its influence to restrain Taiwanese ambitions for independence if Beijing forsook the military option in its relations with Taipei. Thomas L. Friedman, 'With the Crisis Over, Its Time for Statesmanship'; *International Herald Tribune* March 25 1996 p.6.

¹⁵¹ Patrick E. Tyler, 'Chinese Let the US Know they are Deadly Serious about Taiwan'; *op cit*.

¹⁵² This ambiguous posture was established and enshrined in the Taiwan Relations Act of 1979. See statement of Winston Lord before the Subcommittee on East Asia and the Pacific, February 7 1996; *op cit* p.2.

¹⁵³ See for example 'Secretary Christopher Interview' on 'Meet the Press', NBC-TV, March 10 1996; *US Department of State Online China Briefings*, March 10 1996.

Three main reasons explain the Administration's ambiguous platform. Firstly, it was a recognition that relations between Beijing and Taipei were an internal dynamic, as acknowledged by the three Sino-American Communiqués, and thus US influence on that relationship was restricted. Secondly, however, the US had the option of defending Taiwan should tensions across the Strait be addressed by non-peaceful means; a position implied by the Taiwan relations Act of 1979. Beijing disputed this interpretation. Further, as indicated by Christopher, the Administration wished to keep Beijing guessing about America's response to any escalation in the crisis.¹⁵⁴ Thirdly, the US did not want to issue an explicit pledge to defend Taiwan, as to do so ran the risk of encouraging Taiwanese initiatives toward independence, a point made by former Assistant Secretary of Defence to the Clinton Administration Joseph Nye.¹⁵⁵

Beijing's announcement that it would commence live ammunition exercises prompted the Pentagon to disclose that it had ordered two carrier battle groups to the vicinity.¹⁵⁶ Rejecting China's protests at interference in its internal affairs, and warnings not to send the vessels through 'sovereign' waters in the Taiwan Strait, Washington intended to place pressure on the PRC regime through military diplomacy of

¹⁵⁴ Ibid.

¹⁵⁵ 'Military's Muscle-Flexing in a Chinese Political Game': Interview with Joseph Nye Jr.; *International Herald Tribune* March 18 1996 p.4

¹⁵⁶ Brian Knowlton, 'US Moves Carrier Toward Taiwan as Warning to China'; *International Herald Tribune* March 3 1996 p.1 and 'Secretary Christopher Interview' on 'Meet the Press'; op cit.

its own.¹⁵⁷ Nonetheless, the Administration reiterated its commitment to a strategy of engagement with the PRC, insisting that confronting or isolating China would not help to resolve the crisis. Indeed Winston Lord and Anthony Lake took the brave political step of announcing the Administration's determination to unconditionally renew China's 1996 MFN status, and indeed its willingness to fight domestic opposition to it.¹⁵⁸ Senior officials such as Lord highlighted the impact of China's internal political struggle on its management of relations with Taiwan, and downplayed the significance of the military operations.¹⁵⁹ Thus, the decision to deploy a naval presence in the region was intended to support the rationale of US engagement in China and the region, by symbolising the importance of US interests held there.¹⁶⁰

With the completion of the Taiwanese presidential elections, the cessation of Beijing's military exercises, and the carrier groups' resumption of normal operations, the Taiwan

¹⁵⁷ Diplomats were reported as expressing doubts that the carrier groups would enter the Strait unless China attempted to seize or directly attack Taiwanese territory. Michael Richardson, 'Legal Ripples in the Strait'; *International Herald Tribune* March 19 1996 p.4.

¹⁵⁸ 'US Department of State: Daily Briefing - Excerpt on China', March 11 1996; *US Department of State Online China Briefings* March 11 1996 and 'Clinton to 'Fight' for China Trade'; *International Herald Tribune* March 27 1996 p.4. Secretary of Defence Perry did take the step of postponing the visit of the PRC's Defence Minister to the US. Kerry Dumbaugh, *China-US Relations*; op cit p.9.

¹⁵⁹ Lord also highlighted the important role played by the Chinese military during this period of political transition. Brain Knowlton, 'A Top China Watcher Plays Down Beijing's Threats'; *International Herald Tribune* March 19 1996 p.1.

¹⁶⁰ See 'US Department of State: Daily Briefing - Excerpt on China', March 11 1996; op cit.

Strait crisis passed without further incident. Tensions were eased considerably by the conciliatory tone of victor Lee Teng-hui's remarks regarding cross-Strait relations, in which he called for an improvement in ties and a programme of détente.¹⁶¹ The US Administration voiced its satisfaction that the immediate crisis had ended and expressed its determination to improve ties with Beijing, starting with a meeting between Secretary Christopher and Minister Qian Qichen scheduled for April 21 in the Netherlands.¹⁶² White House Press Secretary Mike McCurry asserted:

"We want to work at this relationship...Its desperately important that we work at it and we try to get it right despite the differences that do exist."¹⁶³

This view represented a profound change in the Administration's, and the President's, attitude toward China, prompted by the Taiwan Strait crisis. The gravity of the crisis had concentrated decision-makers' minds on America's strategic relationship with the PRC. As a consequence, it forced the Administration to reassess its policy-making process, and the definition of the long-term strategic framework of US China policy. Further, it compelled members of the Administration and

¹⁶¹ The tone was reciprocated in Beijing. Seth Faison, 'China Tries Conciliation after Lee Victory'; *International Herald Tribune* March 25 1996 p.1.

¹⁶² 'China, US Set Meeting'; *CNN World News Online* March 19 1996.

¹⁶³ Wolf Blitzer, 'US Moves to Ease Tensions with China'; *CNN World News Online* March 25 1996.

Congress alike to examine their roles in the formulation and implementation of China policy, with the result that the US government adopted a more considered and sober perspective on Sino-American relations.

*THE NADIR IN US-CHINA RELATIONS:
REASSESSMENTS IN US CHINA POLICY-MAKING*

As stated earlier, many senior officials within the Administration and the White House were optimistic that Sino-American relations would improve as the political crisis over the visit of Lee Teng-hui in June 1995 faded on the domestic political scene. The Administration offered only a muted reaction to China's military exercises in July and August. One unnamed official is reported as explaining this acquiescence in terms of a desire amongst some to see Lee reap the consequences of soliciting Congressional support for his US visit.¹⁶⁴ However the Administration's efforts to secure progress through engagement with the PRC continued to be frustrated. China's anger at Clinton's concession to the Lee visit was manifest not only in its admonishments of the Administration, but also in its increasingly belligerent attitude to US-PRC relations.¹⁶⁵ One official with long experience of US-PRC diplomacy observed that the regime of Jiang Zemin, with its exhibitions of nationalism, arrogance and paranoia, had proven to be the most

¹⁶⁴ Barton Gellman, 'Face-off Over Taiwan'; op cit.

¹⁶⁵ Patrick E. Tyler, 'US Condemns Sentence of Chinese Dissident'; *International Herald Tribune* December 14 1995 p.6 and interview with Stephen Yates op cit.

obstinate to deal with.¹⁶⁶ Secretary of State Christopher's negotiations with PRC officials, and in particular Qian Qichen, achieved nothing of substance because of his lack of credibility in Beijing.¹⁶⁷ Indeed, relations between the two governments deteriorated to such a degree that the very fact Jiang Zemin met with Clinton at the United Nations in early November was regarded as a significant and positive step by sinologists such as Harry Harding.¹⁶⁸ Perhaps the only successes of note were Beijing's decision to postpone the sale of two nuclear reactors to Iran, and the agreement to expand high-level military exchanges resulting from Assistant Secretary of Defence Nye's trip to Beijing in mid November 1995.¹⁶⁹ Still, the ensuing Taiwan Strait crisis led to Secretary of Defence Perry's cancellation of scheduled reciprocal senior military meetings the following year.

The US Administration's failure to restore a constructive momentum to Sino-American relations was due to more than Chinese obdurance. Firstly, as will be discussed later in the chapter, serious defects in the Administration's formulation

¹⁶⁶ Reported in R. Jeffrey Smith, 'Chinese Defiance on Shipments'; *International Herald Tribune* March 25 1996 p.1 and p.4.

¹⁶⁷ Murray Hiebert, 'Comforting Noises'; op cit. Christopher's proposal of pathfinding talks between Deputy Secretary of State Peter Tarnoff and senior national security official Liu Huaqiu was rebuffed twice by the Chinese.

¹⁶⁸ Nigel Holloway, 'The Meeting is the Message'; op cit p.14.

¹⁶⁹ Clinton and Christopher were in fact praised for their handling of the nuclear reactor issue. 'A Storm Weathered'; *International Herald Tribune* October 2 1995 p.10. Patrick E. Tyler, 'US and China Set for New Contacts'; *International Herald Tribune* November 18 1995 p.7.

and implementation of China policy had yet to be addressed. Secondly and correlatively, the Administration had to contend with attempts by Congress to influence and shape China policy.

The controversy over the visit of Lee Teng-hui had not only heightened anti-PRC attitudes on the Hill, but it had also alienated Clinton from many members of his own party on the issue of China policy.¹⁷⁰ Although the Administration received strong bipartisan backing for its response to the arrest of Harry Wu in June 1995, both Clinton and the regime in Beijing were targets for spiralling Congressional pressure through mid 1995-1996.¹⁷¹

China's proliferatory conduct, assertiveness in the South China Sea, violations of human rights, and contentious handling of the International Conference on Women prompted some, predominantly Republican, members of Congress to demand the confrontation and containment of the PRC. Proposals tabled in the summer and autumn of 1995 recommended the fortification of regional security structures, such as ASEAN, and the consolidation of alliances with regional powers, such as the Philippines. Initiatives that would have prevented Hillary Clinton's attendance at the Conference on Women were also considered.¹⁷²

Nevertheless, Congressional attention focused primarily on the issue of Taiwan. For example, in July 1995, the Republican

¹⁷⁰ Robert G. Sutter, *Shaping China's Future in World Affairs*; op cit p.104.

¹⁷¹ Nigel Holloway, 'The Trouble with Harry'; op cit p.17.

¹⁷² Leon T. Hadar, 'The Sweet-and-Sour Sino-American Relationship'; *Policy Analysis* no.248, CATO Institute, January 23 1996 p.11.

Speaker of the House of Representatives Newt Gingrich insisted that an independent Taiwan be officially recognised by the US. Although his comments did not have the support of the majority in Congress, they did epitomise the prevailing inclination to offer support to the island while subjecting the PRC to greater condemnation and diplomatic pressure.¹⁷³ This mood was reflected across broad sections of the media. Widely publicised Congressional antipathy toward China convinced Beijing that the US was bent on containing and humiliating China.¹⁷⁴ As a result, Chinese officials proved implacable in the face of the Administration's inconsistent attempts at engagement.¹⁷⁵

While Beijing accused the Clinton Administration of containment, Congress accused it of appeasement. Attempts to underplay the significance of Beijing's anti-Taiwan rhetoric and its execution of military exercises infuriated many on the Hill.¹⁷⁶ Further, the Administration's reliance on diplomacy with Chinese officials in the face of an escalating crisis served to solidify the development of an unusual anti-China, pro-Taiwan political coalition within Congress.¹⁷⁷ Senior

¹⁷³ Gingrich retracted his proposals following a dressing down from Henry Kissinger. Nigel Holloway, 'The Great Divide'; op cit pp.18-19 and Simon Reeve 'Thanks but No Thanks'; *Far Eastern Economic Review* July 27 1995 p.19.

¹⁷⁴ 'This is Not the Way to Treat Others': Interview with Jiang Zemin; op cit.

¹⁷⁵ Russell Watson, 'Storm Warnings'; op cit.

¹⁷⁶ Mark T. Kehoe, 'US Policies Toward Beijing Increasingly Rankle GOP'; *Congressional Quarterly Weekly Report* February 10 1996 p.360.

¹⁷⁷ The prevailing coalition brought together disparate members such Senator Edward Kennedy, a stern critic of China's performance in areas such as human rights and proliferation, and Senator Jesse Helms, an old-style cold warrior who regarded

Republican Rep. Christopher Cox, who introduced a policy paper on the US response to the crisis, charged:

"Its small wonder that the Chinese Communist leaders view the Administration's policy as a green light to bully Taiwan...The Clinton Administration had squandered US credibility through a dizzying series of policy flip-flops and retreats in the region."¹⁷⁸

Resolutions introduced on the Hill in January and February 1996 sought to strengthen America's ties and defence commitment to Taiwan. Firstly, an amendment to a State Department reorganization bill (HR 1561) strove to supersede the 1982 US-China Joint Communiqué by dropping a number of restrictions on US arms sales to the island.¹⁷⁹ Secondly, Rep Solomon (R-NY) introduced a sense of Congress resolution (H. Con Res 138) requesting the President to investigate and report back on ways in which the US could defend Taiwan against a mainland attack.¹⁸⁰

Despite strong bipartisan support for the decision to deploy a naval presence to the region, members of Congress continued to assail the Administration's stance of 'strategic ambiguity' on the crisis.¹⁸¹ Consequently, Rep. Cox introduced a

Taiwan as the last anti-communist country in the international system. Karsten Prager, 'China: Waking Up to the Next Superpower'; op cit p.37.

¹⁷⁸ Mark T. Kehoe, 'US Policies Toward Beijing'; op cit.

¹⁷⁹ Ibid.

¹⁸⁰ Ibid.

¹⁸¹ Brian Knowlton, 'Second Carrier is Sent by US as 'Precaution''; *International Herald Tribune* March 12 1996 p.1

non-binding resolution (H Con Res 148) calling for an explicit commitment to defend Taiwan against invasion, missile attack or blockade by the PRC.¹⁸² The resolution, cosponsored by a bipartisan group of Representatives was passed with overwhelming majority.¹⁸³ The Administration raised objections to the House measure, on the basis of commitments specified by the Taiwan Relations Act 1979, but accepted the Senate's diluted version, which censured China's military exercises. It is worth noting that US public opinion was split on the question of America's response to a PRC assault against Taiwan. A *CNN/US Today* poll revealed that forty six per-cent opposed a US use of force, while forty three per-cent were in favour.¹⁸⁴ This exemplified the fact that Congressional initiatives on China policy were pursued with little reference to public attitudes.

The Administration's mishandling of relations with the PRC, and Beijing's recalcitrant and aggressive approach to both Taiwan and the United States stimulated, genuine anti-PRC attitudes within Congress, exemplified by the bipartisan consensus on many proposals. However Congressional attempts to seize the initiative on China policy was also strongly

and p.6.

¹⁸² 'House Republicans Call for the Defence of Taiwan'; *Congressional Quarterly Weekly Report* March 9 1996 p.635.

¹⁸³ Carroll J. Doherty, 'Lawmakers Press White House for Firm Defence of Taiwan'; *Congressional Quarterly Weekly Report* March 16 1996 p.710 and Carroll J. Doherty, 'Protests over Taiwan Threats Foreshadow Other Friction'; *Congressional Quarterly Weekly Report* March 23 1996 p.809.

¹⁸⁴ 'China, US Set Meeting'; *CNN World News Online* op cit.

motivated by partisan politics.¹⁸⁵ Policy vacillations and the failure to secure substantive progress across a broad range of bilateral issues convinced Republicans that China policy presented an obvious opportunity to attack the President.¹⁸⁶ Although many Republicans wished to demonstrate their support for the development of Taiwan as a mature, Western-orientated democratic country, they also appreciated that the issue could be exploited to embarrass Clinton. Proposals such as those recommending official recognition of Taiwan, and those inviting Lee Teng-hui to undertake an official visit to the US reflected this calculation.¹⁸⁷ With Senate Majority leader Robert Dole in pole position to secure the Republican nomination for the 1996 presidential elections, the Grand Old Party hoped to profit from the party's traditional association with strong presidential management of foreign relations. Thus Republicans sought to contrast their demands for a tougher stance on the Taiwan Strait crisis with the perception of Clinton's failures in China policy.¹⁸⁸

Congressional agitation on China policy, and in particular its response to the Taiwan crisis, drew strong criticism

¹⁸⁵ Interviews with Shirley Kan op cit and Stephen Yates op cit.

¹⁸⁶ Nigel Holloway, 'The Great Divide'; op cit p.18.

¹⁸⁷ Ibid and 'US is Cool to Any Visit by Taiwan Chief'; *International Herald Tribune* March 28 1996 p.4.

¹⁸⁸ Republicans also suggested that the Administration had failed with respect to the peace process in the Middle East, and democratization in Russia. Jim Hoagland, 'Is Beijing Playing a China Card in America's Election Game?'; *International Herald Tribune* March 12 1996 p.8 and Steven Erlanger, 'US Ambiguity on Taiwan's Defence Runs into Election-Year Storm'; *International Herald Tribune* March 13 1996 p.4.

however. Once again commentators lamented the tendency to focus on the immediate and the short-term, to the detriment of the longer-term issues at hand in US-China-Taiwan relations. For example, Republican demands to 'get tough' with Beijing ignored the progress made in the economic, cultural and diplomatic aspects of the China-Taiwan relationship.¹⁸⁹ Indeed Winston Lord pressed this point in his testimony to Congress in February 1996, arguing:

"Broad public and congressional support is critical for our policy. A prosperous, stable, and open Asia-Pacific region is neither only a Republican nor only a Democratic cause."¹⁹⁰

It was widely acknowledged that the distinct anti-China stance adopted by Congress provoked fears of an American strategy of containment within an uncertain Chinese regime. Indeed, Newt Gingrich admitted that his proposal to recognise Taiwan as an independent state was intended, in part, to 'rattle their [Beijing's] cage'.¹⁹¹ Rather than inducing responsibility and reform in China's behaviour, this approach

¹⁸⁹ Patrick E. Tyler, 'China, the US and New Confrontation over Taiwan'; op cit.

¹⁹⁰ Statement before the House Subcommittee on Asia and Pacific Affairs, February 9 1996; op cit. See also statement of Winston Lord before the House Subcommittee on East Asia and the Pacific, March 14 1996; op cit. This is a further illustration of Lord's consistent advocacy of a non-partisan, unified approach to US China policy. Interview with David M. Lampton op cit.

¹⁹¹ 'China Memo: A Contract with Asia'; *Far Eastern Economic Review* August 3 1995 p.5.

ran the clear risk of provoking deeper hostility and belligerence in Beijing; in effect generating a self-fulfilling prophecy.¹⁹² This prospect led the Administration to conduct talks with Chinese officials in an effort to avoid such repercussions, and to cite Chinese assurances that it had no plans to attack Taiwan.¹⁹³

Similarly, the strong sentiments expressed by members in support of Taiwan ran the risk of encouraging the pro-independence movement in Taipei. This included propositions to invite Lee Teng-hui to Washington following the March 23 election. Though a Chinese military assault on Taiwan was deemed unlikely, many analysts refused to rule out this possibility in the event of a Taiwanese declaration of independence. Further, it was thought that gestures toward independence, such as an official presidential visit to the United States, might provoke a severe response from the PRC such as a missile attack or blockade.¹⁹⁴

In addition, rather like the Bush Administration before it, Clinton feared that Congressional legislation could tie the Administration's hands on China policy, at a critical point in the Sino-American relationship and at a time when the regime in Beijing was simultaneously nationalistic and paranoid.¹⁹⁵ The

¹⁹² Ibid and Steven Erlanger, 'US Ambiguity on Taiwan's Defence'; op cit.

¹⁹³ Steven Mufson, 'China Sets New Round of Exercises Off Taiwan'; op cit.

¹⁹⁴ One Chinese military leader implied such action could be taken. Patrick E. Tyler, 'Chinese Let the US Know they are Deadly Serious about Taiwan'; op cit.

¹⁹⁵ Nigel Holloway, 'No Red Carpet'; op cit.

political standoff on the issue of Lee's June 1995 visit to the US had provided a significant precedent for this scenario. Moreover, the tendency on the Hill to focus on the short-term, the partisan nature of its initiatives on China policy, and the unusual and unstable nature of the anti-PRC, pro-Taiwan coalition in Congress suggested that such legislation would not necessarily be in the interests of US-China relations in the long-term.¹⁹⁶

The fact the Administration's handling of policy attracted strong criticism from all sides of the domestic political spectrum, in addition to the Chinese, reflects the Administration's persistent failure to address defects in its policy-making processes. While citing broad objectives of China policy, such as urging the PRC into the international system, the Administration still had not defined a clear strategic vision for Sino-American relations nor articulated a comprehensive framework for US China policies.¹⁹⁷ This abdication of leadership at the highest levels had significant repercussions in two areas. Firstly, it led to disunity, splits and confusion within the Administration. Secondly, it resulted in reactive decision-making, usually motivated by political calculations, and vulnerability to Congressional attempts to seize the initiative on China policy.

Clinton, Christopher, and indeed Lake's lack of long-term commitment to China policy undermined the Administration's

¹⁹⁶ Interview with Shirley Kan op cit.

¹⁹⁷ Interview with Winston Lord op cit.

ability to 'speak with one voice'.¹⁹⁸ Further, with Assistant Secretary of State Winston Lord receiving no support and in too weak a position to impose discipline, different government agencies continued to pursue their own agendas with the PRC.¹⁹⁹ This heavily undermined diplomatic coherency and bargaining strength with the Chinese.²⁰⁰ After battling with Warren Christopher for the direction of China policy, Deputy Undersecretary of Commerce, David Rothkopf claimed that confusion reigned in the State Department over the issue.²⁰¹ In addition, defence intelligence agencies and the Pentagon were angered by the White House's irresolute influence on China policy-making. One senior defence analyst reveals that Department of Defence's perspective on Anthony Lake was that "...he did not understand ...the strategic significance of US-China relations", and that he possessed a missionary zeal to change China.²⁰² The analyst also highlights the NSC's sensitivity to the politics within the White House. He argues that proposals would go up from the defence agencies and

¹⁹⁸ For example, one commentator protested at lack of attention given by Clinton and Christopher to China, when compared to Israel, Syria and Bosnia. Thomas Friedman, 'With the Crisis Over, Its Time for Leadership'; op cit. Also interview with Shirley Kan op cit.

¹⁹⁹ Ibid (Friedman) and Steven Erlanger and David E. Sanger, 'Clinton's Perilous Trip Through the Minefield of Foreign Affairs'; *International Herald Tribune* August 1 1996. Ted Galen Carpenter suggests that the policy defects facilitated the splits, and that these splits further encouraged the formulation of bad policy. Interview op cit.

²⁰⁰ Interview with David M. Lampton op cit.

²⁰¹ Barton Gellman, 'Face-off Over Taiwan'; op cit.

²⁰² Interview with Ronald N. Montaperto op cit. He also levies this charge against Warren Christopher and other senior members of the Administration.

inevitably be rejected by the 'White House', which was taken to mean Clinton's political advisors.²⁰³ Thus officials with a longer-term strategic view of US-PRC relations became highly frustrated with the Executive's resolve to control the policy-making process, but only intermittently, and only in times of political crisis. Defence and intelligence officials were particularly disheartened by the lack of resolution shown by the White House and the State Department on the issue of proliferation.²⁰⁴ In fact the leak of the July 1995 CIA report on proliferation to Iran and Pakistan was accredited to intelligence officials' disillusionment with the Administration's management of policy.²⁰⁵

The lack of guidance and congruity on China policy reflected differences in opinion as to the appropriate rationale for US strategy.²⁰⁶ Most policy-makers within the Departments of State and Defence, the NSC and the White House broadly favoured the strategy of comprehensive engagement with Beijing, in spite of the flaws contained in the pursuit of the strategy. They believed that the importance of US-China relations, and China itself necessitated dialogue with the PRC to address disputes and promote common interests. Other observers and analysts, evident in the Pentagon and Congress as well as some non-governmental organisations took a more pessimistic view of China's intentions and ambitions.

²⁰³ Ibid.

²⁰⁴ Ibid.

²⁰⁵ Nigel Holloway, 'The Great Divide'; p.19.

²⁰⁶ David Shambaugh, 'The United States and China'; op cit pp.243-244.

Accordingly, they advocated a more confrontational approach to relations with China.²⁰⁷ A third school of thought, with some representation within Congress, favoured a strategy designed to destabilize the present political system in the PRC. They maintained that no progress or reform would be possible until political reform had taken place, and that the US should actively work to promote reform while challenging unacceptable aspects of Beijing's behaviour.²⁰⁸

The lack of a governing vision and coherent approach to China policy proved highly detrimental to the Administration's engagement with Beijing. Firstly, the Chinese were subject to an array of confused signals from Washington. Secondly, while the Administration insisted upon the importance of maintaining relations and pursuing engagement with the PRC, it simultaneously admonished and lectured Beijing for its behaviour in a broad range of areas.²⁰⁹ Moreover, Clinton's reluctance to impose proliferation-related sanctions in August 1995 demonstrated that a rather concessionary approach to bilateral relations often lay behind the Administration's tough rhetoric. A former senior official at the State Department's China Desk complained that the concerted and frequently

²⁰⁷ Senior Pentagon officials, including Secretary Perry were strong proponents of the strategy of engagement.

²⁰⁸ For a reflection of these three schools of thought see also Audrey Kurth Cronin and Patrick M. Cronin, 'The Realistic Engagement of China'; *The Washington Quarterly* vol.19 no.1 Winter 1996 and Gideon Rachman, 'Containing China'; *The Washington Quarterly* vol.19 no.1. Winter 1996.

²⁰⁹ Nayan Chanda, 'Free Fall'; *Far Eastern Economic Review* August 10 1995 and Stephen Yates, *Why Renewing MFN for China Serves US Interests*; Backgrounder, Asian Studies Centre, The Heritage Foundation, Washington D.C. June 25 1996 p.10.

productive efforts to engage their Chinese counterparts would be undercut by sudden public condemnations issued by the senior Administration and White House officials.²¹⁰

One critical factor closely associated with this chaotic handling of US-PRC relations was the disposition within the White House to allow domestic political calculations to determine China policy. Certainly, the Department of Defence felt that the only criteria by which policy was evaluated was its impact on Clinton's bid for re-election.²¹¹ Clinton's desire to prevent Taiwan from becoming an election issue, and the lack of a strategic vision for US-PRC relations, regularly persuaded him to follow Congress' lead on China policy.²¹² Thus Clinton's acquiescence to and reflection of Congressional belligerence toward China further undermined a coherent and resolute pursuit of engagement, and ruined credibility with Beijing. In turn, the Administration's management of bilateral relations was characterised by confusion, policy reversals and inconsistencies, and an attempt to rely on style over substance.²¹³ As Stephen Yates of the Heritage Foundation argues:

²¹⁰ Interview with Robert M. Perito op cit.

²¹¹ Interview with Ronald N. Montaperto op cit and Nigel Holloway, 'The Meeting is the Message'; op cit p.15.

²¹² Nayan Chanda, 'Free Fall'; op cit p.20. Clinton also wanted to avoid provoking Congress into passing veto-proof legislation on China, while Lord wanted to promote consultations with China. See statement of Winston Lord before the House Subcommittee on East Asia and the Pacific, March 14 1996; op cit.

²¹³ See for example, Patrick E. Tyler, 'As US-China Relations Slide, Taiwan Visit Gives a Push'; op cit.

"Engagement...is not a policy; it is simply another word for diplomacy. The US needs engagement - and diplomacy - with a purpose."²¹⁴

The gravity of the spring 1996 crisis in the Taiwan Strait had a significant effect on the Administration's China policy-making processes, and prompted a reassessment of the strategy toward Beijing.²¹⁵ In his April 1994 'Emerging Malaise' memorandum to Christopher, Winston Lord had argued that strategic incoherence and the lack of commitment to China policy would undermine both America's interests and its reputation in the region. His warnings appeared to have been borne out with the Administration's mishandling of bilateral relations leading to the nadir of March 1996. The Taiwan Strait crisis brought home to many senior members of the Administration, including to a great degree the President himself, the strategic importance of the Sino-American relationship and the value of bureaucratic unity. Indeed the crisis facilitated the identification of a hierarchy of US interests in China. Having become preoccupied with economic and trade concerns in the post-geostrategic, post-Cold War environment, the militarised escalation of the tensions reestablished the preeminence of strategic and security

²¹⁴ Stephen Yates, *Why Renewing MFN for China Serves US Interests*; op cit p.10.

²¹⁵ David Shambaugh, Director of the Gaston Sigur Centre for East Asian Studies, George Washington University, and Robert Capp, President of the US-China Business Council: respective addresses to the 'US-China Relations forum', Gaston Sigur Centre for East Asian Studies, George Washington University, Washington D.C., October 27 1997.

concerns within China policy-making.²¹⁶ In the light of this awareness, the framework of policy agendas and decision-makers that constituted engagement with China could be reexamined.²¹⁷

Secretary of Defence Perry proved a critical actor in the Administration's attempt to address the crisis, and in the subsequent attempt to reevaluate China policy. Clinton's at least ostensible approval of full engagement with China in the spring of 1994 had allowed Perry a greater opportunity to pursue his strong vision of US-China relations. Further the trilateral and regional strategic aspect of the Taiwan Strait crisis naturally afforded Perry a vital role in the decision-making process, a role he grasped with both hands.²¹⁸

The Administration's reconsolidated approach to a strategic partnership with Beijing was aided by a growing recognition of the realities of Sino-American relations within the NSC. Although Anthony Lake had taken control of China policy at various points during Clinton's term of office, his sensitivity to political counsel and his own naivety toward the PRC had often led to inconsistent and reactive crisis management. The Taiwan Strait crisis proved to be an important learning curve for the NSA, and it prepared him for his

²¹⁶ Interviews with David M. Lampton op cit and Edward B. Gresser, Policy Director, Senator Max Baucus (D-MT), October 31 1997, Washington D.C.

²¹⁷ For example see Nancy Berkopf Tucker, 'War or Peace in the Taiwan Strait?'; *The Washington Quarterly* vol.19 no.1. Winter 1996.

²¹⁸ Perry was behind the Administration's increasingly uncompromising response to the PRC's military exercises and threats, and was central to diplomatic efforts to resolve the tensions. Jim Hoagland, 'Security in the Pacific, and a Message for China'; *International Herald Tribune* April 15 1996 p.6 and Barton Gellman, 'Face-Off Over China'; op cit.

constructive trip to Beijing later in July.²¹⁹

The degree of shift in the balance of decision-making, away from domestic political considerations toward strategic bilateral considerations allowed the Administration to optimise Beijing's abiding desire for "improvement and development of Chinese-US relations".²²⁰ It permitted a clearer appreciation of the impact of the Chinese domestic political situation, and facilitated a more nuanced approach to bilateral diplomacy.²²¹ Some commentators, rather more removed from partisan politics than critics in Congress, disparaged the Administration's 'strategic ambiguity' on the defence of Taiwan as another example of Clinton's hesitancy in foreign affairs.²²² Others, however, praised the Administration's "firm and prudent" response to the crisis in the Strait.²²³ While specific issues would continue to cause irritation in the US-PRC relationship in the aftermath of the crisis, a new concerted effort to address the US strategic relationship over the longer-term had been established.²²⁴

²¹⁹ Interview with Stephen Yates op cit.

²²⁰ Steven Mufson, 'Keep Clear of Strait, Beijing Warns US'; *International Herald Tribune* March 18 1996 p.1. and p.6.

²²¹ Once again this echoed the recommendations of Winston Lord, who favoured promoting US interests by appealing to China's self-interests. Interview with Winston Lord op cit.

²²² 'Clarity about Taiwan'; *International Herald Tribune* March 14 1996 p.8.

²²³ Flora Lewis, 'The Trouble China Makes will End Up Hurting China Itself'; *International Herald Tribune* March 15 1996 p.6.

²²⁴ Winston Lord identifies a stronger more coherent strategy from the spring of 1996. Interview op cit.

The prospects for the Sino-American relationship were improved by reassessments undertaken in the US Congress and in Beijing. Despite the entrenched anti-China mood on the Hill, neither Republican leader in the House and Senate, Gingrich and Dole, called for the revocation of China's MFN status. While they demanded a tougher stance viz-a-viz Beijing, they continued to advocate engagement with the PRC. For its part, Beijing reciprocated President Lee Teng-hui's conciliatory tone following the March 23 election, and declared its interest in cultivating a better Sino-American relationship.

Sino-American Rapprochement Through 1996

THE ADMINISTRATION ATTEMPTS A NEW APPROACH TO CHINA

The development of the Taiwan Strait crisis had convinced senior officials of the need to reassess the management of China policy. Secretary of State Warren Christopher hosted a series of meetings with policy-makers, in an attempt to establish a comprehensive strategy on relations with Beijing.²²⁵ In effect, this step amounted to an admission that the present strategy was failing.²²⁶ The inclusion of Deputy NSA Sandy Berger was notable. Berger had a reputation of being more pragmatically-minded than his boss, Lake, and the adoption of a

²²⁵ Warren Christopher, *In the Stream of History*; op cit p.426.

²²⁶ Senior officials, however, blamed Beijing and the secessionist struggle in particular, for the deterioration in US-PRC relations. Michael Dobbs, 'Washington Focuses on Strengthening Ties with China'; *International Herald Tribune* July 10 1996 p.1.

tougher, more realistic engagement strategy appeared to reflect this.

The Secretary of State's address to the Council on Foreign Relations on May 17 1996 was significant for a number of reasons.²²⁷ Firstly, Christopher defined a clear framework for China policy. He identified the encouragement of a stable, secure and open China; the promotion of China's integration and participation in the international system; and a dedication to dialogue and engagement to resolve bilateral disputes and tensions. He also stressed the need to restore the domestic political consensus on China. The Administration was already anticipating a fight with the coalition of conservatives and liberals in Congress for the unconditional renewal of China's 1996 MFN status.²²⁸ Secondly, Christopher presented a robust and realistic approach to engagement that defended US interests. This also reflected the anti-China mood prevalent in Congress.²²⁹ Thirdly, the Secretary of State emphasised his intention to inaugurate frequent cabinet-level meetings between the US and Chinese governments. He suggested that this would allow negotiations on specific issues, within a coordinated framework of bilateral relations.²³⁰ Perhaps most significantly,

²²⁷ 'American Interests and the US-China Relationship': Address before the Council on Foreign Relations, Washington D.C., May 17 1996. Reproduced in Warren Christopher, *In the Stream of History*; op cit Chapter Twenty-Nine.

²²⁸ 'Congress Eyeing Action'; CNN World News Online May 8 1996. In his Washington address, Christopher aimed his comments defending unconditional renewal at members of the House. Warren Christopher, *In the Stream of History*; op cit pp.429-430.

²²⁹ See 'Protests Over Taiwan Threats Foreshadow Other Friction'; op cit.

²³⁰ The Council on Foreign Relations, to whom the speech was

the address represented the Administration's first full dress-speech on China policy. Indeed Assistant Secretary Lord maintained that the failure to articulate policy had been a critical flaw in the Administration's handling of US-PRC relations.²³¹ As Christopher acknowledged:

"Although these approaches were not particularly new to the Clinton Administration's policy, their formulation in the speech provided for the strategic clarity, context, and organisation they had theretofore lacked."²³²

The shift in attitude amongst senior policy-makers was such that the Administration identified China as the preeminent challenge in foreign affairs.²³³ A strong degree of consensus now existed on the importance of US-China relations, and the need for commitment to China policy. Clinton was also determined to gain domestic and in particular Congressional support for the strategy. On the one hand, a China policy that drew legitimacy from the domestic political environment would augment America's credibility and bargaining power with Beijing. In addition it would facilitate Administrative

addressed, had recommended diplomacy of this kind in April. 'Christopher Rules Out Isolation of Beijing'; *International Herald Tribune* May 18 1996 p.1.

²³¹ Lord implicitly blames Clinton, for his insufficient commitment to the issue. Interview with Winston Lord op cit. Michael Dobbs, 'Washington Focuses on Strengthening Ties to Beijing'; op cit p.4.

²³² Warren Christopher, *In the Stream of History*; op cit p.429.

²³³ Michael Dobbs, 'Washington Focuses on Strengthening Ties to Beijing'; op cit p.1.

leadership on the issue. On the other hand, the drive for domestic consensus was also motivated by political calculations. Clinton recognised that Republican frontrunner Robert Dole would exploit any signs of weakness or failure in his attempt to win the 1996 presidential elections.²³⁴ Indeed, Dole had responded to right wing pressure from within his own party when implying that he might reverse his traditional support for unconditional renewal of China's MFN status. Thus Clinton wanted to prevent the Republicans, and Dole, employing same political tactics used by Congressional Democrats, and himself, against the incumbent Bush in the 1992 presidential elections.

One of the greatest challenges facing the Administration was convincing Beijing, and the US Congress, that it had indeed established a new approach to China. While Beijing offered a conciliatory reaction to the US-Japan Security Agreement in April, it also issued a condemnation of Washington's policy of confrontation on the occasion of President Yeltsin's visit to China that same month.²³⁵ Further, US allies in the Asia-Pacific region continued to worry about an inconsistent, reactive and politically dominated China policy.²³⁶

²³⁴ David E. Sanger, 'China Feeling US Heat on Intellectual Property'; *International Herald Tribune* June 4 1996 p.2 and Michael Dobbs, 'Washington Focuses on Strengthening Ties to Beijing'; *op cit* p.4.

²³⁵ 'Beijing Warns Tokyo About Arms Buildup'; *International Herald Tribune* April 19 1996 p.4 and Patrick E. Tyler, 'With Eye on US, Chinese Welcome Yeltsin's Embrace'; *International Herald Tribune* April 26 1996 p.1.

²³⁶ Tommy Koh, 'Southeast Asians Want a Stable US-Japan-China Triangle'; *International Herald Tribune* May 14 1996 p.10.

Bilateral relations following the Taiwan Strait crisis remained tense and suspicious for some time. Despite the Administration's declared desire to attend to the broad basis of US-PRC ties, two issues dominated the spring and early summer of 1996. These issues provided Clinton with the opportunity to put his strategy of tough and realistic engagement into practice.

The first dispute concerned US allegations of transfers of nuclear related technology from China to Pakistan. The CIA reported evidence of the delivery of ring magnets earlier in the year, but the escalation of the crisis in the Strait eclipsed the issue. Despite CIA protests, the Administration raised doubts as to the accuracy of the report, and delayed a decision of the imposition of sanctions.²³⁷ Firstly, Clinton did not wish to hasten the deterioration of US-PRC relations. Secondly, he feared that the sanctions would hurt US business more than China, and he was very keen to keep this domestic lobby on his side.²³⁸

Initially, the Administration was divided as to the appropriate response. CIA and Defence officials defended the report, insisting that to some degree Chinese government officials were implicated and that sanctions ought to be imposed. They were opposed by Commerce and Treasury Departments, and the USTR, agencies with interests in US-PRC

²³⁷ Bruce W. Nelan, 'Pakistan's Bomb vs. Trade'; *Time* February 19 1996 p.38.

²³⁸ Legislation required the suspension of US Export-Import Bank loan guarantees if the allegations were founded. The Chinese government denied any knowledge of the shipments. Jeffrey Smith, 'Chinese Defiant on Shipments'; *International Herald Tribune* March 25 1996 p.1.

trade.²³⁹ With tensions in the Taiwan Strait easing, the proliferation issue came to the fore of US-PRC relations. The Administration, encountering enormous pressure from Congress' anti-China coalition, and wanting to redefine its approach to China, was forced to address the issue.²⁴⁰ Talks between Christopher and Qian Qichen at the Hague in late April, and an earlier trip to Beijing by Deputy Assistant Secretary of State Robert Einhorn, failed to find a solution. On May 10, the Administration announced that it would not impose sanctions. The decision appeared typical of Clinton's established practice of talking tough and then offering conciliation, and it was criticised as such.²⁴¹ Nevertheless a bilateral deal, declaring Chinese assurances that no further proliferation of this kind would occur in future, was revealed on May 10.²⁴² In explaining the agreement, the State Department implied that committed negotiations, rather than US concessions on the issue of the Chinese government's complicity, underpinned the resolution.²⁴³ Critics in Congress argued that Clinton had been weak, both in waiving sanctions and in accepting Beijing's declaration of

²³⁹ Shirley Kan, *Chinese Proliferation of Weapons of Mass Destruction: Background and Analysis*; Report for Congress 96-767 F, Congressional Research Service, Library of Congress, Washington D.C., September 13 1996.

²⁴⁰ Carroll J. Doherty, 'Business Stakes are High in Sanctions Debate'; *Congressional Quarterly Weekly Report* March 30 1996 pp.891-892.

²⁴¹ 'China Fulfills US Demand For Pledge on Nuclear Sales'; *International Herald Tribune* May 13 1996 p.4.

²⁴² *Special Briefing on US-China Discussions on Non-Proliferation and Nuclear-Related Exports*; US Department of State, Bureau of Public Affairs (United States Government Printing Office, Washington D.C.) May 10 1996.

²⁴³ Ibid.

innocence.²⁴⁴

The concurrent dispute concerning copyright infringements in the Chinese market proved more intractable. On April 30, the USTR announced its intention to impose sanctions worth \$2 billion on Chinese exports to the US, unless China could prove its adherence to the February 1995 agreement of intellectual property rights (IPR).²⁴⁵ When bilateral negotiation brought no progress, the USTR drew a line in the sand by declaring that it would impose the sanctions on June 17.²⁴⁶ Once again, Beijing protested its innocence and threatened retaliation.²⁴⁷ The strong anti-China coalition in Congress were incensed by what they saw as the latest example of Chinese duplicity. In effect, IPR replaced human rights as the key issue in the China policy debate preceding the MFN decision.²⁴⁸

Indeed, some observers suggested that Clinton's resilience on the IPR issue, and his threat to impose sanctions were politically motivated.²⁴⁹ In other words, Clinton, with at least one eye on the election, believed that the US had to be seen to taking a tough stand on China, especially when it threatened MFN. In fact, some analysts anticipated that Beijing would

²⁴⁴ 'China Fulfills US Demand for Pledge on Nuclear Sales'; op cit.

²⁴⁵ 'US, China Appear on Collision Course Over Copyright Piracy'; CNN World News Online May 8 1996.

²⁴⁶ Brian Knowlton, 'US Readies Sanctions In China Trade Dispute'; *International Herald Tribune* May 15 1996 p.1 and p.8.

²⁴⁷ Steven Mufson, 'China Vows to Strike Back Hard at US Sanctions Over Piracy'; *International Herald Tribune* May 10 1996 p.4.

²⁴⁸ Ibid.

²⁴⁹ Ibid.

concede, knowing that a hostile Congress would soon vote on Clinton's MFN renewal.²⁵⁰ Along with the threat of sanctions, acting US Trade Representative Charlene Barshefsky conducted intense negotiations with her Chinese counterparts.²⁵¹ Assistant Trade Representative Lee Sands also opened talks on future IPR protection.²⁵² A last minute deal was secured on June 17, and the threat to impose sanctions was lifted. He believed that this committed pursuit of US interests gave him the platform to defend the strategy of engagement and declare his intention to renew China's 1996 MFN status without conditions. Clinton argued:

"This proves that staying involved and engaged with China through the difficult times as well as he good is the right course of action."²⁵³

In fact the IPR agreement, and the calculation that Congress would not revoke MFN, allowed Clinton to extend the US-China Trade Agreement through January 31 1998.²⁵⁴

A number of other issues also threatened to derail US-PRC engagement during this sensitive period. Perhaps the most

²⁵⁰ David E. Sanger, 'China Feeling US Heat'; op cit.

²⁵¹ Testimony of Ambassador Charlene Barshefsky, Representative before the Subcommittee on Trade of the House Ways and Means Committee, Washington D.C., June 11 1996; Bureau of Public Affairs, Washington D.C.

²⁵² David E. Sanger, 'China Acts on Piracy May Avert Sanctions'; *International Herald Tribune* June 14 1996 p.1. and p.12.

²⁵³ Keith B. Richberg, 'China Escapes US Sanctions'; *International Herald Tribune* June 18 1996 p.10.

²⁵⁴ Kerry Dumbaugh, *China-US Relations: Chronology*; op cit p.10.

conspicuous of these was the discovery of a Chinese arms-smuggling ring in the United States.²⁵⁵ Beijing officials denied any knowledge or involvement once more, thus fuelling a debate within the US as to the sincerity and credibility of Chinese assurances.²⁵⁶ Nonetheless, Warren Christopher accepted Beijing's protest of innocence, and the State Department declared the issue a judicial matter unrelated to US-China relations.²⁵⁷ Beijing also revived US security concerns on a broader level. Indications that China was seeking to purchase SS-18 intercontinental ballistic missiles from Russia brought a reproachful warning from Secretary of Defence Perry.²⁵⁸ The Pentagon also revealed that China was planning another underground nuclear test, in defiance of Washington's promotion of voluntary test-ban.²⁵⁹ Further, intelligence reports persuaded the State Department to warn of sanctions in the event of the deployment of Chinese M-11 missiles to Pakistan.²⁶⁰

The range of disputes that threatened to sour US-China relations encouraged Clinton's critics to accuse him of further concessions and weak leadership. Therefore it appeared to offer

²⁵⁵ Two state-owned arms trading companies were alleged to be involved. Ibid and Brian Knowlton, ``Sting' Case Further Tests US-China Relations'; *International Herald Tribune* May 24 1996 p.1.

²⁵⁶ For example see `Chinese Conduct'; *International Herald Tribune* May 28 1996 p.8.

²⁵⁷ R Jeffrey Smith, `Weapons Scandal Stumps Washington'; *International Herald Tribune* May 25 1996 p.7.

²⁵⁸ Brian Knowlton, `US Warns Russians on SS-18 Sales to Chinese'; *International Herald Tribune* May 22 1996 p.1.

²⁵⁹ Ibid.

²⁶⁰ Kerry Dumbaugh, *China-US Relations: Chronology*; op cit p.10.

the Republicans a clear political opportunity.²⁶¹ However, in spite of his reiteration of these criticisms, Robert Dole's recommendations on China policy differed little from the Administration's policy.²⁶² Building upon the Administration's new commitment to China, the recovery in bilateral relations and Clinton's recovery on the issue in the domestic political environment owed much to two key cabinet level conferences in July. These were NSA Lake's trip to Beijing and Secretary Christopher's consultations with Qian Qichen in Jakarta.

Anthony Lake's visit proved critical for a number of reasons. Firstly, it took place in a much improved atmosphere, facilitated by recent resolutions on the proliferation, IPR and arms smuggling issues. Moreover, the hard line driven by Barshefsky and the Administration had restored some US credibility in Beijing.²⁶³ Secondly, it appeared to place the relationship back on to a more optimistic and positive footing, preparing the ground for other senior exchanges. Plans to schedule an exchange of summits between Clinton and Jiang were postponed due to Clinton's fear of the effect on his re-election campaign.²⁶⁴ Nevertheless, the two sides concurred on

²⁶¹ A.M. Rosenthal, 'Another Step Down the Road of US Appeasement of China'; *International Herald Tribune* May 15 1996 p.10.

²⁶² Thomas Friedman, 'America Finds Consensus on China, but is Anybody Listening?'; *International Herald Tribune* May 27 1996 p.8.

²⁶³ Steven Erlanger and David E. Sanger, 'Clinton's Perilous Trip'; *op cit*.

²⁶⁴ 'US and China Hail Thaw in Relations'; *International Herald Tribune* July 10 1996 p.1 and p.4 and Keith Richberg, 'China Visit Ends on an Upbeat Note'; *International Herald Tribune* July 11 1996 p.4.

the merit of regular senior-level exchanges. In fact, Lake was reported to have established his own channel of communication with his Chinese counterpart, and secured an agreement to create a high-level bilateral commission on business relations.²⁶⁵ Committed engagement appeared to be making progress. Thirdly, and crucially, the visit altered Lake's perceptions of China, and thus China policy. The NSA was taken aback by the PRC's economic growth and dynamism, and concluded that Beijing had to be treated with dignity rather than contempt.²⁶⁶ Thus not only did policy-makers in the White House commit themselves the relations with China, but they underwent a fundamental learning-curve on China strategy. Stephen Yates insists:

"I would say that the management of China policy made it over to the White House in July of 1996, when Tony Lake made his trip. That was the National Security Council formally taking full control of China policy."²⁶⁷

Warren Christopher's Jakarta meeting with Qian Qichen in late July consolidated this rapprochement. The Secretary of State's meeting with Qian at the Hague in April had proved disappointing, with the possible exception of Christopher's

²⁶⁵ Kerry Dumbaugh, *China-US Relations: Chronology*; op cit p.11.

²⁶⁶ Interview with David M. Lampton op cit. Lampton argues that Lake epitomised the Administration's moral arrogance on China, and that the conclusions Lake reached reflected China policy advice he had dismissed for the preceding two years.

²⁶⁷ Emphasis original. Interview with Stephen Yates op cit.

proposals on Four-Way talks on North Korea.²⁶⁸ However, Christopher insists that his address to the Council on Foreign Relations in May paved the way for progress at the meeting in Indonesia.²⁶⁹ Critically, the meeting maintained the positive momentum affirmed by the Lake trip, and further stabilized bilateral relations. Christopher raised a broad range of issues, including human rights, with his Chinese counterpart. However, his treatment of those issues contrasted starkly with his trip to Beijing of March 1994, and exemplified the degree to which the Administration had committed itself to a longer-term vision of bilateral relations. As one US official noted:

"There will be some issues that we just have to take the time to resolve or where we have to agree to disagree and contain the damage. And there are other issues where we can expand our cooperation, and that's what we hope to do in a series of these meetings."²⁷⁰

Therefore, while Christopher urged progress on human rights, IPR, cross-Taiwan Strait relations and Hong Kong, he was determined to prevent such issues overshadowing the overall

²⁶⁸ Christopher had communicated a proposal for talks involving North and South Korea, China and the US, aimed at reducing tensions and creating peace on the Korean Peninsula. Beijing endorsed the proposal during Lake's trip in July. 'Christopher Presses China on 4-Nation Korean Talks'; *International Herald Tribune* April 20 1996 p.1 and p.5 and Mary Jordan and Kevin Sullivan, 'US Security Aide Wraps Up Asia trip'; *Washington Post* July 16 1996 p.A11.

²⁶⁹ Warren Christopher, *In the Stream of History*; op cit p.430.

²⁷⁰ Keith B. Richberg, 'New Signs of Warmth in US Ties with China'; *International Herald Tribune* July 27 1996 p.1.

improvement in relations. This was symbolised by concurrence in two areas. Firstly, US and Chinese officials agreed to establish three cabinet-level commissions on trade, economics, and science and technology.²⁷¹ Secondly, preparations were made for an expansion in high-level exchanges and negotiations. Christopher secured a visit to Beijing in November, and responded very positively to proposals for home-home summits between Clinton and Jiang following the US presidential elections. Further, plans were made for a Beijing trip by Vice-President Al Gore in early 1997, and for a series of other cabinet and sub-cabinet level visits.²⁷²

Accordingly, Washington played host to Chinese Defence Minister Chi Haotian and National Security Advisor Liu Huaqiu on separate visits in December.²⁷³ While the latter visit led to an understanding allowing the US navy to visit Hong Kong following the transfer of Sovereignty in June 1997, Chi stirred controversy by dismissing criticism of the military's role in Tiananmen Square in June 1989.²⁷⁴ The US reciprocated with the visits of Christopher in November, Undersecretary of State Lynn Davis in early November, and of Director of the Arms Control

²⁷¹ Ibid p.6.

²⁷² Warren Christopher, *In the Stream of History*; op cit p.511.

²⁷³ These exchanges followed the low-key visit of Undersecretary of State for Defence Walter Slocombe to Beijing in late June. This represented the first military dialogue between Washington and Beijing since the Taiwan Strait crisis. 'Top US Aide on Mission to China'; *International Herald Tribune* July 6 1996 p.4.

²⁷⁴ Kerry Dumbaugh, *China-US Relations: Chronology*; op cit p.12.

and Development Agency John Holum amongst others.²⁷⁵

While US analysts and sinologists interpreted the apparent improvement in relations with some caution, on the whole the reaction was positive.²⁷⁶ The American press continued to focus on areas of dispute, and continued to cite unacceptable Chinese practices in the areas of human rights and proliferation. Nonetheless, reports highlighting progress in US-China relations began to appear with greater regularity. Christopher's trip to Beijing in November was received in this vein.

With Clinton's second term of office secured by his presidential victory earlier in the month, Christopher's trip maintained the focus on the positive agenda he instigated in his speech in May. The Secretary of State recorded progress on proliferation, the Korean Peninsula and the environment, and held frank but insubstantive talks on human rights.²⁷⁷ Final plans were agreed regarding reciprocal summits between Clinton and Jiang, and the two sides concurred on the value of direct contacts and engagement.²⁷⁸ Christopher used his centrepiece address at Fundan University, on November 21 1996, to explain the framework of the Administration's China policy, distinguishing the need for cooperation on international,

²⁷⁵ Kerry Dumbaugh, *China-US Relations*; op cit p.11.

²⁷⁶ For example see Keith B. Richberg, 'New Signs of Warmth in US Ties With China'; op cit and 'Keep Heat on China'; *International Herald Tribune* July 27 1996 p.8.

²⁷⁷ Warren Christopher, *In the Stream of History* op cit pp.511-513.

²⁷⁸ Ibid p.511.

regional and bilateral levels.²⁷⁹ Notably, Christopher's comments on the importance of China and of US-China relations, and his justification of engagement bore strong similarities to arguments employed by the previous Administration in defence of its China policy:

"We have a responsibility to ourselves and to the world to manage...differences constructively and to approach them in ways that do not undermine our ability to achieve our important common goals."

Rather like Christopher's two experiences in Beijing, Clinton's meeting with Jiang Zemin at the APEC summit in Manila on November 24 contrasted enormously with their first meeting in late 1993. Announcements were made on forthcoming summits between the two presidents, and both parties declared the talks a success. Further, urged by US diplomacy and in line with its application to the WTO, Beijing announced important cuts in its tariffs.²⁸⁰ Significantly, US officials refused to enthuse about the Clinton-Jiang meeting. While there no longer was the need to pander to electoral politics, they did not want to encourage criticism that the improvement in relations came at the cost of American appeasement of China, particularly over human rights. Indeed, the US had refused to concede on its immediate objections to China's accession to the WTO, and officials

²⁷⁹ 'The United States and China: Building a New Era of Cooperation for a New Century': Address at Fudan University, Shanghai, November 21 1996. Reproduced in Warren Christopher, *In the Stream of History*; op cit Chapter Thirty-Five.

²⁸⁰ Nick Cumming-Bruce, 'Clinton Salutes APEC Trade Deal'; *Guardian* November 26 1996 p.18.

revealed that the President had stressed the importance of progress in human rights and proliferation. This reflected the desire to promote US engagement with China as a tough and realistic strategy for the pursuit of America's core interests.²⁸¹

THE EMERGENCE OF A CAUTIOUS CONSENSUS ON CHINA

Despite the evaluation of China strategy, the Administration continued to attract criticism from a variety of sources. Essentially, doubts were raised along two lines. Firstly, some observers remained unconvinced that the Administration had altered its approach to China. They argued that the Sino-American agreements on proliferation and IPR had resulted from US concessions rather than genuine progress in Beijing. Responding to the deals struck on Chinese proliferation to Pakistan and Iran, Robert Dole expressed his disappointment that targeted sanctions had not been imposed, while erstwhile China-critics Rep. Nancy Pelosi and Senator Jesse Helms accused the Administration of repeating its pattern of appeasement.²⁸² In this sense, the Administration was seen to have capitulated on these issues, as it had human rights previously, and in doing so both demonstrated a lack of leadership and ignored domestic and Congressional opinion.²⁸³

²⁸¹ Nick Cumming-Bruce, 'US and China Agree on Summit'; *Guardian* November 25 1996 p.10.

²⁸² 'China Fulfils US Demand for Pledge on Nuclear Sales'; *op cit*.

²⁸³ A. M. Rosenthall, 'Another Step Down the Road of US Appeasement of China'; *op cit*.

A second perspective criticised the Administration's pursuit of engagement with Beijing. One analyst contended that the Clinton China policy relied upon two fallacies; that the foreign policies of America or any other power could effect fundamental change in China, and that the Chinese market was too big to neglect.²⁸⁴ The key point was that, rather than concessionary engagement, the Administration should have been pursuing confrontation and the containment of China.²⁸⁵ Critics insisted that Beijing could not be trusted, and that acceptance of Chinese assurances and promises amounted to weakness. Washington's acceptance of Beijing's protests of innocence relating to proliferation, IPR infringements and gun smuggling was cited as evidence of this fact. As Nancy Pelosi observed of the bilateral agreement on proliferation:

"We have seen the Chinese government repeatedly promise to halt the proliferation of weapons of mass destruction and repeatedly break those promises. Now the Administration seems to have settled yet again for an empty promise."²⁸⁶

Contentions such as these appeared to present strong opportunities for the anti-China coalition within Congress to take hold of the 1996 MFN debate, and for the Republicans to

²⁸⁴ Robert Elegant, 'Foreign Illusions about Influencing China Lead to Kowtows'; *International Herald Tribune* July 18 1996.

²⁸⁵ Jim Hoagland, 'China Policy that Successfully Courts Failure'; *International Herald Tribune* May 20 1996 p.8.

²⁸⁶ 'China Fulfils US Demand for Pledge on Nuclear Sales'; *op cit*.

exploit the issue in the presidential election. Neither occurred. Rather like the experience of US-China relations through 1993-94 and the realistic prospect of the revocation of China's 1994 MFN status, Chinese sabre-rattling through 1995-96 and the Taiwan Strait crisis had prompted many members of Congress to reassess their views on China. In other words, a certain realism replaced the overly symbolic and emotional treatment of China by a Congress relatively inexperienced in foreign affairs.²⁸⁷ While both House Speaker Newt Gingrich and Republican presidential candidate Robert Dole lambasted Clinton for inconsistency and weak leadership, both recommended the kind of engagement pursued by the Administration from the spring of 1996. Both urged and voted for the unconditional renewal of MFN.²⁸⁸

The anticipated battle over MFN never arrived. While the crisis in the Strait had encouraged some to demand that China be confronted, most participants in the China debate now advocated broad and committed engagement of Beijing. The pro-trade business community were joined by senior analysts in lobbying for unconditional renewal.²⁸⁹ Congressional opponents

²⁸⁷ Kenneth Lieberthal, 'Domestic Forces and Sino-US Relations', Chapter Eight in Ezra F. Vogel (ed), *Living with China: US-China Relations in the Twenty-First Century*; The American Assembly, Norton (New York, 1997) pp.261-262.

²⁸⁸ 'Gingrich Sees Tough Battle Over China's Trade Status'; *Congressional Quarterly Weekly Report* April 20 1996 p.1060 and Michael Dobbs, 'Washington Focuses on Strengthening Ties to Beijing'; *op cit* p.4.

²⁸⁹ Companies such as Boeing, Motorola and Caterpillar launched massive pro-MFN campaigns, while Hong Kong Governor Chris Patten arrived in Washington to press for renewal with government officials. Sandra Sugawara, 'With Billions in Sales at Stake, Boeing Goes to Bat for China'; *Washington Post* July 7 1996 p.H1 and 'US Debates Trade Status for China'; *Times Online*

to MFN were joined by human rights organisations, and US labour groups angry at cheap Chinese imports and, as they saw it, the export of manufacturing jobs to the cheap Chinese labour market.²⁹⁰ The Administration indicated its intention to renew China's MFN status early in the year, and presented vigorous arguments in its defence. Certainly it represented a stronger demonstration of leadership on this issue, than that offered in previous years.²⁹¹ Further, the case presented by the Administration, with specific citations of recent achievements and the insistence that MFN status was key to US engagement of the PRC, would not have appeared odd coming from the Bush Administration.

The vote on MFN in Congress failed to become a referendum on Clinton's China policy. The failure of MFN conditionality in 1993-94, and Taiwan Strait crisis of 1996 had convinced many former advocates of linkage that MFN formed a key aspect of the necessary task of engaging China. Proponents of conditionality or revocation of MFN became marginalised either on the liberal

May 7 1996. See also Stephen Yates, *Why Renewing MFN for China Serves US Interests*; op cit and James A. Dorn, 'Trade and Human Rights: The Case of China'; *The CATO Journal* vol.16 no.1.

²⁹⁰ Ibid (Sugawara).

²⁹¹ See for example *Remarks by President Clinton to the Pacific Basin Economic Council*; The White House, Washington D.C., May 20 1996, testimony of Peter Tarnoff, Under Secretary of State for Political Affairs before the Subcommittees on Asian and Pacific Affairs and International Economic Policy and Trade of the House International Relations Committee, Washington D.C., May 16 1996, testimony of Winston Lord, Assistant Secretary of State for East Asian and Pacific Affairs before the Subcommittee on Trade of the House Ways and Means Committee, Washington D.C., June 11 1996; Bureau of Public Affairs, Washington D.C., and testimony of Ambassador Charlene Barshefsky before the Subcommittee on Trade of the House Ways and Means Committee, Washington D.C., June 11 1996; op cit.

wing of the Democratic party or the conservative wing of the Republicans.²⁹² Thus the House rejected a resolution disapproving Clinton's renewal of MFN, by 286 votes to 141. Further, by a vote of 411 to 7, the House passed a bill introduced by Rep. Christopher Cox (R-Calif) that condemned the annual debate on MFN as detrimental to US-China relations, and commissioned a Congressional report on alternative forms of legislation.²⁹³

The Administration succeeded in its attempt to prevent China policy becoming an issue in the presidential election for a number of reasons.²⁹⁴ Firstly, foreign policy rarely featured in campaigns that perhaps even more than the election of 1992, focused on domestic issues.²⁹⁵ Secondly, in spite of the public's disinterest in foreign policy, with the possible exception of Iraq and the conflict in the former Yugoslavia, approval of his handling of international affairs was rising as the election approached. In a *New York Times* poll that asked voters to consider Clinton's 'greatest achievement', as many identified foreign policy as chose the economy, a traditional Clinton strongsuit.²⁹⁶ Indeed, more recent, if tentative

²⁹² Interview with Stephen Yates op cit and Thomas Friedman, 'America Finds Consensus on China, but is Anybody Listening?'; op cit.

²⁹³ John E. Yang, 'House Backs Clinton on China Trade'; *Washington Post* June 28 1996 p.A8.

²⁹⁴ Interview with David Shambaugh, Director of the Gaston Sigur Centre of East Asian Studies, George Washington University, October 27 1997, Washington D.C.

²⁹⁵ Michael Golay and Carl Rollyson, *Where America Stands 1996*; John Wiley and Sons (New York, 1996) p.157 and 'An Engagement in Beijing'; *Guardian* November 11 1996 p.14.

²⁹⁶ Steven Erlanger and David E. Sanger, 'Clinton's Perilous

progress on the issues of Haiti, the former Yugoslavia, the Middle East, Northern Ireland, the Mexican financial crisis and relations with Japan had persuaded the President that foreign policy had been the highlight of the latter half of his first term of office.²⁹⁷ Thirdly, the Administration had appeared to move beyond the domestic political clash triggered by the Spring 1996 Taiwan Strait crisis. The demonstration of a tougher form of engagement, and the clear improvement in Sino-American relations coincided with the last few months of the election. While Republican challenger Dole was willing to accuse Clinton of weak leadership on China policy, he was unable to define a distinctly alternative vision for US-China relations. A weak challenger found that he could not exploit a complex issue such as China policy in an election that reflected the voters' cynicism of politics.

Conclusion

As Winston Lord observes, tensions and difficulties in the Sino-American relationship were inevitable. Beijing's desire for a greater role in the international community, on its own terms, presented a critical challenge to an America still trying to define its own approach to the post-Cold War world.²⁹⁸ Further, China's government was overshadowed by uncertainty

Trip'; op cit.

²⁹⁷ Ibid.

²⁹⁸ Edward Friedman, 'The Challenge of a Rising China: Another Germany?', Chapter Ten in Robert J Lieber (ed), *Eagle Adrift: American Foreign Policy at the End of the Century*; Longman (New York, 1997) pp.223-224 and p.241.

triggered by the secessionist crisis, the erosion of its centralised power, and its relationships with the US and Taiwan. China's turn towards belligerence after the US visit of Taiwan's Lee Teng-hui served only to further complicate the task of engaging the PRC. Washington's efforts to promote progress and responsibility in China received little support from America's traditional allies in Europe and Asia, a fact that angered Winston Lord.²⁹⁹

Nevertheless, Clinton's continuing failure to address serious defects in the formulation and pursuit of China policy contributed strongly to the deterioration of US-China relations. Believing it had overcome the political standoff prompted by the visit of Lee, the Administration persisted with a flawed policy. Departments still pursued their own independent agendas, and further splits occurred between the government agencies. Weak and detached leadership failed to impose a disciplined vision of US China policy, and this led to more inconsistency, confusion, concession and crisis management.³⁰⁰ The Administration's credibility with both the Chinese and the US Congress continued to fall. To make the

²⁹⁹ See testimony of Winston Lord before the Subcommittee on Trade of the House Ways and Means Committee, Washington D.C., June 11 1996; op cit. Also David E. Sanger, 'Profit in China Trade Dispute'; *International Herald Tribune* June 13 1996 p.1 and p.6. These allies were regarded as competitors ready to take economic advantage of any US-China fallout, although it was recognised that East Asian states did not wish to offend such a powerful neighbour as China.

³⁰⁰ Warren Christopher refutes the allegation that the Administration neglected relations with China, highlighting his fourteen meetings and other correspondence with Qian Qichen. Commentators pointed out however, that although the Secretary of State visited Syria over twenty times, he went to Beijing only twice. See Andrew Higgins, 'Clinton Coaxes Reluctant China'; *Guardian* November 21 1996 p.14.

problem worse, an inexperienced and politically-motivated Congress pressed for greater confrontation with China, fuelling Beijing's mistrust of America's engagement strategy.

The Taiwan Strait crisis proved a key turning point. It forced a comprehensive reassessment of US interests in and relations with the PRC throughout the US China policy-making community. There emerged a deeper awareness of the importance of China across a broad range of concerns: geo-strategic and regional security, economics and trade, human rights, the environment, narcotics, international institutions and so on. Interestingly, Lord had stated the case for the importance of China in precisely these terms, in his confirmation hearing prior to becoming Assistant Secretary of State.³⁰¹

The Administration was also forced to address its failure to articulate China policy, a fault that lay with the Bush Administration too. Senior officials were expected to present a clear and consistent definition of US objectives, explain the context to the relationship, and emphasise gains as well as problems.³⁰² Accordingly, the China policy-making process was overhauled and tightened. This task was aided by the Secretary of State and the State Department's new found consistency and commitment to China policy. Similarly, Anthony Lake's trip to Beijing swept away his naive, missionary instincts on China. As a result, the Administration found greater unity, on a revised strategy promoting realistic long-sighted engagement with

³⁰¹ Statement of Winston Lord, Assistant Secretary-designate for East Asian and Pacific Affairs before the Senate Foreign Relations Committee, Washington D.C., March 31 1993.

³⁰² Interview with Stephen Yates op cit.

China. Beijing was no longer swamped with confusing signals from the Clinton Administration. Moreover, Washington's resolution over the IPR dispute restored some credibility with the Chinese government.

The need to root the new strategy in domestic legitimacy was deflected by the highly partisan nature of the domestic debate. Members of the anti-China coalition in Congress, and in particular Republicans, followed their own lead on China policy. However, the Administration's new realism towards China not only served US-China interests, but it complemented two of Clinton's key political objectives. Firstly, it prevented a public clash over the renewal of MFN. Secondly, and of greater importance to Clinton himself, it prevented China policy undermining his bid for re-election. The Administration's new strategy, and reassessments in Congress in the wake of the Taiwan crisis weighted the balance of power in favour of those advocating engagement over those advocating confrontation. This helped to vindicate the Administration's, and in particular Lord's, assertion that engagement and unconditional MFN were bipartisan issues.³⁰³ Even staunch critics of the regime in Beijing, such as Mike Jendrezjczyk of Human Rights Watch: Asia, agreed with the principle of engagement.³⁰⁴

The President acknowledged making mistakes on relations with China, highlighting the pursuit of MFN conditionality, and

³⁰³ Interview with Winston Lord op cit. See also testimonies of Winston Lord and Charlene Barshefsky before the House Subcommittee on Trade, Washington D.C., June 11 1996; op cit and testimony of Peter Tarnoff before the House Subcommittees on Asian and Pacific Affairs and International Economic Policy and Trade, Washington D.C., May 16 1996; op cit.

³⁰⁴ Interview with Mike Jendrzeczyk op cit.

undergoing a learning-curve on the issue throughout his first term of office.³⁰⁵ By the summer of 1996, his Administration had developed a new found purpose on China policy and the confidence to lead the debate on engagement with Beijing.³⁰⁶ This does not mean that political calculations played no further part in decision-making, or that all policy-making defects had been addressed. Clinton himself did not offer a speech dedicated to China until October 24 1997, on the occasion of President Jiang Zemin's summit visit to Washington. The enduring anti-China coalition within and without Congress continued to accuse Clinton of timidity, failing to confront Beijing on human and Tibetan rights, trade and proliferation, and of appeasing China in the interests of US big business.³⁰⁷ However, the improvement in bilateral relations, and the incremental progress offered by Beijing reflected a far more realistic strategy of engagement with China.³⁰⁸ As Kenneth Lieberthal contends, this strategy presented "...a new window of opportunity", particularly with the conclusion of the presidential election.³⁰⁹

³⁰⁵ Steven Erlanger and David E. Sanger, 'Clinton's Perilous Trip'; op cit.

³⁰⁶ Interview with Winston Lord op cit and Anthony Spaeth, 'Drinking Buddies'; *Time* April 7 1997 pp.54-55.

³⁰⁷ Ibid (Spaeth) pp.55-56. See also John J. Tierney Jr, 'Containing China's Aggression'; *Journal of Commerce* March 13 1997, Nigel Holloway, 'Making an Enemy'; *Far Eastern Economic Review* March 20 1997 and Richard Bernstein and Ross H. Munro, *The Coming Conflict with China*; Alfred A. Knopf (New York, 1997).

³⁰⁸ Interview with David M. Lampton op cit.

³⁰⁹ Kenneth Lieberthal, 'Domestic Forces and Sino-US Relations'; op cit p.300.

CONCLUSION

In announcing Executive Order 12850 on May 28 1993, President Clinton appeared to execute a major redirection in US strategy toward the People's Republic of China. The strategy of broad engagement had governed US thinking on China since the mid to late 1960s, and been pursued since Nixon's rapprochement with Beijing in 1972. The Executive Order did not challenge the principle of direct governmental, and increasingly non-governmental ties with the PRC. Indeed, Clinton emphasised the importance of not isolating China. However, it did impose a strategy of linkage, in which the renewal of China's Most-Favoured-Nation (MFN) trading status was made conditional on progress in designated areas of human rights. By adopting the strategy of linkage, Clinton declared his willingness to place the pursuit of human rights above America's vast economic interests with China. Due to the importance of economics and trade to the post-Cold War Sino-American relationship, it appeared that Clinton was deferring US-China relations, and further broad engagement with the PRC to America's concern for human rights in China. However, Clinton did not predicate this decision on a vision of America's broad strategic relationship with China, in which long-term interests and priorities were defined. Rather, the President's decision to invoke linkage was a result of political considerations and calculations rooted in the 1992 presidential election.

Similarly, the President's decision to abandon linkage and revert to the entrenched long-term strategy of broad engagement with China in May 1994 was also heavily influenced by domestic political calculations. These two decisions represent only the most conspicuous examples of the degree to which Clinton's sensitivity to the domestic political environment drove his China policy almost throughout his first term of office. This approach to decision-making seriously threatened America's long-term strategic relationship with China, and contributed significantly to a deterioration in bilateral relations that reached a nadir in the spring of 1996. In addition, it encouraged deep splits within the Administration, and fostered an incoherent and discrepant pursuit of US interests. Members of Congress, frustrated by the Administration's mismanagement of US-China relations and increasingly concerned by China's conduct in the areas of human rights, proliferation and trade, attempted to take the initiative on China policy. President Clinton's preoccupation with responding to such initiatives undermined his performance further.

An overwhelming majority of foreign policy participants and analysts considered relations with China to be one of, if not the most important challenge of US foreign policy following the end of the Cold War.¹ To address this challenge, policy-makers had to balance long-term strategic interests in China, with securing domestic approval and legitimacy for the policy. Relations between two states as powerful and as dissimilar as

¹ Most major studies of contemporary US-China relations make this point.

the US and China requires a clear long-term framework through which interests and disputes can be governed.² Yet US China policy benefits from domestic support.³ It underscores the credibility of Washington's stance, and bolsters America's bargaining power with Beijing. It also permits the president greater flexibility and trust in the conduct of bilateral relations. The need the balance these two components provides a crucial test of China policy-making, especially when the recommendations of foreign policy officials appear to contradict domestic political opinion on the matter. Clinton failed to achieve an adequate balance of these concerns in placing domestic political considerations above the need to define, articulate and lead on long-term interests in China throughout his first term of office.⁴

A number of factors must be addressed to understand Clinton's failure to balance strategic China interests with domestic political interests. Firstly, while there was widespread agreement on the ultimate objectives of US China policy, there was considerable disagreement as to the most effective ways to achieve them. This exposed any proposal for

² See for example *Developing a Consensus for the Future: A Report of the CSIS US China Policy Task Force*; Asian Studies Programme, Centre for Strategic and International Studies, Washington D.C., 1996.

³ See for example James M. Scott and A. Lane Crothers, 'Out of the Cold: The Post-Cold War Context of US Foreign Policy' in David M. Scott (ed), *After the End: Making US Foreign Policy in the Post-Cold War World*; Duke University Press (London, 1998) pp.6-7.

⁴ The Bush Administration on the other hand neglected the need to forge domestic legitimacy for its strategy toward China.

China policy, from conciliatory engagement to resolute confrontation, to a certain amount of dispute. Secondly, the erosion of the geo-strategic premise for the Sino-American relationship with the end of the Cold War had two significant implications. Firstly, it meant that US engagement with China adopted a more bilateral character as the strategic triangle between Washington, Beijing and Moscow became obsolete. In other words, the US developed clear interests in China itself, removed from the dictates of the geo-political environment. Secondly, the expansion of bilateral relations, from the mid 1980s on, resulted in an explosion of non-governmental US domestic actors with interests in China. As a consequence, representatives of business, human rights, science and technology and so on felt that they had a stake in influencing China policy. Domestic actors were less inclined to defer to the Administration in the conduct of US-China relations, making the need to balance strategic and domestic concerns all the more difficult. Thirdly, the Tiananmen Square massacre fundamentally changed American attitudes toward China, and destroyed the domestic consensus that advocated positive engagement with the PRC. Not only did it increase the salience of US China policy, but it redefined the nature of the domestic China policy debate. Overwhelming antipathy toward Beijing meant that many Americans, inside government and out, focused on short-term issues of dispute. This compromised the debate on and formulation of more constructive long-term interests.

It is within this context that US China policy became so

politicised and controversial. The annual debate on the renewal of China's MFN status provided a convenient platform for vociferous and highly partisan battles between the Bush Administration and Democratic Congress for the direction of China policy. That is not to disregard the existence of a genuine and dynamic debate on the means and ends of US policy toward Beijing. However, President Bush's failure to take account of popular opposition to his attempt to find progress through engagement allowed Democrats to exploit China policy for partisan ends. Clinton, intent on becoming the first Democratic president for twelve years, jumped on this political bandwagon. His pursuit of the Democratic Congressional lead on China, and his advocacy of linkage established a pattern of policy-making that would endure throughout his first term of office.

President Clinton identified three objectives for his new Administration's China policy, all of which related to domestic political calculations. Firstly, he had to abide by his pledges on China policy. Secondly and correlatively, he had to implement a strategy on China based on linking human rights to China's trade with the US. Thirdly, he wanted to forge a consensus with Congress on this policy. Through a policy-making process that reflected Clinton's domestic political orientation, the Administration introduced linkage in the form of Executive Order 12850. This policy satisfied Clinton's three objectives, and appeared to establish a domestically legitimised China policy that diverted from the entrenched

strategy of open engagement with the PRC.

However, in formulating the policy, Clinton had failed to balance his attentiveness to domestic political concerns with an assessment of US strategic interests in China over the longer term. Having overseen a deterioration in bilateral relations with little progress achieved on its objectives, and under considerable pressure from Congress, the Administration reversed its stance and dropped linkage one year later. Thus a flawed policy was born of a flawed policy-making process.

The major defects in the Clinton Administration's policy-making process were threefold. Firstly, Clinton and his senior officials failed to define a vision or framework for America's relationship with China beyond the short-term. In essence, Clinton failed to define a hierarchy of US interests in China. Secondly, Clinton failed to articulate his objectives for China policy to either his Chinese or his domestic audiences. Rather he would refer to broad objectives that most observers agreed with, or issue condemnatory rhetoric against Beijing that would respond to domestic America's distaste for China. Thirdly, the President demonstrated his personal lack of commitment to US relations with China. Instead, Clinton directed his attention to an ambitious agenda of domestic priorities, and only committed himself to China policy to the extent of establishing political objectives for its execution. Accordingly, until the Taiwan Strait crisis of spring 1996, he only really engaged in the China policy-making process in the event of a political crisis. Further, his preoccupation with domestic and foreign

economic policy conflicted with the Executive Order and other prescriptions for China policy. Clinton was faced with a clash between the domestic political implications of economic policy and the domestic political implications of China policy.

These defects in the China policy-making process had two broad implications fundamentally detrimental to America's relationship with Beijing. Firstly, the President's failure to provide leadership and to establish a framework of priorities led to considerable indiscipline and splits within the Administration. Different agencies were able to pursue their own agendas with China. Secondly, and consequentially, the Administration's China policy appeared incoherent, confused and contradictory. While State Department and White House officials lambasted China for its human rights performance, the Commerce Department chased major commercial deals, and the Office of the United States Trade Representative threatened sanctions over intellectual property, transshipping and market access. Moreover, Clinton's political advisors attempted to orchestrate US relations with China in line with the President's political needs. As one commentator argues, the White House persisted in treating China policy as a campaign issue rather than a strategic issue.⁵ Thus US policy towards China appeared confused, incoherent and discordant.

The defective policy process led to two detrimental consequences, namely that both the strategic imperative of US

⁵ Interview with Ted Galen Carpenter, Vice-President, Foreign Policy and Defence Studies, CATO Institute, November 6 1997, Washington D.C.

relations with China, and the domestic imperative of establishing political legitimacy for the policy, were undermined. The Administration's indisciplined and confused approach to China policy, exemplified most obviously by its pursuit of the Executive Order, prompted incredulity and suspicion in Beijing and destabilised the vital US-China relationship. It can be seen that despite warnings from senior officials such as Winston Lord, the Administration's conduct of China policy took little account of the political instability within Beijing. Senior Chinese officials evoked strong nationalist sentiments as they manoeuvred to succeed Deng Xiaoping, and as they attempted to contain the decentralisation of power caused by its modernisation and development programmes. The defective policy-making process also undermined the Administration's credibility at home and particularly within Congress which succeeded in taking the initiative on China, most notably with the visit of Taiwanese President Lee Teng-hui.

It is clear that the problems associated with Clinton's policy in China went beyond the failure to balance bilateral and domestic imperatives. This is demonstrated by Clinton's unconditional renewal of China's 1994 MFN status, and the Administration's handling of China policy subsequent to that decision. In abandoning linkage and reverting to the established strategy of broad engagement with the PRC, the Administration adopted a stance more amenable to improvements in the US-China relationship. The Administration also managed

to draw Congressional support for this stance, due in part to the failure of its strategy of linkage, and appeared to have resolved bureaucratic tensions. This opportunity for putting US China policy on a firmer footing was not fulfilled.

Having dealt with the acute political crisis associated with the MFN 1994 decision, Clinton failed to address the defects in his policy-making process. That is to say he still failed to define and articulate a clear hierarchy of US interests in China, and failed to commit himself to providing leadership and discipline on China policy. This is exemplified by the fact that in its first term of office, the Administration did not devote a full-dress speech to China until May 1996, while the President failed to deliver a speech at all despite requests from senior China officials.⁶

As a consequence, the bilateral relationship continued to deteriorate to perhaps its worst state in US-PRC history in spring 1996. Further, following the Republican sweep of the mid-term elections in November 1994, Congressional frustration with the Administration's poor performance led to the reemergence of partisan politics. Members of Congress once more focused their attentions on bilateral disputes and demanded immediate action, if only to score points from the Administration. Congressional initiatives placed a short-term, highly partisan perspective on US-China relations. With the failure to define and lead on a strategy of its own, and

⁶ Interview with Winston Lord, Assistant Secretary of State for East Asian and Pacific Affairs 1993-1996, November 7 1997, New York.

Clinton concerned to minimise political fallout, the Administration responded to these initiatives to the threat of long term interests in China.

The Taiwan Strait crisis of spring 1996 sobered attitudes toward the Sino-American relationship. US officials were appalled at how close the US had come to military intervention, and this led to a comprehensive reassessment of US China policy. National security officials with a stronger vision of US interests in the Far East, such as Defence Secretary William Perry, played a key role in reestablishing a strategic view of US interests in China. In effect, the crisis finally convinced senior officials of the need to find a better balance between the imperatives of the broad bilateral strategic relationship and the imperatives of the domestic political environment. The results were clear. Secretary of State Christopher issued the first speech dedicated to China policy in May 1996. Anthony Lake spearheaded a concerted drive to reinvigorate diplomatic engagement with the Chinese officials, and plans were finalised for home-home summits between Presidents Clinton and Jiang. Further, the Taiwan Strait crisis had also sobered attitudes on the Hill. Although members of Congress, usually Republicans, continued to criticise the Administration, they struggled to present an alternative approach to Beijing. In beginning to address the defects at the heart of the China policy-making process, Clinton actually succeeded in preventing China policy becoming an issue in the 1996 presidential elections.

To conclude, Clinton's preoccupation with the domestic

political environment to the detriment of America's long-term interests in China contributed heavily to the deterioration in Sino-American relations, and precipitated vociferous political clashes with Congress at home. The President's failure to define a long-term vision of a hierarchy of US interests, to articulate that vision to his Chinese and domestic audiences, and his reluctance to commit himself to and lead on China policy had serious implications for the China policy-making environment. It prompted deep splits and indiscipline within the Administration with the result that China policy appeared confused, inconsistent and incoherent. Clinton's fixation with opinion in Congress and the wider China policy community, the business community in particular, gave a strong role to political advisors with the White House. Thus officials with a stronger vision of US strategic interests in China, such as defence officials, professional staff within the National Security Council and the State Department, and indeed Winston Lord, were often undermined and excluded from the policy-making process. Having handled domestic political crises regarding issues such as the 1994 MFN decision and the visit of Lee Tung-hui in June 1995, Clinton still neglected to address the imbalance and the defects within China policy-making. Only with the Taiwan Strait crisis in the spring of 1996 did the Clinton Administration finally begin to address these problems.

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