

as: production of articles without quality, non-implementation of safety rules which have led to factory accidents, and unjustified absenteeism.

The severity of the economic crisis, whose full dimensions are only now coming to light, explains in part

the apparent suspension of political infighting at the Politburo level, where severe conflicts are known to still exist. However, a battery of still unresolved questions including whether to restore Teng, former deputy premier to power, will shortly interfere with the campaign to restore the economy if they are not resolved.

Squaring The Circle Of U.S. Policy To China

A Seven Springs Conference three-day roundtable this month on "China After Mao: The Global Implications for Great Power Relationships," and Joseph Kraft's public charge Feb. 27 that Kissinger and Nixon had promised China the U.S. would dump Taiwan by 1975, signal that the Great Debate on U.S. foreign policy toward China has reared its head.

The extraordinary murkiness of the continuing faction fight in Peking and foginess emanating from the White House on China policy left the CFR without much to do but clarify how much U.S. China watchers don't know. While the syndicated column by Joseph Kraft reiterated the super-utopian "two-front" strategy for using China against the Soviet Union, the CFR (with Kraft attending) discarded this widely discredited program as impractical.

The Kraft "leak," however, underlines the Carter Administration's bumbling incompetence in foreign policy matters generally. Kraft asserted that at his meeting with Chinese liaison office head Huang Chen, Carter was asked if he was aware of the alleged Kissinger assurances on Taiwan. "It (the Administration) wasn't, and immediately set to work to find a copy" (sic) of documents presumably concluded between the Nixon Administration and the Chinese. This was on Feb. 8. When asked about the Kraft report on *Face the Nation* almost three weeks later, Secretary of State Cyrus Vance gave complete credence to the report of the Feb. 8 meeting: "We are checking to see whether we have all the papers at the State Department. If we don't, we'll get them."

It is hard to draw any other conclusion from this Keystone cops episode than that someone highly placed in the Carter Administration wanted this story publicized. The Schlesingerian content to the rest of the Kraft column suggests that quarter as the source of the "leak." Kraft's column is otherwise noteworthy for resurrecting the long-buried notion that "China, and the ideological threat it poses to Russia's claim to lead the Communist world, is still one of the best things Washington has going against Moscow." Perhaps Mr. Kraft has been dipping a bit too heavily into vintage 1965 Peking Reviews.

Of a piece with the Kraft column was Drew Middleton's article the next day which "leaked" the information that "the prospect of such approaches (by the Chinese to the U.S. to buy weapons) has ignited controversy in the Defense and State Departments." The bulk of the article then implicitly suggests that if China were to acquire

more advanced conventional hardware, this would force the Soviet Union to redeploy their more sophisticated weapons from Eastern Europe to the Chinese border. Citing "qualified sources" in Washington, Middleton said that China is showing renewed interest in purchasing modern weapons from abroad.

The backdrop to the Kraft-Middleton-Schlesinger line is a debate on China ignited in the fall of 1975 by the Rand Corporation's Michael Pillsbury, who proposed in *Foreign Policy* that the U.S. find a way to sell China military or military-related equipment as a pressure point on the USSR. In the subsequent period, most analysts have come to view the policy as misguided and potentially dangerous. With the current level of instability in China, there is a question as to whose hands such weapons might end up in and whether they might be used against Taiwan or even shared with the Soviet Union in the future. Moreover, arms purchases are intended by the Chinese to provide technology, not large quantities of weapons. Even with the technology, the critical bottleneck for China is the economic capacity to manufacture large numbers of sophisticated weapons. China's economic weakness precludes its becoming a serious military threat to the Soviets for decades to come. But "second-front" fantasies die hard.

Preliminary reports indicate that the CFR roundtable was unable to square the circle of U.S. China policy. In the "leaderless group" atmosphere fostered by the Administration's absence of a China policy, participants were divided over whether to "incrementally" improve U.S.-China relations by progress on peripheral questions while continuing to fudge on the central Taiwan issue or to move quickly to break the security treaty with Taiwan and accord the Peking regime full diplomatic status.

Participants were generally agreed, however, that trying to manipulate China against the Soviet Union is a risky business. Countering Kraft's call to "Play the China card," analysts suggested that there may not be a card to play. To more realistic observers in U.S. policy circles, the time for playing China games passed with Mao Tse-tung.

There is no evidence however that this conclusion, or any other realistic assessment, has sunk into the heads at the White House. Apart from Vance's display, National Security Council chief Zbigniew Brzezinski is on record supporting the Kraft line that the Taiwan issue is really tertiary for the Chinese and that what they are really concerned with is seeing the U.S. go eyeball to eyeball with the Soviets. For other reasons, Brzezinski is already

pursuing that course. The Administration's contingent policy prescriptions vis a vis the Chinese, however, amount to playing verbal games and conceding nothing substantive on the Taiwan question. An indication of how this will be received in Peking was suggested by an unofficial, but probably authorized attack on the Vance-Carter stalling in the pro-Peking New Evening Post Feb.

28: "The question Mr. Carter and Mr. Vance should answer is whether normalization will be achieved this year, and the more urgent question they should answer is whether and how the defense treaty will be scrapped." Mr. Brzezinski may learn fairly soon the consequences of following a utopian policy in this area of the world.

The Soviet Watch On China

A Feb. 9 *Pravda* column signed "Observer" was the first Soviet commentary since the death of Mao Tse-tung to be severely critical of the Chinese leadership. The Soviets are piqued at the continuation of anti-Soviet diatribes in the Chinese press despite the hiatus of anti-Chinese reports in the Soviet press.

Two weeks later, the Soviet Union withdrew its negotiator, Ilychev, from Peking, after he was no longer received by his Chinese counterpart. However, a Feb. 27 article in *Red Star* and *Pravda* indicated that the Soviets understand that at the present moment there is really no firm leadership yet in China although the campaign against the Maoist faction is still growing.

Pravda, Feb. 9: "the author (of the article in the Chinese press—ed.) issued an anti-Soviet attack, in the spirit of the proponents of the 'cold War' and of inflaming international tensions. Resorting to outlived, long-discredited myths on the Soviet threat, he asserts that supposedly 'the Soviet Union has not for a minute renounced its thoughts of enslaving our country.' ...This appeal to the thesis of the Soviet threat in no way corresponds to the interests of the Chinese people and plays into the hands of the opponents of socialism and of easing of international tensions...."

The Struggle Against The 'Gang Of Four' In China

The Soviet Communist Party paper Pravda published the following article Feb. 26, filed by the TASS bureau in Peking:

The campaign against the "group of four" in China is taking on a constantly greater scale and is described by the leadership as the central task of 1977. In Peking alone, according to official Chinese data, over 50,000 meetings and party conferences have been held in recent

months, for condemnation of the "four." Twenty million people took part in these assemblies, according to the same data.

This campaign is being waged under the slogan of truth to the "revolutionary ideas of Mao Tse-tung." At the same time, attention is drawn to anti-Soviet statements which are being carried to the absurd.

Criticism of the "four" is accompanied by the "Jen Fen" movement. Judging from material in the Chinese press, the "Jen Fen" movement is spread throughout the party and state apparatus at all levels.

In order to conduct the purge in the provinces, autonomous regions, districts, and cities, special "brigades" have been created, including in many instances representatives of the armed forces.

Reports have appeared on new appointments on the ministerial level and of provincial and military district leaders. However, as deputy chairman of the standing committee of the National People's Congress (NPC) Yao Lien-wei stated there is still not clarity in the Central Committee of the Chinese Communist Party concerning the replacements for several leadership posts at the center. From the Politburo of the CCPOC elected at the 10th Congress—composed of 21 members and four candidates—16 people remain. According to the assertions of Yao Lien-wei, "since criticism of the 'group of four' has not yet been completed, one should not speak of any conditions for convening a congress of the CPC or a session of the NPC."

Foreign correspondents in Peking, referring to reliable Chinese sources, report the appearance in individual provinces of wall posters condemning official persons who have "shown restraint" in criticism of Chiang Ching.

From materials published in China and reports from foreign information agencies, it is evident that the situation in the PRC remains complex, and the very development of events has a quite contradictory character.