

Part I: A new era in Sino-American relations

by Richard Cohen

In September 1983 EIR founder and candidate for the Democratic presidential nomination Lyndon H. LaRouche, speaking at a Washington, D.C. seminar, outlined a program for the development and security of Asia. The principal elements of the LaRouche proposal were a series of large-scale infrastructure projects to span mainland Asia from India to northern China. In all, these infrastructural efforts were targeted to overcome the most critical bottlenecks that hold back the mainland Asian economies while the economies of Japan, South Korea, and Taiwan modernize rapidly. LaRouche described his program in the recently released EIR special report, A Fifty-Year Development Policy for the Indian-Pacific Oceans Basin.

The bottlenecks in Asia are the lack of the transportation, energy, and water required for high-productivity agriculture. One of the projects LaRouche identified was a mammoth modern canal, irrigation, and hydroelectric complex to reach from China's Yangtze River in the south to Peking in the north.

The People's Republic of China (P.R.C.) epitomizes the need to develop these three key types of infrastructure to ensure the future strength and stability of the continent. The Soviet Union is driving for domination of an economically and politically fractured Asia; a backward, decentralized China will be the epicenter of that fracturing.

In January 1983, this reporter toured and lectured in China. Over the next three weeks, this series will assess the future security of China and what U.S. policy toward that nation should be. We will deal initially with the burial both in China and in the United States of a policy—the so-called China card—which dominated Sino-U.S. relations from 1971-80, and then will turn to the emerging questions on the current Sino-Soviet dialogue, and finally, identify the stakes involved in China's modernization program and China's future.

Chinese Premier Zhao Zi-Yang's January visit to Washing-

ton was a study in stark contrasts when compared with the first and only other visit to the United States of a ranking Chinese leader—the January 1979 visit to Washington of then-Chinese Vice-Premier Deng Xiao-Ping. That visit marked the climax of eight years of difficult negotiations, finally leading to the normalization of relations between the United States and the P.R.C.

More importantly, Deng's visit and the subsequent normalization came in the midst of a series of traumatic Soviet-backed advances in critical strategic points in the Indian Ocean and Pacific Basin region.

Aided by the extremist shenanigans of then-U.S. National Security Adviser Zbigniew Brzezinski and then-U.S. Energy Secretary James Schlesinger in encouraging the "Islamic Card" as a supposed means of pressuring Moscow, the Soviets promoted the Iranian revolution which was initiated in 1978. The disaster of the Islamic revolution in Iran—which helped give important advantages to the Soviet KGB—set back not only U.S. strategic interests but those of the P.R.C. as well.

China had for some time been initiating programs of intensive support for the weakening Shah government of Iran in order to create a more stable buffer against expected Soviet southward expansion.

Late in 1978, the government of Vietnam, with complete Soviet support, invaded Kampuchea, a nation which had undergone a hideous process of genocide, most immediately following the fall of Phnom Penh in 1975. The genocide was conducted under the direction of the three factions—that tied to China and those tied to Vietnam and the Soviet Union—which comprised the dominant Khmer Rouge. In 1977, Vietnam, with Soviet support, established significant portions of its army in Laos in preparation for a move into Kampuchea. After the invasion, the Chinese-backed faction of Khmer Rouge madman Pol Pot was dumped and replaced with the pro-Vietnam faction led by Khmer Rouge regional commander Heng Samrim. The Indochinese peninsula fell under

the joint suzerainty of the Soviet Union and Vietnam.

Strategically, China was now faced, in the view of its leaders, with an additional well-armed border adversary allied to Moscow, which had just obtained a greater territorial depth. The subsequent buildup of Soviet naval and air forces in Vietnam, particularly at the old U.S. base at Cam Ranh Bay, drastically increased the pressure on the Chinese coastline bordering the oil-rich South China Sea.

For the United States, which had withdrawn all ground forces from Southeast Asia after the Vietnam War debacle, the Soviet buildup in Vietnam meant a decisive Soviet presence in the South China Sea, the gateway to the strategic Straits of Malacca, and increased pressure on the U.S. naval base at Subic Bay in the Philippines.

Nearly a year after Deng's visit, the Soviet Union invaded Afghanistan. The direct use of Soviet force sent shock waves through Peking, for it showed the Soviet's willingness to use massive violence in the immediate vicinity of their borders. The invasion put maximum Soviet pressure on the strategic Afghanistan-China border, while for the United States it signaled that Moscow was several steps closer to a warm-water port in the Pakistan province of Baluchistan and to critical Persian Gulf oil reserves. A U.S. administration obsessively fixated on the passage of a SALT II treaty could only muster a wrist-slap in response.

The Deng visit to Washington was thus the highest point, the climax, of a policy that had been dubbed the "China Card." Upon his arrival in the United States, Deng responded to President Jimmy Carter's ornate welcome with an embarrassing and not-so-veiled attack on the Soviet Union. "The world today is far from tranquil. There are not only threats to peace, but the factions causing war are visibly growing." At a dinner reception for businessmen at the White House, Deng contributed: "In the joint communiqué on the establishment of diplomatic relations, our two sides solemnly committed ourselves that neither should seek hegemony," and, finally, when speaking on Capitol Hill, he stressed: "You can't trust the Russians," and then went so far as to tell the U.S. press that he recommended a common front among the United States, Japan, Western Europe, and China to block the sudden, explosive Soviet expansion.

A month later a weak China felt it necessary to respond in a calculated way to the growing Soviet-supported challenge. The Chinese invasion of Vietnam—modeled on the 1959 and 1962 India-China border wars, and originally planned to be a brief, sharp incursion followed by a quick withdrawal and negotiations aimed at codifying Chinese superiority—was a failure. China learned two important lessons from the early 1979 war. First, that its fledgling economic modernization program was thrown into a catastrophic disruption by the cost in money and materiel of the war, and second, that its aging military hardware would have to be modernized.

The Afghanistan invasion soon followed, with China and the United States responding only with impotent gestures.

The total impotence of the United States in the face of the Soviet assault was merely the end result of the policy track counseled by former Secretary of State Henry A. Kissinger 10 years before, who based his policies on the need to force a decline in the industrial expansion of the U.S. and Western economies, combined with arms control and other arrangements with Moscow. Euphemistically identifying his policy as "détente," Kissinger locked this nation into an ever-widening strategic inferiority vis-à-vis the Soviet Union. Détente—or more accurately, a process of negotiation identified by Kissinger's intellectual mentor Lord Peter Carrington as a "New Yalta Agreement"—introduced China into the equation principally as a means of forcing a more equitable arrangement from the U.S.S.R.

Thus was born the China Card—or, as has been commonly stated in Pugwash circles for the past 15 years, "The road to Moscow starts in Peking."

But China itself was weak, just beginning to recover from 10 years of economic disaster at the hands of cultural revolutionaries who controlled the central military command through Lin Piao; the mass cultural organs and universities which spawned the notorious Red Guards through the Gang of Four and Chen Po-Ta; and Mao's internal security and spy apparatus through Kang Sheng.

The cataclysm of the cultural revolution had been presaged during the three-year period from 1958-60 by the economic catastrophe known as the Great Leap Forward, engineered under Mao's tutelage and Chen Po-Ta's ideological direction. The Great Leap and the Cultural Revolution, however, were two periods in which Mao and the Maoists dominated Peking policy. But even before the Great Leap, and during the interim periods leading up to Mao's death in 1976, Maoism was a heavy-handed suppressor of economic development, operating as one line in Mao's oft repeated "two-line" struggle.

By late 1979, the combined weaknesses of the Carter administration's flirtations with the Islamic Card and its deep involvement with the impotent China Card culminated in the obscenity of the White House and the U.S. elections being held hostage by crazed students in Teheran who were heavily manipulated by the KGB.

China's new U.S. policy

In a January interview with the *Washington Post*, Premier Zhao, identifying the purpose of his visit this year to the United States, offered as his first priority a point totally contrary to ones made by his mentor Deng in 1979. "It is impossible to establish a comprehensive strategic partnership with the United States because of differences in key areas," he stated. Zhao also carefully abstained from any anti-Soviet rhetoric.

Over the past three years, China's turn-about in its approach to relations with the United States has been complemented by the Reagan administration's reversal of the China Card policies that were followed from Kissinger to Brzezinski.

ski. Reagan's Pentagon and National Security advisers have successfully urged him not to view China as a global factor to be played against the Soviet Union, but as a much-reduced regional factor in Asia, and, for that matter, one that is secondary in security terms to Japan. And finally, a terrified Pugwash crowd, who some 12 years ago with its chief spokesman Kissinger created the China Card, has begun a campaign to caution against the policy it had initiated.

Beyond bluntly stating the impossibility of a strategic alliance in his *Washington Post* interview, Zhao outlined four priority points in China's relationship with the United States. As a package, these points not only accurately indicate the principal thrust of that relationship, but also provide answers to why the Chinese have shifted its focus.

Zhao emphasized that China will give "active support" to a three-way conference on Korea, a conference which would involve North Korea, South Korea, and the United States. Zhao, in his Jan. 10 meeting with President Reagan at the White House, presented the President with a secret "peace" bid from North Korea. The outline of the plan, which was disclosed by Radio Pyongyang only hours later, was far more detailed than ones presented through Chinese auspices to U.S. Defense Secretary Caspar Weinberger during his September 1983 trip to Peking and through Chinese diplomatic auspices to the United States around the period of the barbaric North Korean assassination of the South Korean cabinet in Rangoon, Burma. Just prior to Zhao's visit, senior State Department officials reported that the North Korea action was encouraged by the Soviet Union.

Peking's persistence in promoting Korea talks is one aspect of an overall Chinese plan seeking border peace. Hostilities on the Korean peninsula would likely cut China's vital economic links to Japan and the United States, as China would quickly be forced to contest Moscow for supremacy in Pyongyang through stepped-up military and other aid. The price for such an aid package would be high, threatening to torpedo China's tenuous economic modernization efforts.

Soviet military pressure

Peking's top priority centers about a policy of longterm economic modernization. To have a chance of succeeding, China must stay out of border conflicts, as the disastrous consequences of the 1979 border war with Vietnam showed. To do that, China must find ways to buy time with Moscow and Moscow's friends in the region.

The principal sources for this orientation are two, one external, one internal. The external is the massive military pressure that the U.S.S.R. has brought to bear on China, especially since 1977-78. Moscow's goal is the same as with West Germany or Japan—neutralization.

From 1965 to the present, the Soviet Union has increased its forces on the Sino-Soviet border from 20 to 52 divisions, with the bulk of those on the important Manchurian border, the heartland of China's heavy industry. These forces, according to military experts, have been brought up to the level

of sophistication in hardware and training of Soviet forces now deployed on the western front. In addition, Moscow also deploys divisions in and along the Mongolia-China border. Since 1978-79, the Soviets have installed 117 SS-20 missiles in Asia, of which most are targeted at Chinese missile, logistical, and urban sites. The invasion of Afghanistan sealed off China's strategic overland passage to the west in 1979. In any open conflict with Moscow, India's close military ties to the Soviet Union and the India-China border must be taken into consideration.

Finally, Soviet air and naval forces operating out of Vietnam can so plague China's South China Sea coastline, a major trade route, and China's offshore-oil development, that recently the P.R.C. announced that of its minimal weapons modernization program, one of the highest priorities will be given to modernizing its naval coastal defenses. Finally, there is the Lao-Vietnam border with China, which is still tense.

The decision to buy time through border pacification under tremendous Soviet military pressure intersected an important factional upheaval in China's politics in 1980. It was in late 1979-80 that the Deng faction made major strides to consolidate its then-leading position within the Chinese hierarchy. During 1980, the show trials of the Gang of Four, Chen Po-Ta and the remainder of Lin Piao's general staff occurred, and 1980 also marked the climax of an effort to cripple the faction of then-Party Chairman Hua Kuo-Feng through the posthumous discrediting of Kang Sheng, rumored to be the illegitimate father of Hua. More importantly, Kang ran Mao's internal security and spy apparatus out of which Hua, a member of this faction and minister of the interior, was nominated to the party chairmanship by Mao.

This combination of events contributed to the ousting of important sections of Hua's supporters, all associated with the "moderate" Maoist spy networks. These Maoist spy and security networks had conspired with regional military supporters of the Deng group, as well as important sections of the economic planning bureaucracy of the state long protected by Chou En-Lai, typified by Li Hsien-Nien, and allied elements of the Central Command led by Gen. Yeh Chien-Ying, to topple the Maoist Gang of Four.

In the midst of the attack on Hua and his supporters in 1980, the Deng group launched an assault against the so-called Petroleum Faction, headed by the petroleum ministry but in fact a pseudonym for the Yeh-Li group.

The outcome of these two factional victories—especially the torpedoing of Hua—undermined what remained of the Maoists at the top levels of the Chinese leadership. Hua and his group were Maoist. The Li-Yeh grouping was not, but under the protection of Chou they were exempted from the brutal purges of the Cultural Revolution. The crippling of Maoism at the top opened the door for the regime to establish economic modernization along Western lines as its primary objective, and, though maintaining an ardent anti-Soviet posture, shying away from wasteful conflicts while the nation is

weak.

The Deng line was then consolidated through the promotion of Deng's protégé Hu Yao-Bang to the party chairmanship, and the rise of Zhao—who was paraded through the streets of Canton with a dunce cap by Red Guards in 1967—to be head of state. Both Hu and Zhao, vehement anti-Maoists, were joined by Chen Yun, long protected by Chou, an open opponent of the Great Leap. Clustered about the Deng group were the followers of former Peking mayor Peng Chen, the acknowledged right-hand of former president Liu Shao-Ch'i. Peng was also the first major target of the Cultural Revolution.

Military modernization

The third priority stressed by Zhao in his *Washington Post* interview was that China must rely mainly on its own efforts to modernize its military. He reported that China could not buy enough weapons to modernize its own troops.

Following the 1979 Vietnam border war and Deng's factional consolidation, military modernization was reduced to the last of the four priorities of the "Four Modernizations." Indeed, Dengists argue that only as a result of building up a modern industrial economic base can the foundation be laid for full-scale military modernization. This adds to China's unwillingness to seek border confrontation, for a central lesson of the Vietnam border war was that conventional military modernization is a prerequisite for successful military operations.

Zhao did indicate in his fourth point that he would be sending the Chinese defense minister "before long" to the United States, as previously agreed during the September meeting with Weinberger, to discuss new measures for military cooperation. China is interested in dual-use high technology such as computers and related materials; however, it is precisely in this area of military-related high technology that both the Reagan camp and the Pugwash crowd have been most resistant.

"At the top of the agenda," according to Zhao during his visit to Washington, would be the proposed sale of two nuclear power plants by U.S. companies to the P.R.C. Access to nuclear power, which in China's economic plan will play a growing role as the country develops, is but one aspect of the technologies that the Deng group sees as essential.

Deng made significant concessions on the nuclear power issue, according to a senior White House official, publicly agreeing to rule out Chinese nuclear aid that could go for weapons development to third countries. (Informed sources believe this stipulation was principally aimed at Pakistan and North Korea, although the P.R.C. has also shipped nuclear material to Argentina.) Zhao and Reagan also signed an expected agreement on industrial and technological cooperation and renewed a five-year accord on scientific exchanges.

Economics is now in a commanding position in terms of China's relation to the United States; the limits of strategic cooperation have been reached. China's interest in securing

western technologies was evidenced in Zhao's willingness to suppress virtually all comment on the explosive Taiwan issue.

Overcoming the obstacles

China was originally pressed, in 1969-71, to open talks with the United States when the first wave of suppression of the Cultural Revolution was being launched by all government forces except the factional group around Lin Piao and Chen Po-Ta. It was during this factional struggle between Lin and all other forces that the Soviet Union and China engaged in serious combat in 1969 on the Manchurian border. These battles immediately provided Lin Piao with a strong factional argument for military modernization to deal with the Soviet threat.

In response to the challenge of both the Soviet Union from the outside and the Lin Piao group from the inside, Mao was forced to seek the "American Card" to undercut Lin's arguments for military modernization, and to attempt to checkmate the Russians.

But for Chou, and more emphatically for the disgraced Deng group then in contact with Chou's people, the opening to the United States promised more than simply an advantage in the factional fight against Lin and the deterrence of Moscow: It would become the leverage, ultimately, for defeating the Cultural Revolution and embarking upon the pathway to economic modernization. This critical aspect of the opening to the West was opposed by Mao, the Gang of Four, and, to varying degrees, the Maoist Kang Cheng "Police Group," as well as certain of the Chouists.

The pragmatic accommodations of the Deng group in its economic plan to what they call the "Chinese condition"—in fact nothing more than the harsh situation that faces any developing country, albeit on a grander scale—represent certain internal obstacles to rapid modernization. The Pugwash group's desire to control the profile of technology exports to China toward the "appropriate technology" spectrum and extractive industries is an even more profound obstacle.

Moreover, the entire Chinese modernization program requires a healthy world economy, since the primary forming of capital generation in its plan will come from the export of raw materials and light industry products, and judicious borrowing on the private markets from the international lending agencies. Without robust world trade, China's economic modernization is a hopeless cause.

If all three problems were to be rectified, China would also face the most immense infrastructural problems related to energy, transportation, and water supply. To ensure that the relatively sane path that China's leaders have presently chosen succeeds and develops—to guarantee that—the kind of large-scale project of the LaRouche Asia program is urgent. For a China that returns to anarchy, either organized (i.e., Maoist) or unorganized (i.e., regional warlordism), will—considering current Soviet intentions—not only explode the stability of the Asian region, but perhaps explode the world.