

## AT SUMMIT, PUT U.S.-CHINA POLICY ON SOLID GROUND

Sensing a dangerous drift in relations, President Bill Clinton and China's President Jiang Zemin have laid the groundwork for a U.S.-China summit on October 24, 1995, in New York City. A great deal of work needs to be done. The U.S.-China relationship is highly unstable and, although Beijing shares much of the blame, President Clinton has only made matters worse.

The Clinton Administration's China policy has been like a runaway car, careening from one side of the road to the other, always in danger of running off the cliff. It is time to regain control of U.S.-China policies. Otherwise, both U.S. interests and the security and stability of Asia will be in jeopardy.

President Clinton should make clear to President Jiang that the U.S.-China relationship should not be focused on only one issue, such as Taiwan, or even human rights. Rather, the relationship should be broadly based. In his discussions with the Chinese president, Clinton should concentrate on four major areas of concern: **1)** trade, **2)** Chinese arms sales and other military provocations, **3)** America's ongoing relationship with the Republic of China (ROC) on Taiwan, and **4)** the status of Hong Kong. Discussing these issues would give the New York meeting a badly needed focus while finally putting U.S. China policy on more solid ground.

**China Must Comply with Trade Agreements.** China's inability or unwillingness to create an environment amenable to foreign business makes U.S. support for PRC membership in the World Trade Organization (WTO) impossible. Beijing has promised to open its markets to greater international participation by strengthening its legal system, easing controls on foreign exchange, removing non-tariff barriers, and opening protected sectors of the economy. However, China so far has not lived up to its promises.

Beijing wants to join the WTO to guarantee its continued economic access to the international community, a critical factor in its own economic advancement. China's leadership also feels that entry into the WTO would be another signal of international acceptance of China as a world power. But if China wishes to enter the WTO, it must accept the same entry standards required of every other country. This should be made clear at the New York summit.

President Clinton also should insist that China abide by the agreement on intellectual property rights, which it reached with the United States in January 1995. Clinton should inform the Chinese that failure to enforce the terms of the agreement will invite U.S. sanctions and cause American corporations to reassess China's commercial attractiveness.

**Hold China Accountable for Arms Violations.** President Clinton should make clear that if allegations of Chinese sales of intermediate-range missiles to Pakistan and assistance to Iran's nuclear weapons program are true, these actions will be considered dangerous violations of international norms. China must be held accountable for such acts and strongly encouraged to adhere to the international "rules of the road." The U.S. cannot ignore violations of these rules.

President Clinton should object strongly to China's hostile military actions in the South China Sea. Earlier this year the Chinese navy took control of the Philippine-claimed Mischief Reef in violation of internationally established territorial norms. This action challenges America's interest in freedom of navigation. Instead of

merely talking about the importance of open sea channels, the U.S. should take a more active approach and make clear that the U.S. 7th Fleet can and will protect these interests. A statement of this sort would send the unambiguous message that America intends to continue playing an active role in the security of Asia.

**Maintain Relationship with Taiwan.** President Clinton must resolutely communicate America's intention to continue its unofficial relationship with the Republic of China, as defined in the Taiwan Relations Act. Though the PRC will ask, the United States should not yield to Beijing's pressure to deny visas for private visits by senior ROC officials, including President Lee Teng-hui. The U.S. must not allow China to exercise a veto over U.S.-ROC relations.

China has shown flexibility by allowing Taiwan to participate in various international organizations, including the Asia Pacific Economic Cooperation (APEC) forum and the Asian Development Bank. Using these precedents, President Clinton should urge the PRC to consider and support Taiwan's membership in the World Bank, the International Monetary Fund, and the World Trade Organization and such U.N.-related agencies as the World Health Organization (WHO) and International Atomic Energy Agency (IAEA).

It must be made clear to President Jiang that U.S. defensive arms sales to Taiwan will continue in direct response to the security situation in the region. Thus, because the PRC's actions will have a direct influence on the nature and quantity of arms sales to the ROC, it would be in Beijing's best interests to refrain from intimidating actions, such as last July's missile tests conducted near Taiwan. China also should scale back its military threat to Taiwan and re-open the high-level dialogue canceled in reaction to President Lee's June visit to the U.S. The suggestion made by President Jiang earlier this month that he would welcome a meeting with President Lee should be praised as a positive first step in strengthening the strained ties between Beijing and Taipei.

**American Interests in Hong Kong.** President Clinton should tell President Jiang that American confidence in the U.S.-China relationship will be damaged if Hong Kong's autonomy erodes after the reversion to China in 1997. Clinton also should express strong U.S. support for Hong Kong's Legislative Council (LegCo), which was elected on September 17, 1995. The current LegCo should be allowed to serve out its entire four-year term, free of any disruption that might arise when Hong Kong reverts to PRC rule. President Clinton should be adamant about maintaining a popularly supported legislative body in Hong Kong.

Clinton also must make it clear that the U.S. intends to conduct substantial bilateral relations with Hong Kong up to and after the 1997 reversion to Chinese rule. This relationship should consist of, among other things, 1) strong American support for Hong Kong's continued participation in international organizations that do not require sovereignty for membership, 2) an active American consulate general, 3) continued U.S. Navy port calls, and 4) an accelerated effort to complete outstanding U.S.-Hong Kong agreements.

**Conclusion.** China's emergence as a major regional and global power will be America's defining foreign policy challenge in the next decade. While the PRC's future will be decided by the Chinese, it is up to America and the international community to define and communicate to Beijing the norms by which it will be judged. Taiwan, Hong Kong, China's military development, and trade are issues important to American interests in Asia. How Beijing responds to these issues will be a test of its intentions and behavior in Asia and the rest of the world. The key for the Clinton Administration in the coming months, and for the U.S. in the foreseeable future, is to conduct relations with China in a more stable manner, ignoring none of these overriding issues but at the same time allowing no one issue to derail the relationship.

Engaging Beijing requires more than rhetoric and meetings. It also requires a clear definition of U.S. interests and priorities that serve as the basis of what the U.S. does, not merely what it says. Words about principle are not enough. U.S. actions must be clear enough to demonstrate unambiguously that American cooperation or opposition depends on how well China adheres to international rules of the road. If nothing else, the October meeting provides an opportunity to define these rules, which serve U.S. interests, and to begin restoring a coherence to the conduct of the President's China policy that has been lost in recent years.

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