

British set up U.S.-China crisis

1994

January: Economic czar Zhu Rongji announces China will form three government development banks to finance industry, agriculture, and foreign trade.

March: Clinton Commerce Secretary Ron Brown announces "National Export Strategy" to increase exports to "Big Emerging Markets," such as China, India, and Africa.

March 7: London Institute for International and Strategic Studies (IISS) issues report, "China Changes Shape," which calls for the breakup of China.

April 9-11: Trilateral Commission in Tokyo produces a report, "An Emerging China," demanding International Monetary Fund shock therapy against China.

May 15: World Bank Managing Director Ernest Stern in Beijing demands China deflate and cut credit.

May 13-22: Zhu Rongji calls for government support for "improving agriculture and state industries."

May 27: Chinese Vice Minister of Science Hui Yongzhen calls for "A modern Silk Road," in *EIR* interview.

May 27: Bush China Ambassador James Lilley criticizes President Clinton for not allowing Taiwan President Lee Teng-hui to visit the United States. Sens. Paul Simon (D-Ill.) and Frank Murkowski (R-Alaska) begin a "Taiwan lobbying" drive.

June: New York Council on Foreign Relations journal *Foreign Affairs* reprints IISS report "China Changes Shape."

July 1-4: Chinese Prime Minister Li Peng leads a delegation to Bonn which signs \$3.7 billion in contracts.

July: President Clinton travels to Bonn and announces new "partnership" with Germany on policy toward the East.

Aug. 11: People's Liberation Army (PLA) Gen. Xu Hui-zi visits Pentagon; first Chinese general in U.S. since 1989.

Aug. 12: Clinton official tells *EIR* that coming China trip by Commerce Secretary Brown signifies Clinton policy shift away from sweatshops, toward U.S. export of capital goods to build China's infrastructure.

August: Zhu Rongji says "erroneous ideas" that government should no longer intervene in the economy have led to "chaos and speculation"; he attacks *laissez-faire* and "blindly worshipping western economics textbooks."

Aug. 16: A Beijing official tells *Juang Chiao Ching* of Hongkong that Li Peng's trip to Germany created a Sino-German partnership "to isolate Britain."

Aug. 27-Sept. 3: Clinton Commerce Secretary Brown travels to China with 24 corporate executives.

Sept. 2: President Jiang Zemin asks Clinton to China.

Sept. 9: Chinese President Jiang Zemin rides on high-

speed train, the TGV, in France.

Oct. 16-19: Defense Secretary William Perry in China.

Oct. 21: Clinton landmark North Korea nuclear accord.

Dec. 2: Zhu Rongji blames China's inflation on "the invisible hand," attacks lifting of price controls and "market opening," again attacks "western textbooks."

1995

January: Li Peng warns that China should not link yuan to the dollar because "another October 1987 crisis" would drag China into global crash.

Feb. 1: Beijing's *Shijie Zhishi* journal praises "Clintonomics" as an attempt to "replace *laissez-faire* with activism and strengthening government intervention."

February: British agent and Hongkong financier Li Ka Shing under fire as his allies in China's Politburo and companies are forced to resign.

March: London-controlled *American Spectator*, in "China Shops," charges Clinton and Brown with aiding massive arms sales to Beijing.

March 11: Zhu Rongji denounces financial derivatives, saying "losses here were \$1 billion last year abroad."

March 21: Henry Kissinger in Bombay says China is a threat because of its "extraordinary economic progress."

March 29: Kissinger in speech to the Royal Institute of International Affairs (RIIA) in London demands U.S. adopt geopolitical policy to contain China.

April 3: *China Daily* declares "special relationship" between United States and Britain is "over."

April 22: May issue of London *Jane's Intelligence Review* warns China is a military threat.

May 2: U.S. House of Representatives unanimously urges Clinton to let Taiwan's President Lee Teng-hui visit Cornell University, his alma mater, in New York.

May 5-6: Secretary of State Warren Christopher tells National Press Club it's not appropriate to issue visa for Lee Teng-hui.

May 9: U.S. Senate votes 97-1 to urge Clinton administration to grant Lee's visa.

May 11: China warns of grave consequences of Lee Teng-hui's trip.

May 16: London RIIA's Peter Ferdinand tells *EIR* that by 2010 China will threaten Asia militarily, and start regional wars, which will lead to China breaking up.

May 21: Bush-league Sen. John McCain (R-Ariz.) calls for recognition of Vietnam to "encircle" China.

May 22: Clinton grants Lee Teng-hui visa.

May 23: China recalls military team from U.S. visit.

May 26: China cancels defense minister U.S. trip.

May 26: The Lee Teng-hui visit "will turn out to have been very useful for the Republicans in the elections" to attack Clinton, Heritage Foundation tells *EIR*.

June 1: Recent Republican bills are "meant to demonize China," Dr. Lawrence Nicksch of the Congressional Research

Service warns in Washington; charges Bush crowd plans attack on Clinton for bettering China relations.

June 2: Clinton extends China Most Favored Nation trade status.

June 7: House and Senate foreign aid bills have "over 20 pages of China-bashing," aide to House International Relations Committee says. Senate calls for U.S. to recognize Tibet sovereignty. Both call for U.S. military "encirclement" of China in Spratly Island area.

June 7-11: Lee Teng-hui visits United States.

June 11: Bush holdover U.S. ambassador in Beijing Stapleton Roy announces he will leave his post.

June 15: Taiwan Prime Minister Lien Chan on tour of Europe.

June 16: Beijing recalls Washington ambassador.

June 16: Beijing postpones high-level Taiwan meeting.

June 17: Stapleton Roy leaves China. Xinhua accuses U.S. of "undermining Chinese sovereignty."

June 17: Vincent C. Siew, chairman of Taiwan Mainland Affairs Council, says, "Taiwan is a sovereign state."

June 19: BBC agent Harry Wu arrested by China at Kazakhstan border, charged with spying.

June 20: Beijing Foreign Ministry says China has no plans to send an ambassador to Washington.

June 21: David Howell, chairman of British House of Commons Foreign Affairs Committee, tells *EIR* that London is working with Bush, Kissinger, and Congress to create a U.S.-China split, to the benefit of Britain.

June 23: Beijing says Britain's Hongkong politicians may stay after 1997, asks no changes in civil service.

June 25: China agrees with Britain over Hongkong Airport; China assumes \$21 billion construction debt.

July: Kissinger in Beijing, meets Li Peng.

July: Jiang Zemin and Foreign Minister Qian Qichen under attack in Politburo for softness on U.S.

July 9: Newt Gingrich demands Clinton establish official relations with Taiwan, damns U.S.-China ties. Sen. Jesse Helms (R-N.C.) attacks Beijing detention of Wu.

July 11: AIG Insurance magnate and Kissinger business partner Hank Greenberg appointed to Beijing advisory post.

July 11: London *Financial Times* editorial attacks China military buildup, arrest of Harry Wu, says inept Clinton administration is to blame.

July 13: Kissinger criticizes Gingrich before Senate Foreign Relations Committee, poses as China ally.

July 19: *Wall Street Journal* says Clinton "needs help" and should send George Bush or Kissinger Associates President Brent Scowcroft to China as ambassador.

July 20-26: China launches nuclear-capable missile tests aimed just north of Taiwan. Tapei markets crash.

July 21: Clinton National Security Council expert Ezra Vogel charges Republicans are forcing China into war. "Beijing believes that Congress believes, that *China is too big and ought to be split up*," he states.

July 21: "U.S.-China relations are in the most serious difficulty since the opening of diplomatic relations in 1971," the State Department's Winston Lord warns.

July 21: "The China card is no longer viable in any way, shape, or form," Sen. Chuck Robb (D-Va.) says, asserting that the U.S. will militarily defend Taiwan.

July 25: Kissinger in *Die Zeit* and *New York Post* calls on U.S. and China to stop "collision course."

July 25: Lilley tells Senate that Clinton weakness is causing Beijing to become belligerent.

July 26: Lilley "is a Republican electoral strategist" who has helped orchestrate the crisis to use against Clinton, and now Lilley, Kissinger, and Bush are "positioned to mediate," Lilley associate tells *EIR*.

July 28: Christopher reaffirms Clinton "One-China policy" at National Press Club in Washington.

July 31: Defense Minister Chi Hoatian says PLA "will not sit idle if foreign forces meddle in China's internal affairs or are bent on splitting China."

July 29: London *Economist* editorial states that official British policy is that "China must be contained."

July 30: China charges two U.S. Air Force officers with spying on a Chinese military base.

July 31: *Time* magazine's Charles Krauthammer pens a column demanding "containment of China."

Aug. 1: Christopher meets Qian Qichen in Brunei. U.S. asks release of Harry Wu, and China asks for pledge of no more Taiwan visits, but no agreement.

Aug. 1: Lee Teng-hui says that Taiwan may hold a military exercise on National Day, Oct. 10.

Aug. 2: China expels two U.S. Air Force officers as spies. U.S. chargé d'affaires summoned for protest.

Aug. 3: Christopher demands investigation into why the Pentagon sent officers to spy in China. "The timing was incredibly bad," State Department tells press.

Aug. 3: House International Relations Committee resolves U.S. should support Taiwan entry into the United Nations. Democratic Progressive Party of Taiwan testifies this "means acceptance of Taiwan as a sovereign state."

Aug. 4: *People's Daily* charges U.S. government is behind *Time* magazine article, which "reveals a plot to 'contain' and even 'subvert' the Chinese government" and "reflects opinions of some U.S. policy-making levels."

Aug. 4: Xinhua charges Lee Teng-hui "incited Taiwan's masses . . . toward splitting" China.

Aug. 6: China cancels a senior Taiwanese visit.

Aug. 6: Christopher denies normalizing relations with Vietnam is an effort to neutralize China.

Aug. 8: The U.N. officially circulates a statement by Taiwan's Lee Teng-hui, infuriating Beijing.

Aug. 9: Taiwan stock market plunges to a 20-month low on reports of more Chinese military exercises.

Aug. 10: PLA announces new missile tests north of Taiwan in the East China Sea on Aug. 15-25.