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## U.S. OPTIONS FOR RESPONDING TO THE SLAUGHTER IN CHINA

### INTRODUCTION

This weekend's slaughter of students in Beijing by China's People's Liberation Army shocks the world. Said George Bush at his Monday press conference: "The United States cannot condone the violent attacks and cannot ignore the consequences for our relationship with China which has been built on a foundation of broad support by the American people." China must understand, implied Bush, that turning its army on its peacefully protesting citizens could erode quickly that foundation of popular American support for China. This must be part of the calculation of China's leaders as they plan their next action.

What must be part of Washington's calculation as it plans its next action are long-term U.S. interests and the fact that the events in Tiananmen Square are the result of a complex internal situation in China. The U.S. response must be driven by vital American interests and not emotion. The response must be well-reasoned and measured; it must not injure the U.S. more than China; it must not injure the Chinese students and people more than it injures those Chinese leaders responsible for the slaughter; it must not give Moscow a chance to undermine Washington's ties to Beijing; and, of course, it must not weaken those forces of reform that have sparked the Chinese democracy movement.

**Fragile Relationship.** Until Henry Kissinger's July 1971 secret visit to Beijing, few of America's relationships with other countries exhibited the fragility, confusion, and contradiction of that between the U.S. and China.

Indeed, it is only in the past two decades that Washington and Beijing have tried to define a common ground for one of the world's most important bilateral relationships. Considerable progress has been made toward this, despite continued divergent, and at times, contentious U.S.-China interests.

**Force for Stability.** China is very important to the U.S. for several reasons. A China with constructive ties to the U.S. has proved, in general, a force for stability in Asia and the world. China is the largest continental nation in Asia, bordering some of the globe's potential flashpoints. To its south sits war-torn Southeast Asia. To its west is Afghanistan. And China shares a 4,670-mile border with the Soviet Union. While it no longer is correct to talk about playing the "China card," China's siding with the U.S. against the Soviet Union is an extremely important element of Washington's geopolitical calculations. For hostility to mount between the U.S. and China would force a major American reassessment of the global balance of forces.

China is not only America's 13th largest trading partner but it is also the world's ninth largest economy, third largest producer of energy, and fourth largest producer of steel. With a population of over one billion, China is the globe's largest potential market for U.S. goods. Beijing commands the world's third largest nuclear force. And competing with the Soviet Union, Britain, France, and the U.S. as one of the world's largest arms exporters, China is a nation increasingly capable of influencing events in Asia and elsewhere.

**Balancing Moscow.** Beijing views Washington as equally important as Washington sees Beijing. Beijing relies on Washington to balance Moscow's presence in Asia. The Soviet threat was the principal factor that initially fueled the U.S.-China relationship. It remains extremely important today. For one thing, Beijing and Washington remain concerned over the Soviet presence in Asia and the Kremlin's efforts to increase its political influence around China's periphery. For another, both China and the U.S. agree on the need for the U.S. to remain actively involved in maintaining the global balance of power.

Although encouraged by the recent tendencies toward reform in the Soviet Union, Beijing, like Washington, remains wary of Soviet goals and strategies in Asia. For instance, last month's Sino-Soviet summit may have ended the two countries' 30-year estrangement, but it did not deter the Chinese from allowing a U.S. naval port call in Shanghai a day after the summit ended. Over the past decade, the U.S. and China have laid the groundwork for resisting Soviet initiatives in Asia that challenge their common interests. The U.S. should not summarily terminate these important ties now.

Washington is also important to Beijing for the role played by America in China's economic modernization. This has resulted from and created an extensive array of Sino-American scientific, technical, and cultural contacts. These contacts have fueled China's economic development. Much more significantly, in terms of recent events, China's economic and cultural contacts with the U.S. have helped spur the demands for political reforms which have fostered the student movement. Today, there are more than

40,000 Chinese students studying in the U.S. In a sense, contact with American institutions, businesses, investors, tourists, and culture has been a virus that has infected China with democracy.

## U.S.-CHINA ECONOMIC AND CULTURAL CONTACTS

U.S. economic and cultural contacts with China have increased dramatically since Nixon's opening to the People's Republic of China in 1972 and Deng Xiaoping's "Open Door" economic policies of the 1980s began to be institutionalized.

U.S. trade with China has been increasing significantly, with U.S. exports growing at an annual rate of 20 percent over the past five years. In the same period, U.S. imports from China have risen 28 percent. Last year, U.S. exports to China topped \$5.0 billion, up from \$3.5 billion in 1987. These exports include: aircraft, logs, oil drilling equipment, plastics, fertilizers, wheat, computers, and industrial machinery. U.S. imports from China last year exceeded \$8.5 billion, up from \$6.9 billion in 1987. Major U.S. imports include: clothing, toys, petroleum, floor coverings, recording equipment, and metal.

**Encouraging Foreign Investment.** U.S. investment in China too has been rising rapidly, as the Chinese have been trying to improve their technology base by encouraging foreign companies to set up facilities in China. Equity joint ventures and cooperative ventures are the primary mechanisms for this, although wholly foreign-owned ventures are growing in number and value.

U.S. investment in joint ventures in China topped \$3.1 billion in 1987. Major U.S. facilities in China produce aircraft, computers, machine tools, instruments, and automated control systems. Present in China are: McDonnell-Douglas Corporation, Atlantic Richfield Corporation, Boeing Commercial Aircraft Company, Wang Laboratories, Lockheed Corporation, Xerox Corporation, International Business Machines Incorporated, and Hewlett-Packard Company.

In addition to economic contacts, U.S.-China people-to-people contacts have been soaring, as Beijing has opened its doors ever wider. There are currently some 40,000 students from Mainland China (and over 26,000 from Taiwan) studying in the U.S. By contrast, fewer than 100 Soviet students are now in the U.S.

**Bringing Home American Ideals.** The huge number of Chinese students, of course, pick up and take home technical knowledge. They also bring back U.S. political and social thoughts, including the Western concepts of democracy, government accountability, and orderly transfer of political power. Surely many of the students' reform ideas, concepts, rhetoric, aspirations, and goals have been learned in America. Thus when Chinese students sought a symbol for their cries for democracy, their model was the Statue of Liberty – not a statue of Lenin or Marx or Gorbachev. American universities, meanwhile, serve as one of the major meeting places for

allowing for more direct and uninhibited contacts than can be established elsewhere.

In China, there are over 3,000 American students and businessmen, and more than 300,000 American tourists visited China in 1987, bringing American culture to the Chinese at home.

## U.S. - CHINA MILITARY COOPERATION

In the August 1982 Shanghai Communique, the U.S. agreed to phase out arms sales to Taiwan eventually in exchange for Beijing's promise not to invade Taiwan. The Reagan Administration, under the direction of Secretary of Defense Caspar Weinberger, then began to make overtures to the People's Republic of China for closer military cooperation. Weinberger argued that the U.S. should help China improve its defensive naval and ground forces to counter the massive Soviet buildups in northeast Asia, Afghanistan and Vietnam.

By selling advanced weapons to China, Washington gains greater assurance that Beijing will be better able to oppose Soviet expansion. This complements already existing intelligence cooperation; the U.S. and China operate jointly manned listening posts to monitor Soviet nuclear weapons development. And it also complements looser strategic cooperation to aid freedom fighters in Afghanistan. There is similar aid to Cambodian freedom fighters resisting Vietnam's continued occupation, but most Chinese aid goes to the Khmer Rouge, which is opposed by the U.S.

**Selling Defenses.** Weinberger told Chinese Defense Minister Zhang Aiping of the U.S. readiness to cooperate militarily with China during a September 1983 meeting in Beijing. Zhang and Weinberger met in Washington the following June and tentatively agreed that the U.S. would provide Beijing with defensive missile technology. Zhang also expressed Chinese interest in U.S. advanced electronics, such as guidance systems, communications gear, and computers. In January 1985, General John Vessey, then-Chairman of the Joint Chiefs of Staff, became the first head of U.S. armed forces to visit communist China. He met with his counterpart, General Yang Dezhi.

The final arms accord, announced that month, stated that the U.S. would sell China:

- ◆ ◆ The *Phalanx* ship defense system, a rapid-fire gun for close-in naval attack;
- ◆ ◆ Modern towed sonars to detect submarines;
- ◆ ◆ *Mark 46* torpedoes;
- ◆ ◆ *Hawk* air defense missiles;
- ◆ ◆ *TOW* antiarmor missiles;

◆ ◆ Improved artillery technology.

In October 1985 the Reagan Administration agreed to a \$98 million contract that would give China plans and equipment for a munitions factory as well as the technical data for manufacturing 155-millimeter artillery shells.

The U.S. also offered to modernize the avionics on China's F-8 high-altitude air defense interceptor. The \$245 million deal – the largest ever between the two countries – upgrades the navigation, fire control, and communications systems of 50 Chinese F-8 fighters. The contract was awarded in August 1987. China also bought two L-100-30 airlift airplanes from America's Lockheed Corporation for use by its Civil Aviation Administration. The aircraft is a civilian version of the C-130 *Hercules* military airlift aircraft.

**U.S. Sanctions.** U.S. military trade with China hit a snag in October 1987 when the U.S. imposed sanctions on high-technology sales in response to alleged sale of Chinese-made *Silkworm* missiles to Iran. These restrictions were relaxed in spring 1988, paving the way for negotiations for China to buy at least \$180 million in CH-47 *Chinook* helicopters from the U.S. Four years earlier, China had procured 24 Sikorsky S70C *Blackhawk* helicopters, some of which were used in October 1987 operations to repress demonstrations in Tibet.

In response to attacks on pro-democracy students by Chinese military units, on June 5, 1989, George Bush ordered the suspension of all commercial military sales to China. This includes suspension of the \$500 million F-8 fighter modernization deal. Bush also suspended visits between U.S. and Chinese military leaders. This would include visits like the U.S. Navy ships that visited Shanghai last May 19, the day after the conclusion of Soviet leader Gorbachev's visit to Beijing.

## OPTIONS FOR A U.S. RESPONSE TOWARD THE SLAUGHTER IN CHINA

Americans clearly must express their repugnance at and condemnation of the Tiananmen Square slaughter. Much of this can be done by Americans privately and by the statements of local, state, and federal officials. The U.S. government too, through actions and statements, must express its horror at what some Chinese leaders have unleashed.

Unlike private expressions of outrage, however, official U.S. positions must take into account a number of complex and cross-cutting – and even infuriating – factors. While it thus probably will not satisfy the American public's justified clamor for principled, tough action against those in Beijing responsible for the slaughter, Washington's actions must be guided by America's long-term and permanent interests. And, of course, Washington's actions are constrained by its relatively limited leverage over China.

Among the factors that must guide the White House and State Department as they craft America's policy towards China are the recognition:

- 1) that the U.S. has very limited leverage on China;
- 2) that China historically has paid little attention to foreign opinion or even foreign relations when China has been engulfed in domestic turmoil;
- 3) that the U.S. must move in a measured, appropriate manner;
- 4) that good relations with China are in the solid interests of the U.S.;
- 5) that some U.S. actions could force Chinese leaders to rely on and cooperate more with the USSR than with the U.S.;
- 6) that some U.S. actions could damage the U.S. more than they do China;
- 7) that some U.S. actions could injure the students and citizens of China more than they do those Chinese leaders responsible for the brutality; and
- 8) that limiting or suspending American trade and cultural contact with and investment in China would weaken precisely those forces that have pushed China down the road to reform.

There are various levels of risk to U.S. interests as Washington crafts its response to the events in China. The events in China will determine to the largest extent the level of response appropriate for the U.S. So far, given the rapidly changing environment in Beijing, U.S. options should be selected from the "Low Risk" category. Generally, this is what the U.S. has done.

### ***Low Risk Options***

These are options that probably will not threaten U.S. interests in China but nonetheless signal U.S. anger and disapproval to China's leaders. The Bush Administration could select from these with little fear that they will damage mid-term or long-term American ties with China.

- ◆ ◆ Summon Han Xu, the Chinese Ambassador to the U.S., to the State Department to express U.S. outrage at the massacre in Tiananmen Square.
- ◆ ◆ Increase the number and duration of Voice of America broadcasts to China; consider creating "Radio Free Asia" for long-term promotion of democracy in China, Vietnam, and elsewhere in Asia.
- ◆ ◆ Invite Chinese student leaders studying in the U.S. to the White House to show U.S. solidarity with their goals.
- ◆ ◆ Offer to send medical supplies and personnel to Beijing to treat those wounded by the Army's attack on the students.
- ◆ ◆ Organize a memorial service at a suitable place in Washington for those killed in China; George Bush should attend the service to lay a wreath.
- ◆ ◆ Ask the Chinese Embassy in Washington to open a condolence book in memory of those killed.
- ◆ ◆ Postpone sending U.S. Peace Corps language instructors to China.

◆ ◆ Enact a congressional Joint Resolution condemning violence against students in China.

◆ ◆ Publicly challenge Soviet leader Mikhail Gorbachev to condemn Chinese use of force against demonstrators.

### ***Mid-Risk Options***

These are options to be considered only if the repression of Chinese citizens continues to be brutal and only if it is clear who is responsible for the brutality. These options, while clearly increasing pressure on the Chinese leadership, almost surely would scar U.S. relations with Beijing for a considerable time.

◆ ◆ Declare that turmoil in China is a potential threat to Taiwan and that the U.S. stands by its security commitments made to Taiwan in the 1979 Taiwan Relations Act.

◆ ◆ Suspend American-Chinese military cooperation, including port visits, arms sales, and training. (This risks losing U.S. listening posts in China needed to monitor Soviet compliance with arms agreements.)

◆ ◆ Suspend American backing of China's application for membership in such international organizations as the General Agreement on Tariffs and Trade. (This eliminates an important lever prodding China to reform economically.)

◆ ◆ Stop funding for the U.S. Agency for International Development's \$20 million Trade and Development Program in China. (This hurts U.S. exports to China.)

◆ ◆ Undertake a comprehensive review of U.S. policy toward China.

◆ ◆ Condemn China's military actions as a violation of the Universal Declaration of Human Rights.

◆ ◆ Grant what is called Extended Voluntary Departure status to Chinese citizens in the U.S. to protect them from being forced to go back to China.

◆ ◆ Consult with Britain on ways to preserve civil liberties in Hong Kong, which reverts to Chinese sovereignty in 1997.

◆ ◆ Suspend authorization allowing American space satellite manufacturers to use Chinese launch facilities. (This will benefit Soviet and other European launch facilities and could undermine the world market for U.S.-made space satellites.)

◆ ◆ Suspend tariff agreements on textiles and other goods that give Chinese products preferential treatment in the American market. (This will increase the cost of clothing and other goods for American consumers, particularly for low-income Americans.)

◆ ◆ Call for an emergency meeting of the signatories to the Coordinating Committee for Multilateral Export Controls (COCOM), an informal

organization of NATO countries plus Japan, which seeks to harmonize export controls, to review technology transfer to China.

### **High Risk Options**

These options should only be considered if a government hostile to the U.S. comes to power in Beijing and if the Bush Administration decides that it is ready for a long freeze in U.S.-China relations.

◆ ◆ Cut all American technology sales to China and high-tech joint-venture investments of American corporations in China.

◆ ◆ In cooperation with U.S. friends and allies, impose economic sanctions on China.

◆ ◆ In cooperation with Britain, find a way to provide asylum to the citizens of Hong Kong who choose not to live under Chinese rule after 1997.

## **CONCLUSION**

It is vitally important that U.S.-China policy be based not only on the great revulsion most Americans felt at seeing tanks of the People's Liberation Army fire on unarmed Chinese but also on the immense geopolitical importance of China to the U.S. For one thing, the U.S. has made a major economic and social investment in China. The results of such contact have been seen in Beijing's streets in the past two months. The U.S. has not only sold toasters and TVs to China, it has transferred ideas and ideals.

**Understanding the Overall Stakes.** For another thing, the U.S. and China have laid the groundwork for cooperation in resisting Soviet initiatives in Asia. The U.S. maintains "listening posts" in China to monitor Soviet military movements and weapons tests. On May 19, one day after the completion of the Sino-Soviet summit, U.S. naval ships docked at Shanghai to re-affirm U.S.-PRC interests in deterring Soviet military presence in Asia.

In a December 2, 1988, speech in San Francisco, then U.S. Ambassador to China Winston Lord noted: "China and America must maintain a sense of the overall stakes in our relations. This involves a sensitivity to one another's domestic imperatives, a resort to genuine dialogue, not brinkmanship." In these times of uncertainty in Beijing, U.S. policy makers should take such words to heart.

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## APPENDIX

### Chronology of U.S. China Relations (1949-1989)

U.S.-China relations have taken a long time to evolve and have been marked with confusion and contradiction. Yet great progress has been made since the frigid relations of the 1950s and 1960s. The following chronology indicated the great U.S. investment in the Chinese relationship.

<b>1949 October</b>	U.S. withdraws its diplomats from China after the Communists gain control.
<b>1950 February</b>	Mao signs Sino-Soviet treaty of alliance.
<b>November</b>	Communist Chinese troops invade Korea, killing and capturing U.S. soldiers fighting in Korean War. China holds and tortures U.S. prisoners of war.
<b>1953</b>	U.S. and Chiang Kai-shek sign Mutual Defense Treaty, in which U.S. guarantees security for Taiwan.
<b>1954 July</b>	First Taiwan Strait crisis.
<b>1958</b>	Threat from Peking to liberate Taiwan leads to further deterioration in Sino-American relations.
<b>August</b>	PRC shelling of the island of Quemoy begins second Taiwan Strait crisis.
<b>1960</b>	After ten years of friendly relations, the Soviets and the Chinese break ties.
<b>1963</b>	Mao issues declaration against "American imperialism."
<b>1964 October</b>	China explodes its first nuclear device.
<b>1965 February</b>	Despite President Ho Chi Minh's demands, Mao refuses to enter the war in Vietnam unless China is directly attacked.
<b>1971</b>	Secretary of State Henry Kissinger takes a secret trip to China.
<b>1972 February</b>	President Richard Nixon arrives in Beijing for meetings with Mao and Premier Zhou Enlai, resulting in the Shanghai Communique. In it the U.S. declares that Taiwan is a part of China and that both sides seek to reduce the danger of international military conflict.
<b>1974</b>	U.S. Secretary of Defense James Schlesinger urges for "a far-reaching defense relationship

		with China” in order to blunt the Soviet threat.
		George Bush sent to Beijing as Director of the U.S. Liaison Office, the first U.S. government representative since 1949.
<b>1978</b>		Deng Xiaoping visits the U.S.
	<b>December</b>	U.S. and China sign a second Shanghai Communique which established full diplomatic relations between the two countries as of January 1, 1979.
<b>1979</b>	<b>January</b>	The U.S. recognizes the People’s Republic of China as the sole legal government of China and breaks its treaty and diplomatic relations with Taiwan.
<b>1980</b>		Secretary of Defense Harold Brown announces willingness to sell nonlethal military equipment to China.
		Presidential candidate Ronald Reagan suggests that relations with Taiwan be established at an official level.
<b>1981</b>		During his visit to China, Secretary of State Alexander Haig announces that the U.S. is prepared to consider defensive weapons sales to Beijing.
<b>1982</b>	<b>August</b>	Relations with China fray as a result of continued U.S. arms sales to Taiwan.
<b>1983</b>	<b>February</b>	Secretary of State George Shultz visits Beijing to mend the damaged relations.
	<b>September</b>	Secretary of Defense Caspar Weinberger’s trip to China helps restore the Sino-American relationship.
<b>1984</b>	<b>April</b>	U.S. agrees to assist China’s nuclear power industry.
<b>1985</b>	<b>July</b>	President Ronald Reagan and Chinese President Li Xiannian sign a pact allowing the sale of American nuclear reactors and nonmilitary technology to China.
<b>1986</b>	<b>July</b>	China submits a formal application to join the General Agreement on Tariffs and Trade (GATT).

<b>November</b>	Three U.S. Navy warships arrive at Qingdao, the first U.S. naval visit to a Chinese port since 1949.
<b>1987 October</b>	U.S. refuses to sell high-technology products to China in retaliation for China's sale of <i>Silkworm</i> missiles to Iran.
<b>1988 March</b>	Chinese Foreign Minister Wu Xueqian meets in Washington with President Ronald Reagan and Secretary of State George Shultz about trade and Chinese arms sales to Iran.
<b>1989 February</b>	President George Bush visits China
<b>May</b>	Sino-Soviet summit.
<b>May</b>	China's National People's Congress President Wan Li visits the U.S.
<b>June</b>	President Bush cuts military sales to China in response to military attacks on Chinese civilians.