

**SINO - AMERICAN RELATIONS IN THE POST - MAO ERA,
1976 — 1979** //

Dissertation submitted to the Jawaharlal Nehru University
in partial fulfilment of the requirements for the award
of the Degree of
MASTER OF PHILOSOPHY

MANORANJAN KAR

**CENTRE FOR EAST ASIAN STUDIES
SCHOOL OF INTERNATIONAL STUDIES
JAWAHARLAL NEHRU UNIVERSITY
NEW DELHI-110067
1981**

"In world politics there are
no eternal enemies, no eternal
friends, only eternal interests"

- Lord Palmerston

"The nation which indulges
toward another an habitual
hatred or an habitual fondness,
is in some degree a slave".

- George Washington

PREFACE

PREFACE

In his Political Report to the Eleventh National Congress of the Communist Party of China, in 1977, Chairman Hua Guofeng declared that China would follow the 'Maoist line in foreign policy'. This declaration was followed by a spell of lull in Sino-American relations. But ultimately according to the dictates of that policy, normalization, and, consequently, exchange of ambassadors between the two countries took place. This could occur as their strategic interest coincided over the issue of 'containment of Soviet Union'.

But what is noteworthy is that normalization of Sino-American relations took place at the cost of ignoring the Taiwan problem for the time being. In the 'Joint Communiqué' on Sino-US diplomatic recognition, US recognised PRC as the 'sole legal government of China' and Taiwan as a part of it. It expected that Taiwan problem would be solved by the Chinese in a peaceful manner. But the Chinese did not give any explicit commitment to that effect. Thus Taiwan problem has continued to be the 'crux' of Sino-American relations.

The hypothesis of this descriptive-analytical study is that in course of implementing the 'Maoist line on foreign policy' in a period of what is called 'de-Maoization', the post-Mao leadership in China has recognised the limitations of that policy and is thinking in terms of finding

out an alternative to that policy. In this study an attempt has been made to know how far the present Chinese leaders are satisfied with the benefits they have got from their 'US connection'. The chapter one is a brief introduction of the study. The second chapter deals with the issues which had hindered the opening of a dialogue between China and the United States till 1972, and the period which immediately followed it. The third chapter deals with the 1976-77 period during which Sino-American relations entered into a stalemate due to several reasons, including the domestic turmoil in the two countries. The fourth chapter is the crux of this dissertation and deals with the various aspects of one of the historic events in international relations that was diplomatic recognition of China by the United States and vice versa. This chapter also gives a hint to the future of Sino-American relations. The fifth chapter which is the conclusion, sums up the main points of the preceding chapters and makes an humble attempt towards understanding the future course of China's foreign policy in general, and Sino-American relations in particular, on the basis of the history of their relations.

For the completion of this dissertation I am grateful to my supervisor, Professor (Mrs) Gargi Dutt, Chairman of

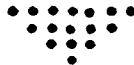
the Centre for East Asian Studies, for her valuable guidance and cooperation. The sole responsibility for any mistake in it lies with me and not with anybody else. I am also thankful to Miss Kamlesh Jain, Documentation Officer of the Centre for East Asian Studies, School of International Studies, for her help and keen interest in the completion of my work. I am also thankful to my friends specifically, Saroj, Siddharth, Jushil and Manabendra, for their valuable suggestions and encouragement. I shall fail in my duty if I do not express my thanks to my friend, Yashwant Singh, who has typed this dissertation with utmost care. Finally, I am dedicating this piece of writing at the feet of my parents, who in the midst of all crises, did not deprive me of the opportunity to complete it.

Manoranjan Kar
(MANORANJAN KAR)

New Delhi,
31 December 1981

C O N T E N T S

	Page No.
PREPACE	1 - 111
CHAPTER I INTRODUCTION	1 - 7
CHAPTER II SINO-AMERICAN RELATIONS IN RETROSPECT	8 - 45
CHAPTER III STALEMATE IN RELATIONS	46 - 66
CHAPTER IV PRAGMATISM PREVAILS OVER RELUCTANCE	67 - 108
CHAPTER V CONCLUSION	109 - 121
SELECT BIBLIOGRAPHY 122 - 129



LIST OF TABLES

<u>Table No.</u>	<u>Title of the Table</u>	<u>Page No.</u>
4.1	US-China Trade, 1972-1976	106
4.2	China's Trading Partners: Rank, Value And Shares of Total Trade, Average 1973-75.	107
4.3	Military Resources of US, USSR And China	108
	A Model of the Future Course of China's Foreign Policy	121

LIST OF ABBREVIATIONS USED

C.C.	Central Committee
COMECON	(East European) Council of Mutual Economic Assistance
CPC	Communist Party of China
M FN	Most-Favoured-Nation
NCNA	New China News Agency
NPC	National People's Congress
PRC	People's Republic of China
ROC	Republic of China
USA	United States of America
USSR	Union of Soviet Socialist Republic.

CHAPTER I

INTRODUCTION

CHAPTER I

INTRODUCTION

In the on-going debate in international relations over the issue of predominance of national interest over ideology, and vice-versa, in the making of foreign policy, time and again it has been proved that no country in the world can ignore the importance of national interest for the sake of ideology. In all major events of this century which had implications for the whole world, including the two world wars, the cold war, the Soviet-American detente and the Sino-American detente, this thesis has been amply proved. In case of the Soviet-American detente, the realisation of the 'overkill capacity' of their nuclear weapons, which could have led to 'mutual suicide', necessitated relaxation of tension.¹ Similarly in case of Sino-American detente, which was preceded by hostility of many decades between the two countries, the factor of national interest also reigned supreme over ideology.

Much water had flown down the river Yangtze, when the process of Sino-American detente began in late sixties, led to the signing of the 'Shanghai Communique' in 1972 and culminated in exchange of ambassadors in the post-Mao era. The whole world witnessed the dramatic developments which occurred in the relations between two erstwhile

¹ For a detailed discussion of the concept of 'overkill' refer to Max Lerner, The Age of Overkill (London, 1964).

enemies in 1979 and made speculations about the further development of Sino-American relations. When we trace the history of their relations, specifically the developments since 1979, we find that the prospects of Sino-American relations is bleak if not doomed. Normally speculations about the further improvement of Sino-American relations are made on the ground that the post-Mao leadership in China has decided to follow the 'Maoist revolutionary line on foreign policy', which had led to Sino-American detente. But what is forgotten while making these speculations is that in course of implementing the 'Maoist line on foreign policy', the post-Mao leadership in China has begun to realise that this policy has failed to serve China's national interest. Therefore, they are now trying to evolve a suitable alternative to this policy.

Speaking on the basis of the history of Sino-American relations, the two countries remained hostile to each other till late sixties as their national interest clashed over the Taiwan problem. But the Chinese desire for a patch up with the United States gathered momentum in 1969, when the Soviet Union intervened in Czechoslovakia on the basis of the 'Brezhnev Doctrine of Limited Sovereignty'. This coincided with the U.S. desire to end the Vietnam war without losing face in the rest of the world. The United States now wanted China to fill in the vacuum which would have

been created after its withdrawal from Indo-China.

This mutuality of interests facilitated China's entry into the United Nations in 1971, which could not be achieved earlier because of U.S. veto against any proposal to that effect. This was followed by President Nixon's visit to Beijing on 21 February 1972 which ended with signing of the historic 'Shanghai Communique'. Regarding the nature of this new relationship which was evolving between China and the United States it might be observed that the compromise between the imperialist U.S.A. and socialist China was a compromise of expediency and not of commitment.²

Thereafter Sino-American relations entered into a stalemate over the Taiwan issue. After the death of Mao, Soviet Union made some overtures to China for a reconciliation. But these overtures did not bear any fruit as the new leadership in China after Mao, turned out to be more anti-Soviet.

When Carter became the new President of the United States, a favourable climate was again created for the betterment of the Sino-American relations. His Secretary of State, Cyrus Vance, visited China in August 1977.

2 O. Edmund Clubb, "China and the Super Powers", Current History (Philadelphia), vol. 67 (1974), p. 135. Here the author observes: "By Zhou's way of thinking, the 'necessary' compromise of 1971-72 with the 'imperialist' U.S. was a matter of expediency; there was no thought that such a compromise represented a permanent commitment".

Before his visit, Beijing had pointed out that the abrogation of 'U.S.-Taiwan Mutual Defence Treaty' must precede any normalization of relations. In this context, Vance's visit to China did not yield much. Later on in an interview with the reporters of the Associated Press, Mr. Deng observed that Mr. Vance had contradicted the proposals President Ford had made earlier. He pointed out that while Mr. Ford had proposed to sever diplomatic ties with Taiwan and establish the same with Beijing, Mr. Vance had suggested to establish diplomatic relations with China and simultaneously set up a liaison office in Taipei. So it was obvious that Taiwan problem continued to hinder the normalization of relations between China and the United States.

However, during this period China continued its efforts for improving relations with the countries of Western Europe and Japan. China concluded a 'Treaty of Peace and Understanding' with Japan in 1978, which included a clause directed against the Soviet Union. The Soviet Union as a counter-measure to this ten-year bound treaty between China and Japan, signed a twenty-five year quasi-military 'Treaty of Friendship and Co-operation' with Vietnam on 3 November 1978.

The treaty between Soviet Union and Vietnam increased China's perception of threat from them. So with a view to ensure U.S. help in case of an attack from the Soviet Union, China now explored the possibility of normalization with

the United States. This resulted in the establishment of diplomatic relations between Beijing and Washington. It also strengthened China's position in the world.

With a tacit understanding with the United States, China attacked Vietnam in February 1979. China's objective behind this move was to check Hanoi's emergence as a major power in Indo-China and shatter the connection between Soviet Union and Vietnam. In this context, the Soviet intervention in Afghanistan in December 1979, further tightened the relationship between the U.S. and China. Both the countries launched a co-operative effort to secure Soviet withdrawal from Afghanistan.

But contrary to earlier expectations, the Soviet intervention in Afghanistan, has not pushed Sino-American relations to any spectacular height. Although Sino-American collaboration in strategic spheres has increased to a certain extent since then, as we shall see later on, the United States has not acceded to the Chinese demand for advanced and offensive weapons, which will enhance its capability to deal with a Soviet threat and also help in projecting an image of a 'major power' in Asia.

While normalizing their relations in 1979, China and the United States had expected that two-way trade would reach new heights in course of time. But experiences of the last two and half years have belied this hope. There are several built-in constraints of China's economy, which

have forbidden the growth of Sino-American trade. We shall see in course of our discussion that China does not consider its trade with the United States to be superior or more beneficial to the same with Japan and other countries.

China has also realised that normalization of Sino-American relations has failed to accelerate the process of unification of Taiwan with the mainland. To its utter disappointment, the United States continues its policy on providing arms to Taiwan. So with a view to exerting more pressure on Taiwan and consequently on the United States, Beijing may decide in future to normalize relations with the Soviet Union.

The possibility of Sino-Soviet reconciliation in near future may increase if a fraction in the current Chinese leadership takes a decision to that effect. In view of the fact that Deng's pragmatic economic policy has proved to be an over ambitious one, his rivals may decide to change the crux of his policy that is dependence on Western technology, and change the policy in favour of resorting to Soviet technology. We shall come to know in course of our discussion that already a few Chinese economists have shown their preference for Soviet technology, which can be easily absorbed by their economy, as compared to Western technology.

Both China and the United States know well that they have to go in their separate ways in future. Chinese tradition has always stressed the need for not becoming a

'second fiddle' to any other country. By this time, Beijing must have reached the conclusion that come what may, the U.S. will never strengthen China to such an extent which will endanger its (U.S.) relations with the Soviet Union. But it is continuing a special relations on a strategic understanding with the United States because, their mutual interest is coinciding over the issue of "containment of Soviet expansionism".

The United States is helping China at present with a view to preventing a Sino-Soviet rapprochement. But in a way the United States is committing a blunder by helping China.³ Many Western scholars have pointed out that China is now modernizing itself with U.S. help, with a view to achieving a better deal from the Soviet Union, in case of a future negotiation for normalization of relations.

In this situation, the future of Sino-American relations does not seem to be bright. If in future China considers that its 'U.S. connection' has not served its national interest, it may decide to normalize its relations with the Soviet Union. At that time no artificial move by the United States will succeed in preventing a Sino-Soviet reconciliation. However, in the situation as it stands, the Chinese might have started exploring the possibility of a reconciliation with the Soviet Union.

3 Fairbank observes: "To help China blindly, knowing only what we are told in English, unaware of what our Chinese friends are up against, is a prescription for another American disaster in China reminiscent of the 1940s". Refer to R. S. Arora, Ambassadors Exchanged After Thirty Years: Sino-American Relations 1949-79 (New Delhi, 1980), p. 179.

CHAPTER II

SINO-AMERICAN RELATIONS IN RETROSPECT

CHAPTER II

SINO-AMERICAN RELATIONS IN RETROSPECT

Going through the history of Sino-American relations when Mao Zedong was at the helm of affairs, we notice a great discrepancy between the Chinese and American perceptions of each others role in the world. This perception with all its rigidity persisted till late sixties, but changed a little bit thereafter.

Initially the official view of the United States which was even shared by the ordinary citizens of America, usually stressed that the two countries had mutuality of interests in their relations with each other. It was also argued that throughout the history of Sino-American relations, the United States had always stood for territorial and administrative integrity of China. For example, during the period of Civil War in China, though the United States continued its aid to the Nationalists; it also continued its efforts to mediate their conflict with the communists. But the people of America became hostile to China when China became an adversary by overthrowing the Nationalists' regime in 1949.

Traditionally China had regarded American influence in its internal affairs as part of the Western colonialist and imperialist expansion that undermined the traditional Chinese political and social system. Some scholars have observed that initially majority of the Chinese, including some pro-U.S. elements, had resented the American intervention

in the internal affairs of China.¹ After the Second World War, in its attempt to bring about a compromise between the Nationalists and the Communists, the United States failed to satisfy either of them. Both the sides accused the United States of meddling in their internal affairs and playing one against the other. In this context, the passage of a major "New China Aid Act in 1948" in Washington and the resumption of American economic and military aid to the Nationalists thereafter simply confirmed the communists in their belief that they should view the United States as an imperialist country committed to support the anti-communist moves of the Nationalists. Towards the end of the Civil War in China, when the communist success seemed inevitable, the Americans decided to disengage gradually from China and Taiwan. But the Truman Administration could not think of total withdrawal as it apprehended heavy criticism of its policy by the leaders of the Republican Party.² So the Truman Administration followed a policy of limited aid combined with limited withdrawal, which created considerable ambiguity.

1 A. Doak Barnett, China and the Major Powers in East Asia (Washington D.C., 1977), p.157.

2 R. S. Arora, Ambassadors Exchanged After Thirty Years: Sino-American Relations 1949-79 (New Delhi, 1980), p.194. Quoting Arnold Toynbee, the author observes that when the communists took over Beijing in 1949, the Americans knew that they had pumped \$2.5 billion into the Nationalist armies and had ultimately lost China.

From late 1948 through early 1950, the United States took certain measures which gave the impression that it was willing to accept the reality in China. The Truman Administration in the United States opposed Republican efforts in Congress to vote for additional aid to Nationalists. And in August 1949 it took the extraordinary step of issuing a white Paper named "United States Relations with China" which contained a devastating critique of the Nationalist regime. In the White Paper the United States accepted the inevitability of a communist takeover. But Acheson pointed out that the future of Sino-American relations would depend on the extent to which the communist regime lent itself to the interests of Soviet Union. His point was clear: "If Beijing should move away from Moscow, she would find America hostile, even to the point of using armed force".³ This historic statement by Acheson was followed by a clarification in January 1950 by both Truman and Acheson that the United States did not intend to prevent a communist takeover even of the island of Taiwan.

However, the Chinese communists throughout the period of takeover exhibited their hostility towards the United States. In his 30 June 1949 statement, 'On the People's Democratic Dictatorship', Mao observed that China 'must

3 Franz Schurmann & Orville Schell (ed.), Communist China : Revolutionary Reconstruction and International Confrontation 1949-1966 (Middlesex 1977), p. 390.

'lean to one side', that is towards the Soviet Union, as there was 'no third road'. Finally, China's anti-imperialist 'lean to one side' policy was confirmed in Moscow in February 1950, when the Sino-Soviet Treaty was concluded. This treaty created a defense alliance of China and the Soviet Union against Japan and any other state that may collaborate with Japan directly or indirectly - clearly meaning the United States.⁴

Korean War

In the beginning of the year 1950, the prospects for an establishment of relations between China and the United States seemed feasible. But the situation radically changed as a result of the outbreak of the Korean War in June. Now several decisions were taken by the United States which roused Chinese hostility. These decisions included - the decision to intervene in Korea and defend South Korea against the North, the decision to reintervene in the Chinese Civil War by interposing the Seventh Fleet between the mainland and Taiwan to 'neutralize the Taiwan Strait', and the decision to reverse the United States policy defined in January 1950, in favour of reopening the question of Taiwan's future status.

⁴ For text, see Sino-Soviet Treaty and Agreements (Beijing, 1950), pp. 5-8.

The situation assumed a grave dimension when in spite of the warnings by the Chinese, the United Nations forces led by the United States, crossed the 38th Parallel and thereby transformed the Korean war into a Sino-American military conflict. This resulted in the active participation of China in the war, to prevent further advancing of the UN forces. China organised a vehement campaign against the United States through the 'Aid Korea, resist America campaign'. The Chinese communist perception of the threat from the United States reached its culmination as a result of the anti-communist stance manifested in MacCarthyism.

In the aftermath of the Korean war, the Secretary of State, John Foster Dulles, formulated a new Asian policy which tried to contain China, isolate it, reduce its influence abroad, deter it from threatening or putting pressure on its neighbours, and exert constant external pressure on it in the hope that it would prove to be a 'passing phenomenon'.⁵ The United States followed a policy of non-recognition towards China while continuing recognition of the Nationalists' Republic of China as the only legitimate government of China.

The United States systematically condemned all forms of neutralism or nonalignment and encircled the mainland China by building up a network of military

5 Barnett, n.1, p.179.

alliances with Japan, South Korea, Taiwan, the SEATO and the ANZUS.⁶ The creation of these alliances followed by the signing of the Mutual Security Treaty between the United States and Taiwan in 1954 added to the Chinese apprehension of a permanent separation of Taiwan from the mainland. So with a view to counteract the threat from the United States, China gradually moved to abandon the dichotomous world view held by it since 1948. Now China designed a United Front strategy to ally itself 'with all the forces that can be allied with' for launching a struggle against U.S. imperialism. This new approach was manifested by the Bandung Spirit of 1955.⁷

Vietnam Issue

In the winter of 1953-54, a Civil War broke out in Vietnam which drew the attention of the whole world. China by this time had increased the amount of material aid to the North-Vietnam, where they had a strategic interest. The Secretary of State Dulles now apprehended Chinese intervention in North-Vietnam. When the fighting between the North and the South Vietnamese forces reached a critical point, he threatened American retaliation if Beijing

6 The SEATO included Thailand, the Philippines, Pakistan and the United States. The ANZUS included countries like Australia, the US and New Zealand.

7 Mira Sinha, "Foreign Policy : Countering Soviet 'Hegemony'", World Focus (New Delhi), vol.1 (1980), pp.21-22. Bandung Conference of 1955 provided the launching pad for China's new policies of peaceful co-existence.

should send its own forces into the area. To deal with the crisis in Korea and Indochina, the European Powers convened a major international conference at Geneva in 1954. The conference produced a settlement that temporarily halted the fighting in Indochina and ostensibly laid the basis for a political settlement. However, as it is argued by the Vietnamese leaders and widely accepted by many Western scholars too, while accepting the compromise which was reached at the Geneva Conference, the Chinese had given priority to their national security over the "revolutionary goals" of the Vietnamese communists.⁸ But later on when the South Vietnamese leaders refused to participate in the elections, North-Vietnam revived the struggle with the support of Beijing and Moscow. However, the most important event of the Geneva Conference which further damaged the Sino-American relations was the refusal of the Secretary of State Dulles, to shake hands with Premier Zhou Enlai who was also there.

Almost immediately after the Geneva Conference, the Chinese communists turned their attention to Taiwan again and to demonstrate their rigid stand on it, called for the liberation of Taiwan in September. They began shelling Quemoy, a Nationalist-held island near the mainland, in the

8 Barnett, n. 1, p. 184.

famous Taiwan Straits crisis of 1954-55. The Chinese objective of exerting pressure on the Nationalists and the United States through its aggressive policy boomeranged upon themselves when it ended with the conclusion of the Mutual Defense Treaty between the United States and Taiwan in 1954, which has been referred to earlier.

In April 1955, while attending the Bandung Conference of the Afro-Asian nations and even after that, Premier Zhou Enlai adopted a flexible approach towards the United States and even offered a proposal for peaceful liberation of Taiwan. The official talks at the ambassadorial level between China and America began in Geneva in late summer of 1955. These talks along with those held at Warsaw, provided a quasi-diplomatic link between the two countries for more than a decade. In course of these talks, the United States pressed the Chinese to agree to renounce the use of force, specifically in regard to Taiwan, except for 'self defense'. Although Beijing was willing to say that it would settle the Taiwan problem by peaceful means, if possible, it insisted that it could not renounce the right to use force to solve a domestic issue.⁹ In course of

9 In this context, it is worth mentioning that in 1978, the normalization of relations between China and the United States took place essentially on the basis of these principles.

these talks, seven proposals and counter-proposals were made, but neither side was willing to compromise on its basic position on Taiwan. As regards the various proposals made by China during this period for cultural exchanges and lifting of restrictions on travel, these were met with rebuff from the United States. Thus we find that by late 1957 the Geneva talks had settled into a stalemate on key issues.

However, in 1958 Beijing again launched an offensive action against Taiwan, when the conciliatory moves of the last two years did not yield any favourable response from the United States. Now it launched the bombardment and blockade of Quemoy and Matsu group of islands, similar to the Taiwan Straits crisis of 1954-55. When the attempts seemed about to succeed, the United States made it clear to the Chinese that nuclear weapons might be used by it to defend Taiwan.¹⁰ Although the Soviet Union backed China defensively with statements designed to deter any American attack against the mainland, they made it clear that there were limits to what they would do, and that they would not support offensive action by the Chinese to 'liberate' Taiwan.

10 The New York Times, 26 August 1955, p.2. During this period, criticizing the earlier US foreign policy towards PRC, Senator Joseph R. McCarthy called for all-out war against communist China by the United States, through aid to South Vietnam, South Korea and Taiwan.

Sino-Soviet Rift and its Consequences

Towards the end of the fifties, the relations between China and the Soviet Union began to deteriorate. This paved the way for the opening of a dialogue between China and the United States in the long-run. As we know from late fifties, China insisted on Soviet help for developing an independent nuclear capability. China argued that her national security demanded acquisition of nuclear capability and so it would not abide by the US-Soviet decision on curbing the spread of nuclear weapons among other countries. In this context, the Soviet Union refused to help China in its nuclear programme as this would result in indiscriminate use of nuclear weapons by China. This conflict in Soviet and Chinese approach to nuclear weapons was the chief cause of the Sino-Soviet rift.

The first symbol of Sino-Soviet acrimony manifested itself in September 1959, when Khrushchev visited Beijing after meeting President Eisenhower at Camp David. The Chinese leaders severely criticized Khrushchev for such a move. This incident was followed by the Soviet decision to withdraw all Soviet technicians from China in July 1960, when the Chinese exerted undue pressure on them to work. Such a move by the Soviet Union dealt a severe blow to China's economic development. However, the most important eruption of acrimony occurred in July 1963, when the Soviet Union and the United States signed the

Partial Nuclear Test Ban Treaty (PNTBT) and sought China's adherence to it. In this connection, it may be recalled that 'to Mao, when Khrushchev visited Eisenhower at Camp David, this meant one thing: in return for peaceful co-existence, Khrushchev was willing to betray his alliance with China'.¹¹

But in spite of these clear manifestations of Sino-Soviet rift, Sino-American relations did not show any sign of improvement immediately. However, after the inauguration of Kennedy Administration in 1961, there were cautious hints of a possible change in their relationship. In his debates with other leaders, Kennedy now indicated that the United States should persuade the Nationalists to withdraw from the offshore islands and emphasized the need to include China in disarmament efforts. However, in the beginning the Chinese approach to Kennedy Administration remained very harsh. In course of his condemnation of US imperialist aggression in Cuba, Mao observed that the Kennedy Administration had proved itself to be worse and not better than the Eisenhower Administration.¹²

11 Schurmann and others, n.3, p.230.

12 Beijing Review, 5 May 1961, p.6. It may be recalled here that the People's Liberation Army's classified 'Bulletin of Activities' had stated on 25 April 1961: "The smell of gunpowder is more evident in Kennedy's Administration than in Eisenhower's, for it is more reactionary, treacherous, elusive and deceitful".

President Kennedy declared on 2 August 1961 that the US would do all it could to save South Vietnam from communism. This declaration confirmed the Chinese apprehension that they were the real target of the US military endeavours in Indo-China.¹³ If Taiwan and the US military perimeter in East Asia represented a potential threat, the exacerbation of the Vietnam war appeared to turn a potential threat into a real one. When the United States militarily intervened in North Vietnam in 1964-65, Beijing warned that it would actively resist any action directed against China and would strongly oppose any threat to North Vietnam's existence. But later on it was pointed out by the Vietnamese that the Chinese communists were actually in favour of prolonging the Resistance war of the Vietnamese people against the United States because they expected that this would enable them in mobilizing the Afro-Asian countries under the banner of 'thorough revolution' against the Soviet Union.¹⁴

13 Beijing Review, 1 September 1961, p.8.

14 Ministry of Foreign Affairs, Socialist Republic of Vietnam, The Truth About Vietnam-China Relations Over the Last Thirty Years (1979), p.33. This document pointed out that the Chinese wanted to prolong the publicity they were getting by aiding Vietnam, to hold high the banner of 'thorough revolution' and to muster forces in Asia, Africa and Latin America to intensify their anti-Soviet campaign.

whatever might have been the objectives of the Chinese in prolonging the Vietnam war, they were firmly assured by the US representatives at Warsaw that the USA did not wish to pose any threat to the security of China and had no designs on the territory of North Vietnam. These assurances combined with President Johnson's drive for a 'free flow of ideas, people and goods' between the United States and China contributed to an abatement in Beijing's fears from the United States. However, basic Chinese interests and purposes continued to clash with the United States in case of Taiwan as Beijing remained firm on its stand.¹⁵

Sino-American Detente and Its Aftermath (1966-1975)

As we have seen from the previous discussion that during Kennedy and Johnson Administrations a reassessment of China policy had begun. But China did not pay any striking importance to these new postures of the United States. At the same time, China was not totally indifferent to the flexible approach of the United States during this period. Both Mao Zedong and Zhou Enlai had expressed their desire albeit in an implicit way, for a solution of Sino-American problems on the basis of the doctrine of 'Peaceful Co-existence'. As early as 1961, in course of his discussion with Edgar Snow, Zhou Enlai had called for prolonged efforts

15 Beijing Review, 2 July 1965, p.9.

to settle disputes between China and the United States through peaceful negotiations. He had given this call in spite of the fact that the two countries had no diplomatic relations with each other. Although Zhou Enlai reiterated his earlier stand that the United States must agree to withdraw its armed forces from Taiwan, still he continued to be optimistic about the improvement of Sino-American relations. This was manifested in his observation: "There is no conflict of basic interest between the peoples of China and the United States and friendship will eventually prevail".¹⁶ This shows that following the Sino-Soviet split in 1959-60, China had started thinking in terms of improving relations with the United States, though concrete moves in this direction were taken only in 1971-72.

That on the US side a trend towards reassessment of US policy on China had begun in mid-sixties also became evident from Roger Hilsman's testimony before the House Foreign Affairs Committee on 1 February 1966. Hilsman in his testimony called for a policy of firmness, flexibility and dispassion combined together, towards China.¹⁷ He also suggested that such a policy should be implemented

16 Refer to Edgar Snow, The Other Side of the River (New York, 1961), pp. 88-92.

17 Schurmann and others, n. 3, p. 578.



through various measures like inviting the Chinese to the arms control talks in Geneva, lifting US travel restrictions and re-examining the US trade policies. Afterwards, these measures were taken by the United States to create a favourable atmosphere for Sino-American detente.

Although in the mid-sixties the State Department relaxed travel and trade restrictions on China, there was hardly any favourable response from the Chinese side to this. Thereafter, the Cultural Revolution was launched in China and now Beijing adopted an isolationist and yet bellicose posture towards both the Super Powers. This period of isolationism coincided with the period when the Chinese felt mortally threatened from both Soviet Union and the United States. They were now convinced that Washington and Moscow were "colluding in a Holy Alliance to encircle China with hostile countries".¹⁸

Crisis in Czechoslovakia

The Chinese communist apprehension of a military threat from the Soviet Union was heightened in 1968-69 period. On 21 August 1968 the Soviet Union intervened in Czechoslovakia and Brezhnev justified this action on the basis of his doctrine of 'limited sovereignty'.

¹⁸ David Milton and others, People's China: Social Experimentation, Politics, Entry on to the World Scene 1966-1972 (London, 1977), p. 398.

In the aftermath of the Soviet intervention in Czechoslovakia and the Sino-Soviet clash on Chenpao island in the Ussuri river, Mao Zedong began rethinking on international relations. China, he thought, could no longer 'wallow in splendid isolation' without damaging its own interests. A close 'relationship between the United States and the Soviet Union seemed to raise the spectre of a US-USSR axis against China'.¹⁹

In this context, it may be recalled that although now onwards China trumpeted its opposition to both the Super Powers, in practice its moves were directed more against the Soviet Union than the United States.²⁰ On 20 November 1968, China called upon President-elect Richard Nixon to resume Warsaw talks and proposed an agreement on the basis of the Five Principles of Peaceful Co-existence between China and the United States.²¹ When Nixon assumed the office, Washington initiated an examination of possible new moves in policy towards China. Undeterred by the postponement of the Warsaw talks scheduled for 20 February 1969, Nixon communicated to the Chinese communists through French President De Gaulle that Washington wished to open a dialogue with them.

19 For details refer to Gargi Dutt, "China and the Shift in Super Power Relations", International Studies (Delhi), vol.13 (1974), pp.635-62.

20 Beijing Review, 14 March 1969, p.37. Here the Chinese had pointed out that the Soviet 'revisionist renegade clique' was the consistent enemy of the Chinese people.

21 Beijing Review, 29 November 1968, p.31.

In July 1969, President Nixon articulated at Guam his 'Nixon Doctrine', calling for reduced American military presence in Asia. This doctrine largely manifested the US desire to placate a rising domestic revulsion against excessive US military involvement in the world in general and in East Asia in particular.²² It may be recalled here that Guam Doctrine was intended to indicate to the Chinese that the United States was seriously thinking of reassessing its earlier policy on containment of China, in the light of the Sino-Soviet split and Brezhnev's proposal for a system of collective security in Asia, declared at the International Communists' Conference in Moscow on 2 March 1969.

In July 1969 and later on in December of the same year, the United States relaxed travel and trade restrictions affecting China. That these decisions were taken unilaterally, indicated Washington's genuine desire to adjust its China policy. This was followed by the most important decision ever taken by the United States after two decades of hostility towards China, which curbed the patrolling by US ships in the Taiwan strait. This decision was taken on 7 November 1969.

22 Benjamin I. Schwartz, "The New Turn in Sino-US Relations : Background and Significance", Pacific Community (Tokyo), vol.3 (1971), p.23.

The Sino-American talks began at Warsaw on 20 January 1970, when China responded to the US proposal to that effect. But later on Beijing cancelled the talks scheduled for May 1970, as a protest against US intervention in Cambodia. Simultaneously, Mao expressed his reservations about the genuineness of the US desire to change its Asian policy and called upon the 'people of the world' to defeat US imperialism.²³

But on the contrary, in an interview with Edgar Snow in December 1970, Mao did not make any reference to the US bombing of Cambodia. He even extended an invitation to President Nixon to visit China. This invitation encouraged Nixon to secretly explore the possibility of an early visit to China.

In February 1971, when the South Vietnamese troops with the American logistic and air support struck into Southern Laos, China protested this action as aggression. But this protest was made only for the sake of record and without any serious implications. This was due to the US assurance that the Laos affair would be a strictly limited affair.

In his foreign policy message to the Congress on 25 February 1971, President Nixon expressed the US desire to see that China played a 'constructive role in the

23 Beijing Review (Special Issue), 23 May 1970, pp.8-9.

comity of nations'.²⁴ He also expressed his hope that the 1954 Defence Treaty between Taiwan and the United States would not pose an obstacle to Sino-US rapprochement. In the month of April, the Chinese invited an American ping pong team to China, which was visiting Japan at that time. Premier Zhou Enlai met the team and hailed their visit as opening a 'new page' in the history of Sino-American relations.²⁵

In the following months many important steps were taken by both the sides to pave the way for the normalization of relations. A dramatic breakthrough in the relationship took place on 6 July 1971, when President Nixon, in his Kansas City speech, recognised China as one of the four other economic Super Powers in the world.²⁶ The Chinese interpreted this speech as the US inclination to acknowledge the fact that China was or would be playing an important role in the international relations. In July 1971, Henry Kissinger, Nixon's Assistant for National Security Affairs, paid a secret visit to Beijing. This was

24 Refer to Department of State Bulletin, ^{(Washington, D.C.),} 22 March 1971.

25 New York Times, 15 April 1971.

26 New York Times, 7 July 1971, p.16.
In course of his speech Nixon observed that he had moved to end the isolation of China because that country had become 'creative' and 'productive'. At one point of his speech he also observed that the United States was reaching the period of "decadence" that brought down Greece and Rome.

followed by simultaneous announcement both in Beijing and Washington on 15 July 1971, about President Nixon's proposed 'journey for peace' to China before May 1972.²⁷

This dramatic declaration was followed by another important event in the history of international relations on 25 October 1971, namely, the admission of People's Republic of China into the United Nations. This was the result of profound diplomatic manoeuvres by Kissinger and the Nixon Administration. While the Secretary of State, William Rogers, was in favour of China's entry into the United Nations and against the ouster of Taiwan, persistent diplomatic negotiations between Kissinger and the Chinese leaders led the United States to abandon the 'two-China' policy.

While a reassessment of China policy was occurring in the US administration, China was also slowly changing its approach towards the United States. But a radical faction led by Lin Biao opposed this new role of the United States as perceived by some Chinese leaders. In the debate over a new line in foreign policy, Mao and Zhou Enlai ultimately prevailed over Lin Biao, and presumably Lin fell from power in September 1971, when a decision was made on this.²⁸

27 Department of State Bulletin, 2 August 1971, p.121.

28 Milton and others, n.18, p.407.

At last President Nixon accompanied by Secretary of State, Henry Kissinger, arrived in Beijing in February 1972 on the epoch-making visit, which changed the contours of Sino-American relations. He discussed several bilateral and strategic issues with Mao and other leaders. Later on he worked out with Zhou Enlai the historic Shanghai Communique, which dawned the era of Sino-American detente.

The Concept of Detente : The US and Chinese Approach

Before going into the nature of the Sino-American detente in 1971-72, it is pertinent to discuss in brief the American and Chinese approach to the concept of detente as a whole.

In general, the western approach to detente stands for relaxation of tension between the erstwhile rivals for ensuring peace in the world. This was true of Soviet-American detente, from the US point of view and was partially true of latter's drive for detente with China.

But Chinese approach to detente is a very complex one. China is not against detente as such, but accepts the concept of detente with certain reservations. According to the Chinese, there should be detente in the relationship among some specific countries only. Not only it did not accept Soviet-American detente, but also condemned both the Super Powers for 'colluding' with each other. Even now China is trying its level best to destabilize what is left of the Soviet-American detente.

But when it came to China's relationship with the United States, it called for a detente with the latter. With a view to legitimize Sino-American detente and to prove that this was different from Soviet-American detente, China cited Mao's views on strategy and tactics to support its stand. China now observed that Sino-American detente would bring peace to the Asia-Pacific region and thereby to the whole world. It now put forth arguments which are based on the Western approach to detente.

Actually Sino-American detente had specific objectives. It was not part of any effort towards a 'Universal Detente'. It was "designed to help Beijing's struggle against Moscow, and Beijing had set its face squarely against any detente in the relations of other countries with the Soviet Union".²⁹

Factors which Contributed to Sino-American Detente

There were various factors which led to the Sino-American detente in 1971-72. Before going into the details, it would not be unreasonable to conclude that as far as Mao was concerned, 'the opening to the United States was intended to serve the limited purpose of ending China's self-imposed isolation and creating an uncertainty in the minds of Soviet policy-makers regarding the American role,

in case a major armed conflict broke out between their country and the Soviet Union'.³⁰ So the important factors behind the changing approach of Beijing towards the United States were its concern for national security and the decreasing threat from the United States in the light of US decision to 'disengage from Vietnam and elsewhere in Asia'.

The various factors which led to the change in Chinese attitude towards the United States were as follows:

First, as it has been discussed earlier, the Soviet intervention in Czechoslovakia, its justification on the basis of the Brezhnev Doctrine of 'limited sovereignty', followed by major Sino-Soviet border clashes in 1969 over Chenpao island in Ussuri river, increased Chinese apprehension of a major attack from the Soviet Union. So China thought it wise to improve its relationship with the United States, if only because it could serve as a counter-weight to Moscow and thereby prevent a 'collusion' between the two Super Powers.

Second, Japan also posed a potential threat to China in the light of the signing of the Nixon-Sato communique in 1969. This communique referred to the security of Taiwan and South Korea as factors influencing the security

30 : Times of India (New Delhi), 19 December 1978.
 "Towards a New Power Balance : Significance of Sino-US Diplomatic Ties" by Girilal Jain.

of Japan. So the Chinese leaders expected that after the improvement of Sino-American relations, they might be able to influence US policy decision on remilitarization of Japan and Taiwan. They were against remilitarization of Japan as they apprehended that a militarily strong Japan might pose a threat to China's security.

Third, China's growing need for scientific knowledge and technology of the West also necessitated a normalization with the United States. Moreover, China also expected that after normalization of relations, trade and commerce with the United States would increase.

Fourth, the announcement of 'Nixon Doctrine' of 1969, followed by the US decision to abolish trade and travel restrictions on China, led the Chinese leaders to reassess their policy towards the United States. They interpreted this flexibility on the part of the United States as a decrease in the US influence in Asia. In a confidential briefing in December 1971, Zhou Enlai advanced the major reason for Nixon's interest in coming to China in the following manner:

'When the United States got stuck in Vietnam, the Soviet revisionists embraced the opportunity to extend vigorously their sphere of influence in Europe and the Middle East. The US imperialists cannot but improve relations with China to combat the Soviet revisionists'.³¹

31 "Zhou Enlai's Report on the International Situation", Issues and Studies (Taipei), vol. 13 (1977), p.116.

So the Chinese now thought to take advantage of this new situation.

Finally, China's desire to become a modern and powerful socialist state also compelled it to normalize relations with the United States. China wanted to become a great power as soon as possible by any means. Keeping in view the Chinese tradition of 'playing off one barbarian against another', the Chinese leaders thought that rapprochement with the United States would 'promote the contradiction between the two Super Powers and help China in realising its own national interests'.³² As far as elevation of its own status in the international affairs was concerned, China thought that "the settlement of relations with the first Super Power will open the way for China's full international involvement and promised a favourable solution of the disputed territorial questions".³³

Similarly, the change in the US policy of 'containment of China' came about as a result of several factors. Those factors were as follows:

First, by the end of the sixties, the public opinion had become an important determinant of the US policy on China. The US people now thought that their leaders had

32 For details refer to K.P. Gupta, "Chinese Tradition of International Relations", China Report (Delhi), vol.7 (1971), pp.2-11.

33 Dr Radovan Vukadinovic, "The Prospects of the US-Chinese Opening", Review of International Affairs (Belograd, Yugoslavia), no.526-7 (March 1972), p.29.

gone intoo far in their hostility towards the Chinese people and, in fact, expected a change in this approach.

Second, the attitude of the US people also coincided with the changing approach of the US policy-makers. The US Administration now perceived that with the emergence of Sino-Soviet rift, the threat from a monolithic communist camp had become obsolete. In this context, it decided to exploit the fact of Sino-Soviet rift for drawing concessions from the Soviet Union in arms control agreements.

Third, gradually, the United States was made the focus of severe criticism for its excessive involvement in Vietnam issue in particular and the Indochina in general. In Vietnam the United States had incurred huge loss in terms of men and money. In such a situation, Nixon and Kissinger sought an opening with China "partly in the hope that this would enable them to wind up the Vietnam War on 'honourable' terms and partly in the calculation that it would give them an additional leverage in dealing with the Soviet Union".³⁴

Fourth, the changes in the world situation in general also compelled the Nixon Administration to re-consider its China policy. In the twentyfifth session of the General Assembly of the United Nations, even the allies of the United States called for a change in the US policy on China's

34 Jain, n. 30.

entry into the United Nations. In 1970 Canada decided to break the relationship with the Nationalist regime and made her own arrangements with Beijing. This led the US decision makers to acknowledge the reality in East Asia.

Finally, the US business community also wanted the betterment of Sino-American relations, for China provided the largest inaccessible market for trade in non-strategic commodities.³⁵ Thus we find that there were several factors which motivated the United States for a detente with China.

The Shanghai Communique and Its Implications

The signing of the Shanghai Communique on 28 February 1972, between Nixon and Zhou Enlai marked the beginning of a new era in the history of Sino-American relations. In the first part of the communique the United States observed that countries with different ideologies should have increasing contact among themselves and should show mutual respect and compete peacefully among themselves. This emphasis upon peaceful competition was made obviously with reference to the countries like the United States and China. The United States called for a negotiated settlement in Indochina and also added that in the absence of such a settlement, the United States would withdraw all American

³⁵ Harold C. Hinton, Beijing-Washington: Chinese Foreign Policy and the United States (California, 1976), p. 26.

forces from that region. The Chinese leaders on their part emphasized the 'sovereign equality' of all nations and stressed the right of each nation to choose its own social and political system. Through this emphasis upon sovereignty and independence of all countries to choose their socio-economic-political systems, the Chinese leaders indicated their desire to continue the socio-economic development of their country 'without outside interference or subversion'.³⁶ Moreover, through its condemnation of bullying by big nations in the communique, China stated its opposition to 'hegemony and power politics of any kind'. This condemnation was actually aimed at the Soviet Union. Besides condemning implicitly the Soviet Union, the Chinese also emphasized their opposition to Japanese militarization and endorsed "Japanese people's desire to build an independent, democratic, peaceful and neutral Japan".³⁷

In the communique China and the United States agreed to begin a process of normalization of relations between them and called for scientific and cultural exchanges and trade too. They agreed to conduct their relations on the basis of the five principles of 'Peaceful Co-existence'. Both the sides pledged not to seek hegemony in the

36 Michael B. Yahuda, China's Role in World Affairs (London, 1978), pp.229-30.

37 Beijing Review, 3 March 1972.

Asia-Pacific region and declared their opposition to the efforts of any other country or group of countries to do so. Both the sides further agreed not to enter into agreements or understandings directed at other states. This agreement in a way 'constituted an American promise not to collude with Moscow against Beijing, but this could be interpreted as an assurance to Moscow that "it should not fear US-China collusion".³⁸ In other words the United States did not wish to wreck its existing relations with Moscow.

As far as Taiwan problem was concerned the Chinese policy-makers reaffirmed that Taiwan was a province of China and the liberation of Taiwan was China's internal affair, in which no other country had the right to interfere. They called for withdrawal of all American forces from Taiwan but deliberately avoided the issue of American defense treaty with Taiwan or the diplomatic relations with the Nationalists.

Although the United States did not accept the claims made by Beijing, by acknowledging that Taiwan was a part of China, certainly moved closer to Beijing's stand. The United States reaffirmed its interest in a peaceful settlement of the Taiwan issue by the Chinese themselves. But simultaneously promised that in the meanwhile it would 'progressively reduce its forces and military installations in Taiwan, as the tension in the area diminishes'. The term 'area' obviously meant Vietnam, Taiwan, and possibly

38 Barnett, n.1, p.199.

other areas in East Asia. The United States in sum, promised military withdrawal from Taiwan, but gave no definite timetable for that. It also linked the pace of withdrawal from Taiwan to the 'diminishing tension' in 'the area' and its completion to the prospect of 'peaceful settlement of the Taiwan question by the Chinese themselves'. Thus the compromise reached was not fully satisfactory to both the sides, as the United States did not explicitly recognize Beijing's claim to Taiwan or promise to disengage fully from the island as Beijing wished, and Beijing did not renounce the use of force as Washington wished.

At the end, the communique specified what the first steps towards normalization of relations would be. The two sides agreed to facilitate the further development of contacts and exchanges in such fields as science, technology, culture, sports and journalism. They also agreed to facilitate the progressive development of trade and stressed the need to stay in contact through various channels, including exchange of senior leaders.

In the communique, Taiwan issue was treated as 'an exceedingly delicate exercise in deliberate ambiguity'. But the United States made a valuable concession when it recognized Taiwan as a part of China and thereby ruled out their support for an independent Taiwan. Similarly China also gave a remarkable concession to the United States when it agreed not to incorporate in the communique the phrase 'the use of force' to liberate Taiwan.

The opening of the Sino-American relations in the absence of a solution of the Taiwan problem signified two things: first, Taiwan problem was China's internal problem in which outsiders by intervening had undermined China's sovereignty over the island; second, the Chinese had always considered the US presence in Taiwan as part of 'imperialist designs on their country'.³⁹ But with the US decision to withdraw from Asia under 'Guam Doctrine', the Chinese expected that Taiwan problem could be solved in future, if not immediately. They knew that they would not be able to solve Taiwan problem suddenly. So, for the time being they had to remain satisfied with a formal US recognition of Taiwan as a part of China.⁴⁰ They expected that after getting this formal recognition for the time being, they would try for Taiwan's unification with the mainland at an appropriate time.

The causes which compelled the Chinese to give less importance to Taiwan problem were many. First, they were aware of the fact that Taiwan had a modernized army and if they would demand immediate liberation of Taiwan, it might lead to a rebellion which they might not be able to control.

39 Yahuda, n. 36, p.230.

40 Ibid., p.230.

Secondly, China also knew that even if it succeeded in its endeavour for making Taiwan a part of China, Hong Kong and Macao would draw China's attention for liberation, and China would be compelled to do so. But China was not willing at that time to disturb them, as it had huge trade links with them.

Finally, the Chinese apprehended that an immediate US withdrawal from Taiwan would create a power vacuum and would encourage the Soviet Union to step in.

Thus, we find that while 'agreeing to disagree' on Taiwan issue, China and the United States decided to go ahead with the process of detente in their relations through trade and cultural exchanges.⁴¹

Japan's Reaction to Sino-American Detente

President Nixon's trip to Beijing, without consultation in advance with them, gave a shock to the Japanese leaders. But seeing the advent of detente in Sino-American relations, Japan now decided to improve its relations with China. In 1972 elections Kakuei Tanaka replaced Sato as Prime Minister and established formal diplomatic relations with China, at the cost of termination of official diplomatic relations with Taiwan. Beijing also did not object to the continuation of Japan's economic interests in Taiwan.

41 Barnett, n. f., p. 197.

Euphoric Impact of the Detente on Sino-American Relations

In the aftermath of the signing of Shanghai communique, Sino-American relations developed rapidly in various fields including trade, exchange of visitors and journalists. On 15 February 1973, the two sides agreed to establish diplomatic 'liaison offices' in each other's capital. It was a great decision on the part of Beijing in the sense, it changed its earlier policy of not establishing diplomatic relations with the United States, so long as Taiwan had its embassy in Washington. This was followed by an announcement in late 1974 that President Ford would visit China in 1975.

In the field of non-official contacts, we find that Sino-American trade developed rapidly and by 1973 the United States had become the second largest trading partner of China.

Stalemate in Relationship Begins

The rapid developments in Sino-American relations after the Nixon visit in 1972 were followed by a prolonged lull, partly because of the Vietnam war, the Watergate scandal in the United States, the power struggle in China and partly because the question of Taiwan seemed an imponderable hurdle.⁴² Diplomatic negotiations on an 'assets and claims' agreement entered into a deadlock. Except those journalists who covered official visits, others were

42 Sinha, n.7, p.23.

not allowed to visit China during this period. On the trade front it was found in the latter half of 1974 that Beijing was beginning to cut back on imports from the United States.

The factors which accounted for this cooling down in their relationship were as follows:

First, domestic politics both in the United States and China contributed a great deal to the slowing down of the Sino-American relations during this period. Because of the Watergate scandal, President Nixon anticipated that he might not remain in office for long. The radical faction of the Chinese Communist Party also called for an assessment of the benefits reached as a result of the new policy towards the United States. Beijing now viewed: "The United States has not lived up to the 'spirit' of the 1972 Shanghai communique. The 'progress' towards normalization has been too slow".⁴³

Second, even after the signing of the 'Shanghai communique' which was expected to become the foundation-stone for the normalization of Sino-American relations, the Chinese found that the United States continued its earlier policy of detente with the Soviet Union. So with a view to restrain US moves towards the Soviet Union, China now reaffirmed its earlier precondition for complete normalization of relations, which was none other than solution of the Taiwan problem in toto.

43 James Laurie, "The Euphoria of Beijing Detente Starts to Fade", Far Eastern Economic Review (Hong Kong), 1 July 1974, p.8.

Third, the US businessmen who were seeking a lucrative trade with China had realized by now that the so-called "huge trade opportunities" were nothing but an illusion.⁴⁴ They were getting increasingly dissatisfied with the strictly 'guided tours' arranged by the Communists in connection with their trade with Chinese businessmen.

In this context, the announcement of President Ford's proposed visit to Beijing in 1975, led to speculations and arguments on either side about the completion of the normalization process during the year itself. But ^{the} situation changed radically in the spring of 1975. With the collapse of non-communist regimes in Indochina, serious doubts were expressed in the United States about the desirability of further disengaging the US interests from Taiwan until greater stability emerged in East Asia. Jiang Jieshi's death, shortly afterwards, further stimulated demands by Republican Party leaders for halting compromises that might weaken the Nationalist regime. In the United States, as the 1976 Presidential elections approached, President Ford declared that there would be no major US moves in 1975.

Now the Chinese leaders also did not pressurize the United States for immediate disengagement from East Asia as they apprehended that the Soviet Union might exploit

44 For details refer to Tsai Wei-ping, "Washington-Beijing Relations After Mao", Issues and Studies (Taipei), vol.14 (1978), pp.1-12.

the situation. But they did not cease from condemning the United States for its increasing efforts to promote detente with the Soviet Union, particularly in the light of the Helsinki Conference on European problems.

Implications of Mao's Theory on the Three Worlds

In 1972-74 period, China continued a policy which was based on denunciation of both the Super Powers theoretically but in practice, pursued a policy of detente with the United States. In this so-called 'struggle against both the Super Powers', China now wanted to form a 'United Front' with the developing countries.

At the 10th Party Congress in August 1973, Zhou Enlai stressed the awakening of the 'Third World' which included the developing countries of Asia, Africa and Latin America and its role in the struggle against the 'hegemonism' and power politics of the two Super Powers. This was followed by Vice-Premier Deng Xiaoping's speech in April 1974 at the United Nations in which he observed that the Socialist camp no longer existed and that the world now consisted of 'Three Worlds', in which China belonged to the 'Third World'.⁴⁵

China now onwards emphasized upon state-to-state relations with the developing countries and simultaneously fostered contact with the non-official groups in these countries through what they call the 'people's diplomacy'.

China also developed its relations with the countries of the 'Second World', namely, Japan, Australia, Canada and a few European countries. In 1975, Beijing established diplomatic relations with the European Common Market. The need for capital goods, advanced technology and food grains compelled China to improve its relations with them.

But the main consideration which compelled China to improve its relationship with the countries of the Third World and the Second World was military and strategic in character. China wanted to utilize these countries in its drive against the 'Soviet hegemonism'. As far as the practice of the 'three worlds theory' during 1973-75 period was concerned, China placed highest priority not on the struggle by the Third and Second World against the two Super Powers, but on the need to encourage opposition by the United States, Japan, Europe and China to 'Soviet expansionism'.

Thus we find that immediately after the signing of the Shanghai communique, Sino-American relations improved in the trade and cultural front. But thereafter the developments which were taking place in these fields slowed down due to several reasons, the chief reason among which was the Taiwan problem. Moreover, in 1974-75 period China reiterated its earlier stand against the United States that it was pursuing a 'policy of appeasement' towards the Soviet Union. So in such circumstances, President Ford's

visit to China in December 1975 proved to be an "exercise in summitry without great substance".⁴⁶ By this time it had become amply clear that future of Sino-American relations would depend upon the priority attached to the subject, by the new incumbent to the office of the President of the United States.

46 Barnett, n. 1, p. 207.

CHAPTER III

STALEMATE IN RELATIONS

CHAPTER III

STALEMATE IN RELATIONS

The Sino-American relations entered into a stalemate in 1976-77. While on the one hand, the United States was interested in improving its relations with Beijing for preventing a fresh rapprochement between the Soviet Union and the post-Mao leadership in China, on the other hand, it was not in a position to "override the influence" of the powerful Taiwan lobby in the Congress. Besides this, the US Administration could not afford to ignore the interests of the US business community in Taiwan and the public reluctance "to sell out an old ally". Thus we find that the China policymakers of the United States, were in a great dilemma during this period.

But the situation was in no way better for the Chinese leaders too. Major changes in China's domestic politics, which occurred during this period, also influenced the progress of Sino-American relations. Zhou Enlai's death in January 1976 intensified the struggle between the pragmatists and radicals, and Mao's death in September of the same year brought the struggle to a climax. Besides these factors, the ouster of Deng Xiaoping and the Tienanmen riot also blocked the path of normalization of relations.¹

¹ Yung wei, "Beijing-Washington Relations in the Post-Mao Era", Issue and Studies (Taipei), vol.12 (1976), p.22.

The official response of the United States to the death of Mao, and the purge of the 'Gang of Four' remained extremely cautious. But Kissinger at that time pointed out that Sino-American relations 'would not be greatly influenced by personal factors'.² The United States only expected that a basically anti-Soviet and pro-US ruling hierarchy would emerge in the succession struggle and that was what actually happened.

In the United States, the leaders were preoccupied throughout the year with the presidential elections campaign, which culminated with the remarkable victory of Jimmy Carter, over the incumbent Gerald Ford. Now the emphasis was again laid upon progress of Sino-American relationship which was held up since President Ford's visit to Beijing in December 1975.

Ford's visit to Beijing was followed by Zhou Enlai's death in January 1976. In the death of Zhou Enlai Washington lost a friend 'who could have brought about full diplomatic relations between the two countries'.³ It was also observed by some US scholars that Zhou Enlai's successor, Deng Xiaoping would remain firm in his approach while making concessions regarding full normalization of relations with the United States.⁴

2 Ibid., p. 24.

3 The Statesman (New Delhi), 12 January 1976.

4 International Herald Tribune (Paris), 13 January 1976.

While US policymakers were busy in making such speculations, the former President Nixon's visit to Beijing on 21 February 1976, was an addition to President Ford's bitterness. Although Nixon was on a private visit to Beijing, at the invitation of the Chinese leaders, he was accorded a 'head of the state' like treatment there. By giving this grand ovation to Nixon and his family, the Chinese leadership emphasized their dissatisfaction with the pace at which the Sino-American relationship had been developing under Ford's leadership. They were very much pleased when in course of the banquet in Beijing's Great Hall of the people, Nixon criticized President Ford and his Secretary of State, Dr Henry Kissinger in an implicit way, "for taking part in Helsinki Conference on European Security, which they had always seen as appeasement of an expansionist Soviet Union".⁵ However, Mao's major objective

5 Hindustan Times (New Delhi), 28 February 1976. Here the writer Mr H.C. Anon observes that the Chinese have on numerous occasions lavished honours upon opposition leaders of the West, who in their estimate represented the spirit of confrontation with Moscow which succeeding governments have drastically diluted or altogether abandoned. He cites the example of the warm reception given by the Chinese to Franz Joseph Strauss, the Christian Democrat, and the Conservative leader of Britain, Mr Edward Heath.

behind giving a warm reception to Nixon was to undermine Ford's prestige and thereby make latter's victory difficult in Hampshire primary.⁶ Mao wanted, it seemed, Ford to lose in this because he had lost all hopes in his approach to the Sino-American relations.⁷

But President Ford on his part could not go ahead with the process of normalization as his hands were tied down to the political differences among the leading Senators over the policy to be adopted towards Taiwan.⁸ This was the major reason which had led to a halt in the progress of Sino-American relations.

Speculations About Post-Mao Leadership in China

However, a persistent alarm was raised by some academicians in the United States during this period, about the possible emergence of a new leadership in China after Mao, which might become pro-Soviet in its approach to foreign policy. For example, the CIA analyst Roger Brown observed:

6 Ibid.

7 Ibid.

8 Senator Rhodes warned Ford not to take any further steps which would loosen US ties with Taiwan, if he wished to be renominated by the Republican Party as a candidate for the Presidency. Senator Goldwater and Ronald Reagan warned him against taking steps which would lead to abandonment of a trusted ally, and violation of a treaty for the sake of improving relations with Beijing.

"... prolonged stagnation in Sino-US relations could well contribute to undermining the political power of those individuals and groups within China which are favourably disposed towards Washington, and lead to an increase in the relative power of either pro-Soviet elements in the military, the radicals or some coalition of both groups". 9

It was observed that as a result of that China would make a cautious attempt at lessening tensions in relations with Moscow, to arrive at a kind of limited detente.¹⁰ So these scholars recommended that the US recognition of the People's Republic of China should be made before the death of Mao.

In this connection a reflection on the US and the Soviet speculations about the post-Mao leadership in China seems pertinent. In general, to the Westerners, the moderates were more acceptable than the radicals. However, in terms of their long-range goals, the radicals and the moderates both had agreed on communism and world revolution as their objectives. In terms of short-range goals, their attitudes and policies might be different from the likes and dislikes of Western scholars. Since the radicals were insisting on 'continued revolution' and were highly sensitive to 'Soviet revisionism', in order to prevent their purpose from being sabotaged by Moscow,

9 International Herald Tribune, 6 June 1976.

10 Economic Times (New Delhi), 20 April 1976.

the Westerners knew that they would prefer a temporary compromise with the US imperialists. On the other hand, since the moderates stressed a peaceful transfer to socialism, they would prefer 'revisionism' to 'dogmatism'. In this endeavour they might see no point in antagonizing Moscow and might welcome Soviet help to expedite the modernization programme. Therefore, the US policy-makers anticipated that the moderates might seek a rapprochement with the Soviet Union and not with them. But they did not fully give up their expectations for the emergence of a pro-US leadership in China after Mao.

The Soviet Union on its part also expected that after Mao's demise, a favourable atmosphere might be created for Sino-Soviet rapprochement. So with that objective in view, the Radio Moscow issued a series of vituperations against Mao and his 'dictatorial system' as perceived by it.¹¹ The purpose behind such a move was to pave the way for the rise of a pro-Moscow leadership in China after Mao.

In this context, after the death of Zhou Enlai, Beijing endeavoured to reassure Washington that this would not result in a change of direction in its foreign policy. The key tenets of Beijing's moderate foreign policy were reaffirmed by China's acting Premier, Hua Guofeng, during

¹¹ The Radio Moscow issued a series of invectives in Mandarin, before Mao's death, from 31 January to 25 February 1976.

Nixon's visit to Beijing in February 1976. Hua strongly reaffirmed the importance of Sino-US rapprochement to alleviate US concern about the campaign against the Vice-Premier, Deng Xiaoping.¹²

It was a matter of great satisfaction to the US policy-makers that after the death of Mao in September and the arrests of the 'gang of four' on 6 October,^{12e} newly installed CCP Chairman, Hua Guofeng reaffirmed Chinese interests in the United States. Chinese media coverage also reflected a rejection of policies of the 'gang of four', which had led to a harder PRC line on Taiwan and on trade with the United States.¹³

In 1976 the Chinese leadership while privately welcoming American military presence in Asia, repeatedly emphasized the possibility of a sudden outbreak of large-scale military conflict with the Soviet Union, with a view to get military aid from the United States. Beijing now began to give the impression to the Soviet Union that it was planning a 'joint struggle against Russia' with the United States, by inviting former Defense Secretary, James Schlesinger, to visit mainland China including "such strategic regions as Xinjiang and Tibet".¹⁴

12 Robert G. Sutler, Chinese Foreign Policy After the Cultural Revolution, 1966-1977, pp. 102-3. (Boulder, 1978)

13 Ibid., p. 103.

14 Ibid., p. 31.

That the new leadership in China was bent upon improving its relationship with the United States was further reaffirmed by a US delegation to Beijing led by Senator Carl Curtis. He observed at Hong Kong that the "Sino-US relationship would continue, keeping in view the Chinese fear of the Soviet Union".¹⁵ One of the members of the delegation Theodore Stevens said "he had the impression that to the Chinese Taiwan was a minor issue compared with the major one of the Soviet Union".¹⁶

Thus the United States was also gradually realising the Chinese desire to give less importance to Taiwan problem in view of the threat from the Soviet Union from the north. Reports from Beijing now pointed out that Zhang Xiangshan, the Vice-President of the China-Japan Friendship Association, had told some Japanese visitors that "the solution of the Taiwan problem was not an urgent matter" for China.¹⁷ The US policy-makers interpreted this as a Chinese offer to 'soft-pedal' Taiwan question, provided Washington would render Beijing a credible support in its conflict with Moscow. But by giving priority to improvement of Sino-American relations over the long-standing Taiwan problem, Beijing was also trying to restrain ^{the} US from continuing its policy of detente with the Soviet Union.

15 Bangladesh Observer (Dacca), 27 November 1976.

16 Ibid. Theodore Stevens also observed that there was no need of abrupt end to US-Taiwan Defense Treaty for improvement of Sino-American relations.

17 The Times (London), 25 January 1977.

In consistent with its policy of 'no comment' on the changes in US Administration, Beijing made only formal references to Carter's election as the President of the United States. Early in the year 1977 both Carter and Vance had proclaimed their endorsement of the Shanghai Communiqué of 1972, which aimed at the normalization of Sino-American relations. They met with Huang Chen, Chief of the PRC Liaison Office in Washington, as a symbol of their interest in good relations with Beijing.

On 11 January 1977, Hennin Ribao published an article entitled: "Learn from Premier Zhou's brilliant example, strive to carry out Chairman Mao's line in foreign affairs", which laid down what should be the continuing Mao-Zhou line in foreign policy for China. This article declared that the US-China dispute over US occupation of Taiwan should be solved through negotiation and not by force of arms.¹⁸ This was an important message to the Carter administration regarding the future of Sino-American relations.

18 The Times of India (New Delhi), 28 January 1977. It is noteworthy that the official Hsinhua news agency broadcast the English version of the article, omitting the sentences referring to US-China relations. This is a habitual Chinese style of attracting attention to, and underlining the additional importance of, a particular policy statement. Certainly, the US State Department picked up the message in Chinese and was alert to its implications.

Reaction of Taiwan to US Moves

However, the US desire to improve relations with Beijing by finding out a solution of the Taiwan problem was deeply resented by the leaders in Taiwan. In a news conference in the beginning of the year 1976, Jiang Jinguo, the President of Taiwan, condemned the 'vicious design' of the world press which used Taiwan's "self-sufficiency as a rationale for America's normalization of relationship with the People's Republic of China".¹⁹ He warned the United States "it would be responsible to 'history and people of the world' if it unilaterally abrogated the mutual defense treaty".²⁰

When rumours of negotiations between Taiwan and Beijing spread during this period, President Jiang Jinguo vehemently denied them in his political report delivered at the 11th National Congress of the ruling Kuomintang Party on 14 November 1976. He observed that the Republic of China would "meet People's Republic of China on the battlefield, but nowhere else".²¹

After the failure of the talks between Washington and Moscow on the limitation of strategic nuclear arms, the Carter Administration indicated to Beijing that it wanted to have broader and normal relations with it.

19 Gerald McBeath, "Taiwan in 1976 : Chiang in the Saddle", Asian Survey (Berkeley, California), vol.17 (1977), p.25.

20 Ibid., p.25.

21 Ibid., p.26.

As a concrete step towards this, Carter decided to fill the post of Chief of US Liaison Office at Beijing which was lying vacant for a long time. Leonard Woodcock was proposed to be the new appointee.

This was followed by arrival of a ten-man Congressional delegation in Beijing which included President Carter's son, Chip Carter. This delegation proposed the "Japanese formula" for the normalization of Sino-American relations, in contrast to Chinese insistence on the principles laid down by the 'Shanghai Communique' for the same. After his son's return from Beijing, President Carter observed in a news conference on 22 April 1977 that it was in the best interests of the United States and the world, to normalize relations with China.²²

However, the most important step taken by the new Secretary of State, Cyrus Vance, towards the normalization of relations was his statement before the Asia Society on 29 June 1977. In a cautious advancement over the Shanghai communique he observed: "We acknowledge the view expressed in the Shanghai Communique that there is but one China".²³ It was one step ahead of the Shanghai communique in the sense, there the United States had simply said that it "did not challenge" the Chinese view concerning 'one China'.

22 Department of State Bulletin (Washington, D.C.), 16 May 1977, p.481.

23 New York Times, 30 June 1977.

Moreover, as a symbolic gesture of its desire to improve Sino-American relations, the Carter Administration remained very careful about its diplomatic moves during 1977, which might have contributed to further deterioration of their relations.²⁴

Rehabilitation of Deng Xiaoping

The third plenary session of the Tenth CCP Central Committee was held between 16-22 July 1977. Here a dramatic announcement was made about the reinstatement of Deng Xiaoping, who was purged in April 1976, to all his former posts which included Vice-Premier, Chief of Staff of the People's Liberation Army, member of the Central Committee and the Politbureau. Moreover, Hua Guogeng's confirmation as Chairman of the CCP also took place here. Besides that, the Central Committee unanimously voted to expel the 'Gang of Four' from the Party once and for all and thereby completed the victory of the pragmatists.

24 Steven I. Levine, "China Policy During Carter's Year One", Asian Survey, vol. 18 (1978), pp. 441-42.

With a view to retain the faith of Beijing, the State Department instructed Ambassador Leonard Unger to continue in his post at Taipei, though his normal time had expired. Similarly, Washington continued to block Taipei's efforts to appoint a new ambassador of its own to Washington. The United States also refused to allow Dalai Lama to visit America. In addition to these steps, while discussing human rights issue with the Soviet Union, Washington carefully guarded against any reference to Beijing.

From 12 to 18 August 1977, the CCP held its Eleventh Congress in Beijing. Here Deng was elected the Vice-Chairman of the Party ranking immediately behind Yei Jianying.

Chairman Hua's Political Report to Eleventh National Congress of the CPC

In his political report to the Eleventh National Congress of the CPC, Hua reaffirmed Mao's revolutionary "line on foreign affairs."²⁵ He denounced both the Super Powers in general, but referred to the Soviet Union as the 'greater danger'. He also further expounded Chairman Mao's 'Three Worlds Theory'. In this context, it may be observed that the absence of any new and firm orientation in Chinese foreign policy during this period was due to the fact that the leaders were preoccupied with pressing domestic problems.

In his political report Hua emphasized that the focus of the Soviet-US contention continued to be Europe and not East Asia.²⁶ He reaffirmed the spirit of the Shanghai Communique and called for abrogation by the United States of the Mutual Defense Treaty with Taiwan for the improvement of Sino-American relations.²⁷ This shows that while the Carter Administration was searching for the ways and means to improve Sino-American relations, assuming that China

25 News From Xinhua News Agency China (London),
25 August 1977, p.18.

26 Ibid., p.17.

27 Ibid., p.18.

might become a bit flexible on Taiwan issue, Hua's above statement falsified that assumption.

Cyrus Vance's Visit to Beijing

The US Secretary of State, Cyrus Vance, arrived at Beijing for talks with the Chinese leaders on 22 August 1977. Keeping in view the bold statements made earlier by Hua Guofeng on the Taiwan issue, President Carter voiced a note of caution that Vance's visit to Beijing was only "exploratory in nature".²⁸

Mr Vance had a series of talks during his visit with Huang Hua, Deng Xiaoping and Chairman, Hua Guofeng. On 26 August he flew to Tokyo to inform the Japanese Government on the talks he had with the Chinese leaders. Welcoming Mr Vance on his return to Washington, Carter told some editors and news directors that US decision on recognition of China would be made in future, after due consideration of the 'best interests' of the United States.²⁹

Richard Holbrooke, Assistant Secretary of State for East Asian and Pacific Affairs, who had accompanied Vance, flew to Taipei on 26 August to report on the talks to General Jiang Jinguo, the Prime Minister of Taiwan. The Taiwan Foreign Ministry as a reaction to this declared on

28 Department of State Bulletin, 26 September 1977, p. 598.

29 Ibid., p.401. The President observed: "... we don't intend to act hastily. When we do make a decision about China which, if we make one of recognition, it is undoubtedly going to be well into the future and it will be based on what I consider to be in the best interests of our country and one which I think the American people will support".

the same day that the Government would consider "null and void, any agreement or understanding involving the rights and interests of the Republic of China, which might have been reached".³⁰

While on 26 August 1977 Deng had observed that his talks with Vance had been extremely useful, later on he gave a totally different assessment of them. In course of his talks with the representatives of the Associated Press he pointed out that while in December 1975, President Ford had promised to break off diplomatic relations with Taiwan if he would be re-elected, Secretary of State Vance had proposed establishment of full US diplomatic relations with China and a diplomatic 'liaison office' in Taiwan. He commented that the efforts to normalize relations between the United States and China had suffered a setback" during Vance's visit.³¹

Regarding liberation of Taiwan, Deng pointed out that the Chinese people 'had patience', but the patience would not last for all times to come. He added that in case Taiwan resisted a takeover by the Chinese government in future, that "would lead to conflict".³²

30 Keesing's Contemporary Archives,^{(London),} 1979, p. 29533.

31 New York Times, 7 September 1977, p. A-1.

32 Deng also observed that the US side had been responsible for creating an impression after Vance's visit that the Chinese would be flexible about promising not to take Taiwan by force, if the US would withdraw. But this was a wrong idea, he added.

Though Deng outlined the firm stand of the Chinese on Taiwan issue, with a view to ensure the continuation of the dialogue on normalization of relations, he also observed that Chinese would not rule out the possibility of the peaceful solution of the Taiwan problem, if the US would not intervene.³³ In this context, the former President Ford clarified that two years ago he had discussed with China a possible break in US relations with Taiwan.³⁴ But he neither confirmed nor denied Deng's statement that he had undertaken to break with Taiwan fully, if he was reelected in 1976.³⁵

That China was willing to remove the deadlock in Sino-American relations was further confirmed by Huang Hua's "Report on the World Situation" which had been delivered on 30 July 1977. In the beginning of the report he had cautioned that, the US would not be "responsible enough" to protect Taiwan, when opportunities would be ripe for the Chinese to liberate it with armed forces.³⁶ But later on he also pointed out that China would put aside the Taiwan issue for the time-being, until all the preparatory work had been finished.

33 New York Times, 8 September 1977, p. A-3. It is mentioned here that though Beijing had rejected Vance's formulae for a solution of the Taiwan problem, still it had indicated Washington to 'try again'.

34 Ibid., p. A-3.

35 Bangladesh Observer, 10 September 1977.

36 Issues and Studies (Taipei), vol. 14 (1978), pp. 112-13. It also observed: "Reading through American history, we cannot find an instance in which the United States has had the determination and courage to make sacrifices for others".

Thus during 1976-77 period, Sino-American relations entered into a deadlock, over the delicate issue of the future status of Taiwan. While the US Administration was struggling with the task of finding an acceptable formulae for the solution of Taiwan problem, the "frequent show of firmness on the part of the Chinese thwarted its efforts". So towards the end of 1977, a situation arose in which some US observers of Chinese foreign policy, called for a reappraisal of the Shanghai Pact.³⁷ Although they put forth some weighty arguments in its favour, the major objective behind these arguments was to draw some concessions from the Chinese leaders on Taiwan issue. The US policy-makers were trying to impress upon their Chinese counterparts that they should come forward with a flexible stand on Taiwan, as they were not in a position to totally

37

Times of India, 29 December 1977.

John F. Cooper, a visiting research fellow of the Hoover institution, the 'think-tank' for the US Administration on foreign policy questions, observed this in an article entitled "Reassessing the Shanghai Communique" in the Asian Wall Street Journal. His arguments were as follows: (1) The Shanghai communique was signed in a different environment, both in terms of US politics and the foreign policy, (2) the document was vague and confusing, (3) the provisions of the communique had not been abided by in the past. The most forceful contention for dropping the communique was that the Nixon Administration's foreign policy was based on power politics, but Carter was basing his policy on a concern for human rights and fair treatment of allies which included Taiwan.

abrogate the US security links with Taiwan. They were also emphasizing that if the US-Taiwan Defense Treaty was abrogated, it would affect the credibility of US security arrangements with Japan, South Korea and the Philippines.

Economic and Cultural Relations in 1976-77

Though Sino-American economic relations further improved during 1976-77, the magnitude of trade between them sharply declined in comparison to the earlier period. After consolidating himself in power, Hua Guofeng and other pragmatic leaders of China, quickly repudiated the approach of the 'Gang of Four' and reemphasized China's strong interest in developing trade abroad. A New China News Agency comment on the opening of the Canton Trade Fair on 15 October 1976, gave unusual stress to the importance of increasing China's foreign trade. It repeatedly cited Mao's 1949 injunction to expand international trade in order to promote China's economic prosperity.

Thus the new leadership in China tried to emphasize Mao's earlier views on economic relations and trade with other countries, to legitimize their pragmatic approach towards economic development. In fact, the trend for this was already set by Zhou Enlai at the Fourth National People's Congress in 1975, where he had laid emphasis upon the 'Four Modernization' programme. The talk which Mao had given before the Politbureau of the CCP in April 1956 was published on 26 December 1976. This talk

"On the Ten Major Relationships" was now edited by Hua Guofeng and also differed in many respects from the 1956 text.³⁸

Regarding China's relations with other countries of the world, Mao in this new text was portrayed as a pragmatist. Here he had observed that the rejection of decadent bourgeois systems and their ideologies "should in no way prevent us (China) from learning the advanced sciences and technologies of capitalist countries and whatever is scientific in the management of their enterprises, to build China into a powerful socialist country". Thus we find that the new leaders in China, began to give great emphasis upon Sino-American trade. This resulted in certain agreements between the two countries on expediting trade.³⁹ Moreover, a highranking Chinese delegation led by the head of the China Council for the Promotion of International Trade, Wang Yaoding, toured the United States in September 1977.⁴⁰ In this connection it may be recalled that a CPC Central Committee circular issued on 18 September 1977 observed:

38 Refer to S. K. Schram, "Chairman Hua Edits Mao's Literary Heritage: 'On 10 Great Relationships'", China Quarterly (London), March 1977, pp. 126-35.

39 Keesing's Contemporary Archives 1979, p. 29538. On 28 November 1977 China reached an agreement with the US for purchasing oil-drilling equipment valued at about \$50,000,000.

40 Lewine, n. 24, p. 446.

"It is necessary to improve the collection of scientific and technical information, promote international academic exchange and introduce necessary advanced techniques...."⁴¹

The Sino-American Cultural Exchanges also continued in 1976-77. The Renmin Ribao and NCNA highlighted Beijing's cordial welcome for an unusually large number of US visitors to China in late 1976. On 17 November 1976, NCNA commented in very cordial terms on the October tour of the United States by a Chinese volleyball team. It observed that the members of the team had realised that the US people were very friendly to China. Moreover, a delegation from Chinese People's Institute for Foreign Affairs also toured the US in July 1977.

Though in 1976-77 no spectacular improvement took place in Sino-American diplomatic relations, marked improvement had occurred in the spheres of trade and cultural exchanges. In a way to compensate for the loss, as a result of deadlock in diplomatic relations, the two sides decided to keep up the momentum in other spheres. Thus by the end of 1977, the official US position seemed to be that Washington might accept Beijing's conditions for normalization, if the latter would in turn make the

41 Keessing's Contemporary Archives, 1977. p.28725.

commitment at least privately that, it would not use force to liberate Taiwan. By insisting on a Chinese assurance on Taiwan issue, the US wanted to emphasize two points: (a) that it did not want to give up the concern for the security of Taiwan, and (b) that more or less it was convinced of the fact that during the foreseeable period Beijing would not be able to liberate Taiwan by force for the simple reason that its armed forces were not strong enough to do so.

Similarly by refusing to give any assurance either publicly or privately on Taiwan issue, Beijing emphasized its sovereignty over the latter. It also retained the right to solve the Taiwan problem on its own, as it considered this to be an internal one.

CHAPTER IV

PRAGMATISM PREVAILS OVER RELUCTANCE

CHAPTER IV

PRAGMATISM PREVAILS OVER RELUCTANCE

The end of 1978 witnessed the normalization of Sino-American relations which marked the culmination of the process of detente begun in 1972. But this new development was not much surprising, as it was expected to occur since long. When the primary purpose of detente, which was opening a dialogue between China and the United States was fulfilled, both the countries aimed at diplomatic recognition of each other. So two months after his becoming the President, Carter and his closest advisers evolved what was called the 'Triple Crown Strategy'. Diplomatic recognition of the PRC by the United States constituted one part of that strategy.¹

However, till the middle of 1978, no concrete move was taken either by the United States or China towards the normalization of relations. But a few optimistic comments had come from a few relatively lower ranking Chinese officials like Chen i-sung. In his capacity of a member

¹ Thomas, J. Bellows, "Normalization : A Taiwan Perspective", Asian Affairs : An American Review (New York), vol.6 (1979), p.340. Here the author observes that the two other parts of that strategy were a settlement of the Middle east problem and SALT II agreement, to be achieved by 1 January 1979. It was expected that success of that strategy would facilitate Carter's reelection.

of the Organization Committee of the NPC, he had predicted that normalization might take place in 1978 itself.² Thereafter in his defence policy speech on 17 March 1978, President Carter pointed out that the United States would continue its security links with the allies in North-East Asia and also provide military aid to them.³ Earlier this stand of the President had been enunciated by the Assistant Secretary for East Asian and Pacific Affairs, Richard C. Holbrooke.⁴

In this context the White House announced in April that President Carter's National Security Adviser, Zbigniew Brzezinski, would visit China in May. While clarifying about the purpose of the visit, the Press Secretary of the White House mentioned that the journey was not a 'negotiating trip' to solve the problems blocking normalization.⁵

Brzezinski's Visit to China

Zbigniew Brzezinski visited Beijing on 20-23 May 1978 and had talks with Huang Hua, Deng Xiaoping and Chairman Hua Guofeng. The negotiations were held in an environment

2 Amrita Bazar Patrika (Calcutta), 19 January 1978.

3 Department of State Bulletin (Washington, D.C.), April 1978, p.19.

4 Ibid., p.33.

5 International Herald Tribune (Paris), 24 April 1978.

which was characterized by a growing feeling that Soviet-American relations had "run into trouble over a wide area of conflicting interests".⁶ For instance, the emergence of a pro-Soviet government in Afghanistan was the latest in a series of developments which was seen in Washington as strengthening the Soviet hold in that region. Similarly the presence of Cuban troops in Ethiopia, which crushed Somali forces in the Ogaden region, was also seen by the United States as the 'result of Soviet manoeuvres'.

Keeping all these developments in view, the United States, it seemed, thought in terms of playing its 'China card' against the Soviet Union.⁷ At a banquet on 27 May Brzezinski said: "we recognize and share China's resolve to resist the efforts of any nation which seeks to establish global or regional hegemony".⁸ The Chinese leaders were very much pleased by these references to global and regional hegemony which were aimed at the Soviet Union and Vietnam. They were confirmed of the US objectives, when Brzezinski said: "The President is determined to join you in overcoming obstacles in the way of full normalization of our relations

6 Tribune (Chandigarh), 25 April 1978.

7 Indian Express (New Delhi), 25 April 1978.

8 Keessing's Contemporary Archives (London), 1979, p. 29533.

within the framework of the Shanghai Communiqué. The United States has made up its mind on the issue.⁹ He also added that a strong and secure China was in America's interest.¹⁰ Commenting upon Brzezinski's assurances to the Chinese leaders on behalf of the President, the South-East Asian diplomatic circles observed that full diplomatic relations between China and the United States would be established before the end of the year as Brzezinski, in course of his negotiations with the Chinese leaders, might have agreed to the termination of diplomatic relations with Taiwan.¹¹

Nevertheless, as late as mid-1978, it seemed President Carter was still sticking to the position enunciated earlier by Vance during his talks with Deng Xiaoping in August 1977.¹² Speaking before the Trilateral Commission in June 1978, the President reaffirmed the following principles:

- (a) the PRC should commit itself to a peaceful solution of the Taiwan problem,
- (b) there should be a reversal of the existing US relations both with China and Taiwan. In concrete terms it meant establishment of

9 Ibid., p. 29533.

10 Department of State Bulletin, August 1978, p. 4.

11 n. 6. These diplomatic circles observed: "The report that six members of the congressional delegation which visited China last January have published a suggestion favouring a break with Taiwan confirms the impression that Brzezinski during his visit agreed to terminate diplomatic relations with Taiwan".

12 Vance had proposed earlier that the US would establish diplomatic relations with Beijing and simultaneously set up a 'liaison office' in Taipei. This proposal was rejected by Deng Xiaoping.

official ties with Beijing and a mere trade and liaison office in Taipei.

- (c) However, the US would continue its policy of selling defensive weapons to Taiwan.

In this situation, the Carter Administration sought to maintain and further accelerate the process towards normalization, by sending many official delegations to Beijing. A scientific mission headed by Frank Press, Adviser on Science and Technology to the President, visited Beijing in July. The delegation had talks with Fang Yi, Deputy Premier incharge of the Scientific and Technological Commission, about various subjects including space, energy, public health, agriculture, oceanography and exploration of natural resources.

Thereafter, the Chinese Government conveyed its desire to Washington, to begin a programme of exchange of students. This was followed by the visit to Beijing of the US Secretary for energy, James Schlesinger, and Robert Bergland, the US Secretary for Agriculture. They respectively talked with the Chinese officials about co-operation in the field of energy projects and agriculture.

In this connection it may be recalled that simultaneously with Brzezinski's trip to Beijing, the PRC declared Chai Zemin as the head of the 'liaison office' in Washington. On his return from Beijing, Brzezinski had to prepare a draft on 'normalization' of relations.¹³ The final draft prepared by

¹³ n. 1, p. 341.

by him was based essentially on the principles outlined by Carter at the Trilateral Commission.¹⁴

Although Leonard Woodcock, the Head of the US 'Liaison Office' in Beijing presented the draft to the Foreign Minister, Huang Hua, on 4 November 1978, the Chinese did not respond to it for about a month. But meanwhile, they had given sufficient indications to the effect that they wished to improve their relations with the US. For instance, in course of a press conference in Japan Deng Xiaoping had observed that the normalization of relations between China and the US was the trend of development and the two sides were negotiating that question.¹⁵

In this situation, when Woodcock met China's Vice-Foreign Minister on 4 December 1978, he found that the draft presented by him earlier, had been changed substantially. He was in fact astonished to see such drastic changes and anticipated that Washington might reject them.¹⁶ But to his surprise, most of the modifications made by the Chinese were accepted in Washington and a joint statement was prepared within a short period.¹⁷

A joint communique issued at 9 p.m. on 15 December 1978 (US local time) simultaneously in Washington and Beijing,

14 n. 1, p. 342.

15 Beijing Review, 3 November 1978, p. 16.

16 n. 1, p. 342.

17 Ibid., p. 342.

announced that the US and China had agreed to recognise each other and to establish diplomatic relations from 1 January 1979. The communique also stated that the two sides had agreed to exchange ambassadors on 1 March 1979. The US government declared in the communique to give Taiwan a year's notice, for the termination of the 1954 Mutual Defence Treaty. It also mentioned in the declaration to withdraw US military personnel within four months. But the United States was not debarred by any explicit condition in the communique, from continuing unofficial relations with Taiwan such as commercial and cultural. In the communique the Chinese also did not make any specific commitment about not using force against Taiwan for its unification with the mainland.

Factors Behind Normalization

The Sino-American joint declaration regarding normalization of relations startled the observers of Chinese and US foreign policy as far as its timing was concerned. Most of them observed that the agreement was made in a hurry and that it did not take into account the major factors which had earlier prevented them from recognizing each other. It was argued that both the countries deliberately 'played down' the Taiwan issue for the time being, as their mutual interests coincided over other issues, for instance, containment of 'Soviet expansionism'.

The factors which motivated the United States for normalization of relations with China were as follows:

First, the US failure to contain increasing Soviet influence in the Horn of Africa, Afghanistan and Indo-China on its own necessitated an early recognition of the People's Republic of China. Washington thought that diplomatic recognition of China would counteract the impact of the series of friendship treaties which the Soviet Union had concluded with Ethiopia, Vietnam and Afghanistan.¹⁸ Moreover, through the diplomatic recognition of China, the United States wanted to have a leverage against the Soviet Union in SALT talks.

Second, Carter's policy of linking the human rights issue in the Soviet Union with the general process of detente had also led to deterioration in Soviet-American relations.¹⁹ This policy was a reversal of that followed by Kissinger who was treating both the issues separately.

Third, the US businessmen had traditionally considered China to be a backward giant with vast economic and trade potential. After the retreat of the US business from Iran, the prospects of a vast trade with China appeared most attractive to them.²⁰ The US businessmen gradually realised

18 Sunday Standard (New Delhi), 17 December 1978.

19 Maya Chadda, "The United States and China on a New Course", Foreign Affairs Reports (New Delhi), vol. 28 (1979), p. 167.

20 Ibid., p. 167.

that in the absence of diplomatic recognition of China at the earliest, they would not be able to keenly compete with Japan and the Common Market for carrying on trade with China.²¹ So the US businessmen launched a concerted effort for diplomatic recognition of China as soon as possible.

Fourth, in 1978 the United States became fully confirmed of China's vast oil potential. Evidently, at the time of Vance's visit, the Chinese had nothing substantial to offer in exchange for the reversal of the US policy towards Taiwan. Meanwhile, the US came to know that huge amount of oil was located in China's offshore areas.²² Being the most important oil importing country in the world, the US wanted to import oil from China through diplomatic recognition of that country.

Fifth, in the year 1978 the United States was searching for a major diplomatic breakthrough in its foreign policy as the deadline for a West Asian peace accord which was to come about at the behest of the United States, approached without an agreement in sight. In such a situation, the prospects of normalization with China provided an opportunity to salvage US prestige.²³

21 R. S. Arora, Ambassadors Exchanged After Thirty Years : Sino-American Relations 1949-1979 (New Delhi, 1980), p. 171.

22 Ibid., p. 158.

23 The Hindu (Madras), 3 January 1978.

Sixth, according to senior officials of the white House, President Carter wanted to strengthen the hands of Deng Xiaoping through the diplomatic recognition of China.²⁴ He wanted Deng to succeed in the internal power struggle which was going on in China at that time because, he expected that the latter would serve the US interests best.

Seventh, President Carter was also personally interested in normalizing relations with China. He thought that this would boost his image at home, which had been undermined to a great extent due to the failure of his anti-inflation programme.²⁵

Eighth, the China watchers in the US also stressed the need for improvement of US relations with China, whose population would probably reach two billion by the turn of the century.²⁶ For instance, Brzezinski observed on 15 January 1979 that China with its nearly billion people and third largest defence budget in the world would play an important role in the world.²⁷

24 The Statesman (New Delhi), 20 January 1979.
"China Plays America Card" by Victor Zorza.

25 The Hindu, 3 January 1978.

26 International Herald Tribune, 11 July 1978.

27 Department of State Bulletin, February 1979, p.20.

Finally, the immediate cause behind Carter's rush for normalization might have been the urgent need to instal a 'monitoring station' in Xinjiang region of China.²⁸ This monitoring station was intended to verify the installation of strategic weapons by the USSR. In this connection it may be recalled that prior to recent disclosure by Washington, "Radio Peace and Progress" had anticipated such a development in a declaration on 20 April 1979.²⁹

Thus we find that there were quite a large number of factors which induced the US to normalize relations with the People's Republic of China. Coming to the factors which motivated China for the same:

First, the Chinese 'apprehension of encirclement' by the Soviet Union and its allies, had become a reality by the end of 1978. The increasing Soviet influence in different parts of the world in general and in Vietnam and Kampuchea in particular, heightened the Chinese perception of threat. So through establishment of diplomatic relations with the United States, the Chinese decided 'to play the American card', for the containment of Soviet influence in East Asia.

28 Times of India (New Delhi), 20 June 1981. The Reagan Administration disclosed this before Secretary of State, Alexander Haig's June 1981 visit to China.

29 Summary of World Broadcasts (BBC), Part I., SU/6098/A3/1, 23 April 1979.

Second, the Chinese leaders now felt that establishment of diplomatic relations with the US would open another source for advanced technology and funds, which were highly essential for expediting the modernization programme.³⁰

Third, the US flexibility on Taiwan issue and sale of defensive weapons to China by NATO members also made normalization politically acceptable in China. In course of his secret negotiations with the Chinese leaders, Leonard Woodcock had given adequate indications to that effect. So these favourable gestures by the United States encouraged the Chinese leaders to reciprocate in appropriate manner.

Finally, personality factor had also played an important role in the Chinese decision to normalize relations with the United States. Like Carter, Deng also wanted to have a breakthrough in China's foreign relations, to strengthen his position in the face of massive opposition to his domestic and foreign policy from the radicals. He knew it well that should he fail to develop China's economy, he would lose his credibility for ever.³¹ So after diplomatic recognition of the US, he decided to accelerate China's modernization with active US participation.

30 n. 21, pp. 158-59.

31 Times of India, 8 February 1979, "Sino-American Relations : Hurdles Mr Deng Cannot Cross" by Denzil Peiris.

The normalization of relations between China and the United States was achieved at the cost of keeping aside the Taiwan issue for the time being. In the communique, the United States recognized the existence of only one China and observed that the Government of the People's Republic of China was the 'sole legal government of China.'³² The United States retained the right to maintain cultural, commercial and other unofficial relations with the people of Taiwan, even after the establishment of official diplomatic relations with the PRC.³³ Regarding the US proposal to continue the supply of defensive weapons to Taiwan, Premier Hua said in a press conference that China would absolutely not agree to the US supply of arms to Taiwan after normalization of relations.³⁴ This indicated that in future China might decide to make the issue of US supply of arms to Taiwan, a bone of contention for the continuation of Sino-American relations.

Beijing agreed to the continuation of US commercial relations and military presence in Taiwan because, it wanted to prevent Moscow's entry into the sphere of Taiwan's

32 Department of State Bulletin, January 1979, p.25.

33 Ibid., p.25.

34 Beijing Review, 22 December 1978, p.10.

foreign trade, in case of a US withdrawal.³⁵ Moreover, China had a great stake in Taiwan's economy. It expected to establish trade relations with Taiwan in future to earn foreign exchange, as she does from relations with Hong Kong at present.

Commenting upon the future of Taiwan's relations with the mainland in an interview with a New York Times correspondent on 29 November 1978, Deng pointed out that China acknowledged the difference between the political system operating in the mainland and Taiwan, and would seek a solution of the Taiwan problem which took into account that reality. His stand on this was reaffirmed by a NPC's new year message to Taiwan.³⁶ Regarding US desire for a peaceful solution of the Taiwan problem, Deng refused to give any commitment to that effect as that might lead to Taiwan's refusal for starting negotiations with the mainland.³⁷ In this context, it is worth mentioning that the Chinese have always treated Taiwan problem as part of their 'internal affair'.

35 Indian Express (New Delhi), 21 December 1978.
"Implications of Sino-US Decision" by K.N. Ramachandran.

36 Summary of World Broadcasts, FE/6006/A3/2, 3 January 1979.

37 n.8, p.29534.

Taiwan's Reaction to US decision to normalize relations with the PRC

Reacting to the US proposal for establishment of diplomatic relations with China and consequently termination of relations with Taiwan, President Jiang Jinguo of Taiwan observed that henceforth the United States should not expect to retain the confidence of any free nation.³⁸

About China's proposals for negotiation he commented that under no circumstance, Taiwan would either negotiate with the Chinese communist regime or compromise with communism.³⁹

The Soviet Reaction to Normalization

The Soviet Union welcomed the normalization of relations between China and the United States, but expressed its reservations about the basis of their move. In a message to President Brezhnev after normalization, Carter assured that their move aimed at protecting world peace. Later on in a television interview he observed that Brezhnev's reply to his message was very positive in tone.⁴⁰ But this interpretation of Brezhnev's reply was not confirmed by the Soviet Union.

In fact a Times report pointed out that President Brezhnev had replied in no uncertain terms that the

38 Summary of World Broadcasts / FX/5997/1, 18 December 1978.

39 Ibid.

40 Department of State Bulletin, February 1979, p.5.

"establishment of normal relations between the two sovereign states was a natural thing, but it was another question on what basis normalization took place and what aims were pursued by the parties".⁴¹ That Soviet Union apprehended threat to the process of detente as a result of Sino-American normalization of relations, became crystal clear when the Kremlin Foreign Policy Adviser, Georgi Arbatov, cautioned: "there would be no place for detente, if Washington and Beijing even formed an informal alliance".⁴²

Reactions of the Taiwan Lobby to Normalization

Though President Carter's decision to normalize relations with China was endorsed in statements made by ex-President Gerald Ford and Kissinger, many Republican and Democratic Congressmen criticized this very strongly. The focus of their criticism was the President had failed to secure guarantees from China, for the security of Taiwan. The Taiwan lobby in the Congress described the decision as an "act of treachery".⁴³

Regarding the practical and legal problems concerning unofficial ties with Taiwan, many scholars pointed out that if in future the People's Republic of China objected to these

41 n.8, p.29535.

42 International Herald Tribune, 22 December 1978, "Brezhnev Cautioned US on China Ties" by David Shipler.

43 Time (London), 1 January 1979, p.23.

ties, legally the United States would not be able to resist it.⁴⁴ Knowing fully well the implications of its own policy, the United States established the American Institute in Taiwan on 16 January 1979 to carry on commercial, cultural and other relations with Taiwan. Although this action of the United States evoked the Chinese displeasure, they had to keep their reactions within limits.

Deng Xiaoping's Visit to the United States

After the joint US-Chinese declaration on normalization of relations, Deng expressed his desire "to visit America before going to see Marx".⁴⁵ So on 28 January 1979 Deng began a nine-day-long official visit to the United States. He concluded with Carter the first government-to-government accords in over thirty years, which provided for scientific and technological cooperation, cultural exchanges and consular protection for each other's citizens.⁴⁶

President Carter on his part declared that in the near future, US consulates in Shanghai and Canton, and Chinese consulates in Houston and San Francisco would be opened.⁴⁷ Under the cultural agreements reached between them, it was decided to exchange books, magazines, films, recordings, etc.

44 Refer to "Normalization and Some Practical and Legal Problems Concerning Taiwan" by Hungdah Chiu, in Hungdah Chiu (ed.), Occasional Papers/Reprints Series in Contemporary Asian Studies, no.2 (Maryland, 1978), p.63.

45 Michael Schaller, The United States and China in the Twentieth Century (New York, 1979), p.191.

46 Summary of World Broadcasts, Part 3, PB/6032/A1, 2 February 1979, pp.1-2.

47 Ibid., p.2.

When asked about Taiwan, Deng told in a meeting of the US Senators: "We no longer use the word 'liberation' of Taiwan. We now say we want to solve the question of the return of Taiwan to the mainland and complete the great cause of reunification of the motherland".⁴⁸ This emphasis upon 'reunification' and not on 'liberation', indicated China's desire to mobilize support in the United States for Taiwan's unification with the mainland. But Deng also voiced a note of caution when he said that unless peace talks between Taipei and Beijing begin within five years, then the PRC would be forced "to give Taiwan a lesson".⁴⁹

In course of his visit, Deng caused considerable embarrassment to US leaders through certain statements made in public against the Soviet Union.⁵⁰ In course of an interview, which he gave to the Time magazine before his visit to Washington, he had referred to the Soviet Union as a 'hot-bed of war'.⁵¹ He also called for an anti-Soviet front of the United States, China, Japan and Western Europe to contain the Soviet Union.

In spite of his vociferous attack on the Soviet Union, Deng to his dismay discovered that the United States was not

48 n.8, p.29537.

49 n.1, p.354.

50 n.8, p.29537.

51 Time, 5 February 1979, p.15.

equally enthusiastic about the containment of Soviet Union, at least to the extent he demanded.⁵² He found that Washington was paying highest importance to detente with the Soviet Union. This was evident from Carter's speech at a press conference on 12 February 1979. Here Carter effectively dissociated himself from Deng's aspersions throughout the Soviet Union and pointed out that the security concerns of the United States did not coincide with those of China, nor did China share the responsibilities of the United States.⁵³ In particular Carter said his most important responsibility was to preserve peace in the world by maintaining good relationships with the Soviet Union. He stressed that he had no "inclination to condemn the Soviets as a people or even as a government".⁵⁴

After Deng's visit, the Senate again took up the issue of security of Taiwan. In a statement to the Foreign Relations Committee of the Senate Harold Brown, the Defence Secretary, said on 5 February 1979 that Chinese military action against Taiwan was "extremely unlikely for the foreseeable future as it would seriously weaken China's defences on the Soviet and Vietnamese borders."⁵⁵ He also added that China would not

52 n.31.

53 n.8, p.29537.

54 Department of State Bulletin, March 1979, p.33.

55 n.8, p.29536.

like to risk the hostility of the United States and Japan by attacking Taiwan, as its modernization programme would suffer without their help.

But all these explanations did not satisfy the Taiwan lobby and they wanted the Carter Administration to give a guarantee for the security of Taiwan. The situation became extremely critical and necessitated President's intervention. So in a statement which almost destroyed the very basis of Sino-American relations, Carter said at a press conference on 9 February that the US policy "does nothing to prohibit a future President or a future Congress, if we feel that Taiwan is unnecessarily endangered, from interposing the American Pacific Fleet between the island and the mainland".⁵⁶ He also added that if it would become necessary in future, a President or Congress could go to war to protect the people of Taiwan.⁵⁷

Sino-American agreement on settlement of claims

An eleven men negotiating body headed by Michael Blumenthal, the US Secretary of Treasury, visited Beijing in March and worked out a settlement of claims with China.⁵⁸

56 Ibid., p.29536.

57 Ibid., p.29536.

58 Under this agreement China agreed to pay \$80.5 million to the US treasury to settle almost 470 US claims totalling \$196.8 million. The US also agreed to release \$80.5 million in Chinese assets frozen during the Korean war.

The Sino-US agreement on settlement of claims coincided with the exchange of ambassadors between the two countries. While Leonard Woodcock headed the US embassy in Beijing, Chai Zemin became the Chinese ambassador to the United States.

Soon after the exchange of ambassadors, the Congress passed the Taiwan Relations Act expressing continued US interest in the peaceful resolution of the Taiwan problem. It also provided for US arms sales to Taiwan. Commenting upon this legislation, Deng said that it had come closer to nullifying the normalized relations, just established between China and the United States.⁵⁹

China's Decision On Joint Ventures

At the second session of the Fifth National People's Congress, the Chinese leaders adopted a code of fifteen articles on joint ventures.⁶⁰ The Chinese believed the code would go a long way in protecting the legitimate interests of foreign investors. But the Western investors felt that the code had left many aspects either untouched or imprecise, including levels of foreign ownership, formula for computing profit and taxation.⁶¹ In view of their past

59 International Herald Tribune, 23 April 1979.

60 Beijing Review, 20 July 1979, pp.24-26.

61 Far Eastern Economic Review (Hong Kong), 27 July 1979, pp.83-84.

experiences which included arbitrary confiscation of their assets, many US and Japanese businessmen decided to adopt a "wait-and-see" attitude towards investment in the mainland.⁶²

Reciprocating China's decision on joint ventures, the United States signed a long awaited trade pact with China on 7 July 1979. Under this agreement the US granted China the Most Favoured Nation status, even before the same status was given to the Soviet Union.⁶³

Sino-Vietnamese War

While a new phase was about to begin in the history of Sino-American relations, the South East Asia entered into a turmoil caused by the Chinese invasion of Vietnam. In this context it may be recalled that the Sino-Vietnamese relations was gradually deteriorating since the Communist victory in Indo-China.

The first step in the deterioration of relations between China and Vietnam began with the Vietnamese interference in Cambodia which was China's ally in Indo-China. The deterioration in Vietnam-Cambodia relations became a new source of conflict between Beijing and Moscow as the former sided with Cambodia and the latter with Vietnam. Vietnam became the tenth full member of COMECON, the

62 Chen Yuen, "Foreign Businessmen's Wait-and-See Attitude regarding Investment in Mainland China", Issues and Studies, vol. 15 (1979), p. 6.

63 Department of State Bulletin, December 1979, p. 33.

communist economic grouping of Eastern Europe. The Chinese treated this as an endeavour by the USSR and Vietnam to encircle China. So with a view to counteract this, China signed a Treaty of Peace and Friendship with Japan on 12 August 1978. This treaty included an 'anti-hegemony' clause directed at the Soviet Union.

The USSR considered the Sino-Japanese treaty to be a deliberate attempt by its signatories to provoke it. So on 3 November 1978, it signed a Treaty of Friendship and Cooperation with the Vietnam. The Chinese now thought that the USSR was trying to convert Vietnam into the "Cuba of the East".⁶⁴ So they warned Vietnam with dire consequences in Indo-China.⁶⁵

In this context, the Vietnamese take-over of Cambodia in January 1979, marked the boiling point of China's anger. The Chinese treated this not only as an "attempt by a traditional enemy to become a major regional power, but also as part of a manoeuvre sponsored by the Soviet Union to demonstrate China's inability to defend its friends".⁶⁶

64 The New York Times, 19 February 1979.

65 Beijing Review, 29 December 1978, p.24. Interestingly, here the Chinese had warned Vietnam: "Don't Complain later that we've not given you a clear warning in advance".

66 n.19, p.178.

So with a view to reveal Vietnam's weakness to the world and to 'teach a lesson' to it, China attacked it in February 1979. Undoubtedly, Deng's visit to Washington added to China's confidence to mount a "limited attack" on Vietnam.⁶⁷

However, one hopeful but important aspect of the Sino-Vietnamese war was: neither the United States nor the Soviet Union took any active part in support of either party. For instance, the US ambassador to the United Nations, Andrew Young observed: "We have stated firmly that we will not take side in Sino-Vietnamese conflict".⁶⁸ By this the two super powers revealed that when they find it necessary for their national interests, they might not like to actively support their allies, even if they were involved in a war. Keeping in view the US national interest President Carter called upon China and Vietnam to cease fighting and added that "America would no longer be the policeman of Asia".⁶⁹ As far as the implications of the Sino-Vietnamese war for the Chinese foreign policy was

67 Michael Yahuda, "China's New Outlook : The End of Isolationism", The World Today (London), May 1979, p. 186.

68 Department of State Bulletin, June 1979, p. 62.

69 n. 45, p. 193.

concerned, it demonstrated China's willingness to use force for conflict resolution.⁷⁰ So on the basis of the conclusion derived from Sino-Vietnamese war, one can predict the probability of a Sino-American war in future to solve the Taiwan problem.

Vice-President Mondale's Visit to China

In the company of several state governors the US Vice-President, Walter Mondale, visited China in August 1979. In course of his speech at the Beijing University, Mondale talked about the existence of a spiritual alliance between China and the United States. He added that any nation which sought to weaken or isolate China in world affairs assumed a stand counter to US interests.⁷¹ By making such bold statements for records, Mondale wished to bolster up China's bargaining power with the Soviet Union at the meeting^{scheduled} to be held in September 1979.⁷²

Later on as a gesture of good intention, he opened the first US consulate in Guangzhou in thirty years and announced that talks would begin in Beijing next month on a civil aviation pact.⁷³

70 Joyce K. Kallgren, "China in 1979 : On Turning Thirty", Asian Survey (Berkeley), vol.20(1980), p.15.

71 Department of State Bulletin, October 1979, p.10.

72 Chang Hu, "What is Behind US Vice-President Mondale's Visit to Mainland China?", Issues and Studies, vol.15 (1979), p.4.

73 n.71, p.13.

Hua's Visit to Western Europe

Hua Guofeng, the Prime Minister of China, visited France, West Germany, the United Kingdom and Italy from 1. October to 6 November 1979. His purpose of visit was to fetch Western technology for the acceleration of the modernization programme and to achieve an understanding with these West European countries over the issue of containment of 'Soviet expansionism'.

In this connection it may be recalled that before Hua's trip, the Soviet Union had proposed to withdraw twenty thousand troops and one thousand tanks from East Germany provided the NATO countries would not agree to the US proposal for deployment of intermediate range missiles. So Hua tried to impress upon the leaders of the West European countries, the need for remaining firm on the question of boosting their defense capability.⁷⁴ But to his dismay, Hua found that one of his hosts, namely, President Valery Giscard d'Estaing of France, differed from his assessment of "Soviet hegemonism".⁷⁵

Sino-American Relations Vis-a-Vis Sino-Soviet relations

Although normalization of Sino-American relations took place on 1 January 1979, there was no perceptible decline in

74 Chang Ya-chun, "Hua Guofeng's Trip to Western Europe", Issues and Studies, vol.15 (1979), p.6.

75 Ibid., p.6.

Sino-Soviet relations until the Soviet 'intervention' in Afghanistan. At the opening session of the newly elected Fifth National People's Congress on 26 February 1978, Chairman Hua called for maintenance of normal state relations between China and the Soviet Union on the basis of five principles of 'Peaceful Co-existence'.⁷⁶

But later on Soviet Union pointed out that the Chinese had rejected its proposal for a joint declaration on principles to guide their relationship and had reiterated their earlier demand for withdrawal of Soviet troops from the Sino-Soviet border. Reacting to the warming up of Sino-American relations on the basis of certain dubious intentions, President Brezhnev cautioned Carter that he would regret for pursuing a "short-sighted and dangerous policy of playing the 'China card' against the Soviet Union".⁷⁷

The establishment of diplomatic relations between China and the United States and the signing of a peace treaty between China and Japan marked the beginning of the attempt towards a post-cold war encirclement of the Soviet Union. In March 1979, the Chinese Foreign Minister, Huang Hua, informed the Soviet Ambassador, I. S. Sheberbakh, of China's desire to terminate the

76 Beijing Review, 10 March 1978, p. 39.

77 Referred to in G. W. Choudhury, "China's Dynamic Foreign Policy", Asia Pacific Community (Tokyo), Winter 1978.

'Sino-Soviet Treaty of Friendship and Mutual Alliance', when it expired on 10 April 1980. But with a view to avoid the dangers of a treatyless interval, China decided to resume negotiations with the Soviet Union to normalize relations.⁷⁸ The Soviet Union was also willing to resume negotiation because it sought a mutual non-aggression treaty with China, which would neutralize or at least, minimize the impact of Sino-American rapprochement on Sino-Soviet relations.

As the interest of both China and the Soviet Union coincided over resuming negotiations for normalization, the first round of talks began in October 1979 at Moscow. This talk ended without yielding any result. But there was a tacit understanding to resume the negotiations in future. In this context, the Soviet 'intervention' in Afghanistan shattered all hopes of an early resumption of Sino-Soviet negotiations at least, for the time being.

Impact of Afghanistan Problem on Sino-American Relations

To begin with, it can be said that the Soviet 'intervention' in Afghanistan reinforced "the most sinister interpretations of Soviet strategy in China and the United

78 Ying Ching-yao, "The Peiping-Moscow Relationship and Its Impact on North East Asia", Issues and Studies, Vol.16 (1980), p.30.

States, resulting in a much closer coordination of defense policies".⁷⁹ Condemning the Soviet role in Afghanistan, the Chinese did not join the Moscow Olympic Games along with the United States.

In the aftermath of the Soviet intervention in Afghanistan, the US Defense Secretary, Dr. Harold Brown, paid a visit to China and Japan. In course of his visit, he observed that if the Chinese and the US interests were threatened as a result of this new development, "we can respond with complementary actions in the field of defense and diplomacy".⁸⁰ With a view to strengthening relations between them, the US now decided to sell military equipments and not offensive weapons to China.⁸¹

The Congress also decided to give assent to the agreement reached between China and the US to give Beijing the Most Favoured Nation (MFN) status. The ratification of the trade agreement by the Congress paved the way for China's access to Export-Import Bank loans.⁸²

79 Lowell Dittner, "China in 1980 : Modernization and Its Discontents", Asian Survey, vol. 21 (1981), p.44.

80 Keessing's Contemporary Archives, 1980, p.30239.

81 Department of State Bulletin, March 1980, p.45.

82 Under this agreement, the US tariffs on Chinese goods were reduced to around 10.5 per cent from 20 per cent. This was equal to the tariff rates for the US trade with the non-communist world.

Meanwhile, a spokesman of the Chinese Foreign Ministry declared in Beijing on 20 January 1980 that the second phase of the negotiations between China and the Soviet Union, which was expected to begin, had been suspended.⁸³ The US on its part decided to take a series of measures to contain the Soviet 'expansionism' in the Persian Gulf. Carter now observed in course of his visit to Tokyo that the US would maintain good relations with China to minimize 'Soviet threat' to the world peace.⁸⁴ This symbolized the existence of an 'understanding' between the US and China to contain the Soviet Union, notwithstanding the statements to the contrary by some US policymakers.

Problems and Prospects of Sino-American Trade

In course of above discussions we had observed that trade was one of the factors which led to normalization of Sino-American relations. But this was not as important a factor as their common desire to contain the Soviet Union. The only valid argument behind such a conclusion was that China's desire for trade with the United States was no more beneficial than trade with Japan and other countries. On the eve of the normalization of Sino-American relations, many observers of the Sino-American

83 Beijing Review, 28 January 1980, p.8.

84 Department of State Bulletin, September 1980, p.10.

trade had pointed out that the volume of trade would not rise sharply after normalization. In their opinion neither country was in need of the other's trade so badly that commercial interest would encourage them to come closer politically.⁸⁵ In this context, it may be recalled that even after the settlement of the claims issue in 1979, some scholars did not expect a dramatic upsurge in two-way trade.⁸⁶

But from the above discussion no one should conclude that trade between China and the United States did not increase after 1972. (Refer to Table No:1).

The Sino-American trade reached its peak in 1974. (Table:1) But it sharply declined thereafter as China decided to cut back trade because of two important reasons which were as follows: US attempt to expand the sphere of detente with the USSR and its intransigence over the solution of Taiwan problem. Another reason which also contributed to the decline of trade during this period was the domestic turmoil which took place in both the countries. Sino-American trade increased in 1977.⁸⁷ But again it declined in 1978.⁸⁸

85 Michel Oksenberg & Robert B. Oxnam (ed.), Dragon and Eagle : United States-China Relations : Past and Future (New York, 1978), p.209.

86 Krupadanam J. B. Billa, "The 'Nixon Shock' and Its Consequences : Sino-American Reconciliation", China Report, (New Delhi), vol.15 (1979), p.54.

87 In 1977 Sino-American trade increased to \$3.5 billion. The volume of US exports to China in 1977 totalled \$171,000,000.

88 In 1978 Sino-American trade declined to \$1.4 billion.

Thereafter widespread drought in 1977 and 1978 obliged the Chinese leaders to resume grain imports from the United States.

In January 1979 the US Department of Commerce estimated that during that year US exports to China would increase to a great extent.⁸⁹ But in contrast to this in 1979, the US exports to China declined, as the latter decided to curtail imports, owing to a severe balance of payments crisis.⁹⁰ This crisis was the result of massive orders for import of industrial plants and machinery from the countries of Western Europe and Japan.

with a view to rectify the imbalances in the economy, the Chinese leaders launched a three-year plan of 'readjustment, reconstruction, consolidation and improvement of the national economy'.⁹¹ They now decided not to make any new contract for import of plant technology and even postponed the implementation of some earlier contracts.⁹² As regards loan from other countries, they made a policy to avoid excessive reliance upon any single source.⁹³

89 The estimate showed that in 1979 the US exports to China would total \$1200 million and would reach \$10,000 million over the next five years.

90 The Statesman (New Delhi), 1980. B.M. Bhatia's "China's Economy: And Back to Square One".

91 Ibid.

92 Ibid.

93 a.70, p.10.

Thus on the basis of the experiences of the past three years, it may be predicted that the future of Sino-American trade will be determined by a conglomeration of political, economic and cultural factors. There are numerous hurdles which block the path of a rapid expansion of Sino-American trade. Those hurdles are as follows:

First, there exists a vast difference between the Chinese and US attitude towards the "role of technology" in the process of modernization of a underdeveloped country. While the Chinese view "technology as a technique" which protects and strengthens ideology, the United States treats it as something which shapes all aspects of life and assumes the form of "technology as culture".⁹⁴ From the difference in their approach towards technology has emerged a persistent problem in Sino-American trade. Whenever the US business community has seriously tried to get itself involved in 'China market', the Chinese have imposed many restrictions on their moves. This had been done many times in the past as part of the Chinese policy to minimize the corrupting influences of Western technology through as little dependence upon it as possible.⁹⁵

94 n.85. For a detailed discussion of these two concepts, namely, 'technology as culture' and 'technology as a technique', refer to Lyman P. VanSlyke's article "Culture, Society and Technology", pp.124-159.

95 Refer to Stanley B. Lubman's article "Trade and Sino-American Relations" in Oksenberg & Oxnam (ed.), Dragon and Eagle (New York, 1978), pp.187-210.

Second, Sino-American trade is also restricted by the unhealthy treatment meted out to the foreign businessmen by China's State Trading Corporations. The foreign businessmen do not get enough opportunities for free exchange of views with their Chinese counterparts.

Third, the Chinese reluctance to transact business on terms other than those derived from their practices in the 1950s and 1960s also create another problem for expansion of trade. Very often the US businessmen transact with their Chinese counterparts in such a manner, which reminds the latter of the exploitative aspects of Sino-American relations, of an earlier era.⁹⁶

Finally, certain general US policies on trade relating to quality control, protectionism, etc., have also prevented a rapid expansion of Sino-American trade.

Thus from the above discussion, we find that problems of Sino-American trade are so complex that these cannot be solved within a short period. The uncomfortable heritage of the Sino-American trade still looms large in the minds of the people on either side. It may be reiterated here in this connection that, after their bitter experiences with the Soviet Union, the Chinese leaders have always tried to avoid total dependence on the help of any one country for their economic development. For example, while Japan was

96 Ibid., p.199.

topping the list of China's trading partners in terms of value in 1973-75, many other countries of the world were also having substantial trade with China at that time.

(Refer to Table No. 2) Similarly even after the normalization of relations with the United States, China continued its earlier policy of diversification of the partners of trade.

The reason behind this is China's awareness of the fact that the US is not able to afford its total needs for investment.⁹⁷ Even if the US decides to channelize all its external investment towards China, "the amount would meet only a fraction of China's current investment needs".⁹⁸ Besides that China gives equal importance to its trade with Japan because, through the latter it can have access to almost all modern industrial technology.⁹⁹ China often gets some kind of equipment at prices lower than that of

97 These days China is investing in her economy annually over \$50 billion, which is six times of the US investment per year in the whole world.

98 Dwight H. Perkins, "Economics and Technology in United States - China Relations", in John K. Fairbank (ed.), Our China Prospects: A Symposium (Philadelphia, 1977), p. 27.

99 Christopher Howe, China's Economy: A Basic Guide (London, 1980), p. 159.

the US from Japan and Western Europe.¹⁰⁰ So due to these reasons China cannot afford to ignore the importance of trade with Japan and other countries of the world.

The prospects of Sino-American trade seems to be bleak because of the fact that China is not in a position to import through credit.¹⁰¹ Therefore, like the current phase of normalized relations, the future of Sino-American trade is very uncertain. The more China welcomes foreign investment in its economy, the more will be the need for guarantee both in terms of profits and safety of the investment. This will certainly arouse fear of western intrusion and loss of independence of China among the leaders. In case this fear becomes a reality, a faction in the current leadership may emerge which may boldly oppose the rationale of the "four modernization" programme, which hinges on Western help. Things as stand now, the radical approach towards the economic development in China has not fully given way to the pragmatic approach.

100 n.98, p.31.

101 According to one estimate, China has to borrow \$240 billion in the next seven years to implement its plans for industrialization. Similar to that a Japanese team which visited Beijing in 1979 had estimated that China would require about \$200 billion to achieve an 8 per cent growth by 1985. But China, according to them, is not in a position to borrow on such a vast scale through its imports.

As it is, Chinese are well known for using trade as "a weapon for international political struggle".¹⁰² They had decided in the past to drastically cut trade with the Soviet Union because of their political difference. This decision amply indicates that if need be, the Chinese will not hesitate to sacrifice the economic gain for political good.¹⁰³ So one can predict that in case of a serious political conflict with the United States over Taiwan problem, China will not hesitate to totally abolish trade with the United States in favour of the Soviet Union or any other country. So the prospects of a steep increase in Sino-Soviet trade in future cannot be ruled out.

Prospects of the Triangular Relationship

The relations between the Soviet Union, China and the United States is full of complexities and do not conform to any fixed pattern. The Chinese on their part have always tried their level best to add to these complexities, and consequently fish in the troubled waters. Recently in a categorical statement which amply illustrated their pragmatic approach to international relations, the Chinese observed that their relations with the two super powers were not

102 n.99, p.167. Howe has given a few examples of political trading by the Chinese. These included cotton purchases from Cuba (1960s), the switch over from Australia to Canada for grain (1971), sugar purchases from Cuba (1960s) and cut back on imports from America (1975) due to delay in normalization of relations.

103 Ibid., p.167.

exactly the same, what it appeared to be.¹⁰⁴ They have also stopped using the phrase 'social imperialism' to condemn the Soviet Union. These developments imply that the Chinese are not fully satisfied with the benefits accruing to them out of their "US connection".

The Chinese leaders decided to normalize relations with the US with two major objectives. They wanted to contain the Soviet Union and to accelerate China's modernization programme through US aid. But the undercurrents of their 'US connection' are to obtain a better deal from the Soviet Union, in case of a future negotiation for normalization of relations.¹⁰⁵

In this context it may be recalled that China and the United States remained as enemies of each other for decades. Even today their long term objectives still continue to clash with each other and accordingly their role in international

104 Times of India, 21 June 1981. Here Harvey Stockwin observes that the Chinese made this statement at the Sixth Plenary Session of the Central Committee of the CCP in June 1981. They pointed out that their relations with the US was not as good as many Americans might expect and relations with the Soviet Union was not as bad as it was perceived to be.

105 Franz Michael, "Moscow and Beijing", Asian Affairs : An American Review, vol. 6 (1979), p.221.

relations also differs.¹⁰⁶ For the US the continuation of detente with the USSR is more important than the same with China. ^{The} United States knows that although China is considered to be a great power due to its size, it lacks adequate military capability to project that image beyond its borders.¹⁰⁷ (Refer to Table No. 43) Moreover, the US believes that the prospects of China becoming a strong military power in near future is very remote.¹⁰⁸

It is not that the Chinese are not aware of the hesitant US attitude to give sophisticated weapons to them.¹⁰⁹ So in view of all these differences in outlook mentioned above, the prospects of the continuation of the current phase of normalized relations between China and the US, does not seem to be bright.

106 William R. Kinter, "A Strategic Triangle of Two and A Half Powers", Orbis (Philadelphia), vol. 23, (1979), p. 531.

107 n. 86, p. 56.

108 International Herald Tribune, 5 July 1980. Lt. General Eugene Tighe, Junior Director of the US Defense Intelligence Agency observed that prospects of China becoming a powerful military power during the 1980s and 1990s were "very, very slim". Headed: "As a matter of fact, almost non-existent, in terms of counter-United States or counter-Soviet".

109 Beijing Review, 22 June 1981, p. 11.

TABLE NO. 4.1

US-CHINA TRADE, 1970-76 (IN MILLION OF US DOLLARS)

Year	Total Trade	US Exports	US Imports	Imbalance
1970	-	-	-	-
1971	50	-	5.0	-5.0
1972	95.9	63.5	32.4	31.1
1973	805.1	740.2	64.9	675.1
1974	933.8	819.1	114.7	704.4
1975	461.9	303.6	158.3	145.3
1976	336.4	135.4	201.0	-65.6

Source: Stanley B. Lubman, "Trade and Sino-American Relations" in Oksenberg & Oxnam (ed.), Dragon and Eagle (New York, 1978), p.201.

TABLE NO.4.2

CHINA'S TRADING PARTNERS : RANK, VALUE AND SHARES
OF TOTAL TRADE, AVERAGE 1973-75 (VALUES, MILLION
DOLLAR)

	Rank	Value	Percent Share
Japan	1	3,047	24
Hong Kong	2	909	7
USA	3	802	6
West Germany	4	629	5
Malaysia	5	513	4
Singapore	0		
Canada	6	471	4
France	7	375	3
Australia	8	374	3
Romania	9	335	3
UK	10	327	3
Soviet Union	11	277	2
Italy	12	230	2
Others	-	4498	34
Total		12,787	100

Source: Christopher Howe, China's Economy : A Basic Guide
(London, 1980), p.158.

TABLE 4.3

MILITARY RESOURCES OF US, USSR AND CHINA

	<u>US</u>	<u>USSR</u>	<u>CHINA</u>
Armed Forces	2.1 million (plus 870,000 reservists)	4.3 million (plus 6.8 million reservists and 450,000 para- military)	4.3 million (plus about 7 million armed militia)
Nuclear warheads	9,500*	4,000*	500*
Strategic missiles	1,700	2,415	5-10*
Warplanes	5,800	8,100	5,100
Tanks	11,100	50,000	10,000
Submarines	70 nuclear, 5 diesel	85 nuclear 158 diesel	1 nuclear 74 diesel
Aircraft carriers	13	3	0
Other major surface war- ships	172	240	23
Military spending as percentage of GNP	6	12*	9*

* Estimates

Source: News Week (New York), 5 February 1979, p.59.

CHAPTER V

CONCLUSION

CHAPTER V

CONCLUSION

In the aftermath of the normalization of Sino-American relations in 1979, the focus of attention of all observers on international relations has been drawn towards what is called the "revival of the cold war". It is now argued that the present cold war differs from the earlier one in the sense, while the earlier one was the characteristic of a bipolar world, the recent one has begun in a bi-polar world operating in a multi-polar framework. In this context it may be recalled that this multi-polarity has emerged as a result of the emergence of France, West Germany, Japan and, above all, China as important centres of power, whom the Super Powers can ignore altogether at their own peril.

With regard to the 'revival of the cold war', the Soviet Union argues that the normalization of relations between China and the United States on the basis of anti-Sovietism, is the root. But what it has failed to perceive is that by taking such a step the United States intended only to restore the balance of power in international relations, which has now turned in its (Soviet Union) favour. The US can never seriously play the 'China card' against it because, such a move will lead to a great disaster which no one can afford. The United States also knows that the Chinese have normalized relations with them because their

mutual interests coincided for the time being over the issue of "containment of Soviet expansionism". But there it ends. In the long run China and the United States have to pursue their respective national interests which may clash with each other.¹

The history of Sino-American relations during the last three decades has amply proved that the clash of their national interest over Taiwan problem had always prevented the normalization of relations. Time and again Mao and Zhou Enlai had observed that Chinese and American strategic aims were mutually antagonistic.²

1 Henry Kissinger, For the Record : Selected Statements 1977-1980 (London, 1981), p.156. Here commenting upon Brzezinski's drive to use the 'China card' against the Soviet Union, Kissinger observes: "The Chinese have been an independent country for 3,000 years. They are not going to be anybody's card. They conduct their own foreign policy according to their own interest, and we have to conduct our foreign policy according to our own interest. When those two coincide, we should cooperate. When the two do not coincide, we should pursue our own policy". He added that China and the United States both 'have an interest in preventing the world balance of power being overthrown'.

2 O. Edmund Clubb, "Comment" in J.K. Fairbank (ed.), Our China Prospects : A Symposium (Philadelphia, 1977), p.51.

It may be recalled that over Taiwan issue, the two countries had fought in 1954 and in 1958. Taiwan crisis of 1954 was followed by a brief spell of relaxation in tension. But again tension mounted and resulted in the offshore islands crisis of 1958.

Contrary to expectations all over the world about the improvement of Sino-American relations after the signing of the 'Shanghai Communique', the relations went downhill over two issues: US intransigence over the solution of Taiwan problem, and its drive towards continuing the detente with the Soviet Union. So in the light of these past experiences, it would not be an exaggeration to predict that the proposals which the Chinese have made in 1981 to Taiwan regarding its merger with the mainland, would be followed by a period of tension. This tension may ultimately result in a war between China and the United States in future.³

3 J.K. Fairbank, "American Intervention and the Chinese Revolution", in J.K. Fairbank (ed.), Our China Prospects: A Symposium (Philadelphia, 1977), p.11. He observes: "Given our other problems, we tend to leave the Taiwan issue on a back-burner, but it is a time-bomb nonetheless and carries within it the potentiality of another Chinese-American war".

Besides Taiwan issue there are many other issues which are likely to hinder the growth of a close relationship between them. The US business community has increasingly realised that the so-called prospects of a 'huge China market' is nothing but an illusion. The much talked about 'oil bonanza' has proved to be a mirage. So in this situation, they are fast losing their interest in trade with China. Moreover, as China's economy is passing through a period of 'readjustment' which may continue till the end of this century, Beijing has decided to stop the import of US plant technology and other resources to save foreign exchange.

Coming to a discussion of their basic objectives behind normalization that is 'containment of Soviet expansionism', the two countries have begun getting disillusioned. On the one hand, the United States has started thinking that while its protection has reduced the Soviet threat to China, it had failed in controlling the increasing Soviet influence all over the world. On the other hand, the Chinese have got it confirmed that nothing can change the US policy on continuing the detente with the Soviet Union. President Reagan's recent note to Brezhnev on 22 September 1981 has also

indicated the same thing.⁴

In general, China and the US have hardly anything in common as far as their socio-economic-political system is concerned. That there exist a lot of differences between them has been emphasized by the Chinese too.⁵ Some basic democratic norms of the US political system like freedom of speech and competitive politics are regarded as products of decadent capitalist system by the Chinese. While the short-term goals of China and the US are coinciding with regard to containment of "Soviet expansionism", their long-term goals are poles apart. For instance, when the US intends to establish a balance in the international system with the help of the Soviet Union, China seeks to create an 'imbalance' in it, to realise its long-term objectives. From the above discussion we can conclude that there exist a lot of contradictions between China and the United States, which indicate that they continue to be potential enemies of each other.

4 facts on file (New York), 25 September 1981, p.683. In his letter Reagan expected that the Haig-Gromyko talks to begin on 23 September 1981 would result in a 'framework of mutual respect' and a more solid relationship than the two countries had 'ever had before'. The essence of his letter was: "The US is fully prepared to take into account legitimate Soviet interests if the Soviets are willing to do the same with ours (US)".

5 Beijing Review, 14 January 1980, p.17.

In course of this discussion, another question strikes to mind which is related to the prospects of Sino-Soviet relations. It may be recalled, the Chinese leaders have repeatedly stated that withdrawal of Soviet troops along the Sino-Soviet borders might lead to a serious negotiation for normalization of relations.⁶ So if in future the Soviet Union responds to this precondition in a positive manner, normalization of relations between the two countries may take place.

Coming to a detailed discussion of the factors which may induce the post-Mao leadership in China to normalize relations with the Soviet Union:

Firstly, the current phase of "readjustment of the economy" has necessitated the preservation of hard currency, which are now spent on import of technology, machinery and other resources from various developed countries including the United States. The Chinese leaders now feel that a barter trade with the Soviet Union may help in preserving the foreign exchange.⁷ Besides this, they have also realised that though Soviet technology is inferior to Western technology in certain respects, it is easier to

6 Beijing Review, 27 July 1981, p.12.

7 Harry Gelman, "Outlook for Sino-Soviet Relations", Problems of Communism (Washington, D.C.), vol.28, (1979), p.62.

absorb in Chinese economy than the latter.⁸

Second, this factor which follows from the above discussion is that a section of the Chinese leadership has always called for a review of the current economic policy, which gives too much emphasis upon the dependence on the West. In view of the fact that many defects of Deng's strategy of economic development have come to the surface these days, the possibility of his ouster in future cannot be ruled out. In that case a new faction with pro-Soviet orientations may come to power and after overhauling the current economic strategy, may decide to normalize relations with the Soviet Union.

Third, the Chinese leaders are also getting disillusioned with the current policy of the United States on giving arms to China.⁹ For the last three years they have been requesting US to give advanced weapons to them. But the US has always ignored this demand.¹⁰ Though Haig's visit to Beijing in June 1981 has resulted in the US decision to give some weapons to China, doubts have been raised by the US itself about China's acceptance of the exact items it is willing

8 Ibid., p.62.

9 Beijing Review, 22 June 1981, p.11.

10 Department of State Bulletin (Washington, D.C.), June 1980, pp.24-26.

to give.¹¹ Thus, in the absence of a credible military aid from the United States, the Chinese leaders may begin to think that a normalization with the Soviet Union may be the only alternative to a Soviet threat to China.

Fourth, we have seen in course of our earlier discussions that the Chinese leaders also feel the necessity of a reconciliation with the Soviet Union which will result in the release of huge resources for modernization that now go to defence of China's borders with the Soviet Union.

Fifth, ideological issues which earlier blocked the path of a normalization between China and the USSR have become outdated. These days the Chinese have ceased to use the phrase 'social imperialism' which they were using earlier to condemn the Soviet Union. With their increasing emphasis upon 'peaceful co-existence' as the basis for the normalization of relations, it seems neither China nor the Soviet Union treat each other any more as a socialist country.¹² Such a conclusion is drawn from the fact that in communist parlance 'peaceful co-existence' stands for a

11 Facts on File, 19 June 1981, p.409. While announcing the US desire to sell weapons to China, Haig also pointed out that it was not certain that China would want to purchase what was offered or that the US would find it 'prudent' to sell the material most desired by China.

12 Yin Ching-yao, "Some Views of Beijing-Moscow Relations", Issues and Studies (Taipei), vol.12 (1976), p.33. Here the author cites Hinton's Congressional speech of 12 September 1973, which supports this argument.

form of class-struggle between countries with different political systems. In this sense if the realization dawns upon the leaders of the two countries that they stand on the same footing, this affinity may ultimately result in the normalization of their relations.

Finally, the continuation of US arms supply to Taiwan has always remained the bone of contention in Sino-American relations. The Chinese have objected to this on numerous occasions. But their objections have not resulted so far, in any change in the US policy on supplying arms to Taiwan.¹³ But the recent US decision to sell some defensive weapons to Beijing, while giving sophisticated ones to Taiwan, has added fuel to the fire. The Chinese have declared that Beijing "would rather refuse to buy US weapons, than consent to a US arms sale to Taiwan, which is an interference in China's internal affairs...."¹⁴ It had also threatened to make a 'strong response', if arms supply to Taiwan would not come to an end.¹⁵

13 Department of State Bulletin, February 1979, p. 25.

14 n. 9, p. 11. Here the Chinese have also pointed out that 'crux of further strategic relations between the two countries remain that the US stop developing all contacts with Taiwan that go beyond non-governmental relations in keeping with the principles laid down in the China-US joint communique on the establishment of diplomatic relations.

15 n. 11, p. 409.

what the Chinese are apprehending is with these advanced weapons in hand, Taiwan will not agree to negotiate its unification with the mainland. In case such a situation arises in future, China may seek a normalization with the Soviet Union to release its forces from Sino-Soviet borders, for posing a more credible threat to Taiwan.

Thus we find there are many factors which may induce China to normalize relations with the Soviet Union in the near future. But if this does not occur within a short period due to some reason or other, normalization of Sino-Soviet relations may take place after Beijing succeeds in achieving a parity with the Soviet Union in "critical indicators of power".

With due regards to the unpredictable character of international relations, we can make an humble attempt towards outlining certain broad parameters of the future course of China's foreign policy on the basis of past experiences. We can foresee that after reaching a parity with the two Super Powers in terms of military power and economic prosperity, provided this comes about, China will strive for the solution of two problems: unification of Taiwan with the mainland and a solution of the Sino-Soviet border problem. If a fully modernized China fails to solve either

of the problem, it will not remain contented till it succeeds in realising its national interest. With its new strength, China will strive to drive a wedge between the two super powers and destabilize the detente in their relations. In case China resorts to such a course of action, it will certainly confront with the combined might of the two super powers, who will go to any extent for preserving the balance in the international system. So ultimately China may come to realise that it has to remain contented either as an important centre of power like France or as a leading member of the countries of the third world.

However, the prospects of the normalization of Sino-Soviet relations in the near future cannot be ruled out. As we have discussed earlier, Beijing's constant proposal for the reduction of Soviet troops along the Sino-Soviet borders, as a precondition for negotiations, reminds one of the feelers sent by the Chinese leaders to Washington in 1970, for a withdrawal of US forces from the Taiwan Straits.¹⁶ It may be recalled that these feelers were followed by the opening of a dialogue, which led to Sino-American detente in 1972.

16 John Gittings, "China reassesses its Moscow links", South (London), Issue no.8, June 1981, p.21.

The future of Sino-American relations depends among other factors on the changes in the strategic environment in the world at large, and more specifically on the decisions to be taken by them as a reaction to those changes. But as the Assistant Secretary for East Asian and Pacific Affairs, Richard C. Holbrooke, had pointed out in western Governor's Conference on 16 June 1978, the probability of a confrontation between the two countries due to some reason or other, cannot be ruled out.¹⁷ In the end it may be reiterated that the economic and trade relations which are existing at present between China and the United States are, not the bonds which can hold them together for all times to come.

17 Department of State Bulletin, August 1978, p.4.

A MODEL OF THE FUTURE COURSE OF CHINA'S FOREIGN POLICY

Totally Modernized China
will seek

Unification of
Taiwan with the
mainland

Solution of Sino-
Soviet border
problem

In case it fails in its
endeavour

It will strive for destabilizing the balance in
the international system

Confront with the combined might of the two Super
Powers joined together to preserve the balance in
the international system

Bound to remain contented either
as an important centre of power in
the world like France and west
Germany

or

as a leading member of the Third
world

SELECT BIBLIOGRAPHY

SELECTED BIBLIOGRAPHY

Primary Sources

Beijing Review.

Current Background (Hong Kong).

Department of State Bulletin (Washington, D.C.).

Kissinger, Henry A., For the Record : Selected Statements, 1977-1980 (London: George Weidenfeld, 1981).

News From Xinhua News Agency China (London).

Sino-Soviet Treaty and Agreements (Beijing: Foreign Language Press, 1950).

Summary of World Broadcasts (London: BBC), Part 3, Far East.

Survey of China Mainland Press (Hong Kong).

Survey of People's Republic of China Press (Hong Kong).

The Truth About Vietnam-China Relations Over the Last Thirty Years (Ministry of Foreign Affairs; Socialist Republic of Vietnam, 1979).

Xinhua News Bulletin (London).

Secondary Sources

I. Unpublished Dissertation

Mohanty, Prasanta Kumar, Taiwan as a Factor in Sino-American Relations, 1949-1977 (M.Phil. dissertation, School of International Studies, Jawaharlal Nehru University, New Delhi, 1979).

II. Books

Arora, R. S. Ambassadors Exchanged After Thirty Years : Sino-American Relations - 1949-1979 (New Delhi: The Institute for the Study of International Relations, 1980).

- Barnds, William J., ed., China and America : The Search for a New Relationship (New York : New York University Press, 1977).
- Barnett, A. Doak, China Policy : Old Problems and New Challenges (Washington, D.C. : Brookings, 1977).
- _____, China and the Major Powers in East Asia (Washington, D.C. : Brookings, 1977).
- _____, Uncertain Passage : China's Transition to the Post-Mao Era (Washington, D.C. : Brookings, 1974).
- Brugger, Bill, China Since the Gang of Four (London: Croom Helm, 1980).
- _____, China : Radicalism to Revivalism, 1962-1979 (New Jersey : Barnes and Noble Books, 1981).
- Chavan, R. S., Chinese Foreign Policy : The Chou En-lai Era (New Delhi : Sterling, 1979).
- Chiu, Hungdah, ed., Occasional Papers/Reprints Series in Contemporary Asian Studies (Maryland, 1978).
- David, Milton and others, ed., People's China : Social Experimentation, Politics, Entry on to the World Scene, 1966-72 (Middlesex: Penguin Books, 1977).
- Dutt, Vidya Prakash, China and the World (New York, 1966).
- Fairbank, John K., ed., Our China Prospects : A Symposium (Philadelphia : The American Philosophical Society, 1977).
- Howe, Christopher, China's Economy : A Basic Guide (London: Granada Publishing, 1980).
- Hsiao, Gene T., ed., Sino-American Detente and Its Policy Implications (New York : Praeger, 1974).

Krishna Menon Society, Publication No. 1, China, Vietnam and Non-Alignment (Delhi : New Literature, 1979).

Kwan Ha Yim, ed., China Since Mao (London : The Macmillan Press Ltd., 1980).

Oksenberg, M. and Ornam, Robert B., ed., Dragon and Eagle: United States-China Relations : Past and Future (New York : Basic Books, 1978).

Schaller, Michael, The United States and China in the Twentieth Century (New York : Oxford University Press, 1979).

Sutter, Robert G., Chinese Foreign Policy After the Cultural Revolution, 1966-1977 (Boulder : Westview Press, 1978).

Whitting, Allens., and Dernberger Robert F., China's Future : Foreign Policy and Economic Development in the Post-Mao Era (New York : McGraw Hill Book Company, 1977).

Yahuda, Michael B., China's Role in World Affairs (London: Croom Helm, 1978).

III. Articles

Ahmad, Naveed, "Post-Mao Chinese Foreign Policy", Pakistan Horizon (Karachi), vol. 32, no. 1, January 1979, pp. 47-85.

Barnett, A. Doak, "Military Security Relations Between China and the United States", Foreign Affairs (New York), vol. 55, no. 3, 1977, pp. 384-397.

Basu, Jyotirmoy, "Moscow and the 'China Card'", IDSJ Journal (New Delhi), vol. 12, no. 1, July-September 1979, pp. 1-32.

Bellows, Thomas J., "Normalization : A Taiwan Perspective", Asian Affairs : An American Review (New York), vol. 6, no. 6, July-August 1979, pp. 339-58.

- Billa, Krupadanam J. B., "The 'Nixon Shock' and its Consequences : Sino-American Reconciliation", China Report (New Delhi), vol.15, no.5, September-October 1979, pp.51-62.
- Bonavia, David, "Peking Admits New Realities", Far Eastern Economic Review (Hong Kong), 10 November 1978, pp.13-14.
- Borisov, V., "Hegemony in the Far East - The Peking Policy", International Affairs (Moscow), vol.10, October 1978, pp.34-43.
- Carter, Jimmy, "Establishment of Diplomatic Relations Between the United States and the People's Republic of China", Journal of International Law, vol.11, no.2, Spring 1979, pp.227-30.
- Chadda, Maya, "The United States and China on a New Course", Foreign Affairs Reports (New Delhi), vol.28, no.10, October 1979, pp.165-184.
- Chang King-yuh, "Continuity and Change : An Evaluation of Communist China's Foreign Policy", Issues and Studies (Taipei), vol.15, no.7, July 1979, pp.34-47.
- Chang Pao-min, "Taiwan Between Washington and Peking", Pacific Community (Tokyo), vol.9, no.2, January 1978, pp.183-198.
- Chang, Parris H., "Peking's Strategy Against Moscow", Asian Affairs : An American Review, vol.8, no.3, January-February 1981, pp.131-147.
- Choudhury, G. W., "China's Dynamic Foreign Policy", Asia Pacific Community (Tokyo), no.3, Winter 1978-79, pp.53-69.
- Dittmer, Lowell, "China in 1980 : Modernization and Its Discontents", Asian Survey (Berkeley, Calif.), vol.21, no.1, pp.31-50.

- Clubb, Edmund O., "China and the Three Worlds", Current History (Philadelphia), vol.75, no.439, September 1978, pp.53-56, 88-89.
- _____, "China and the Super Powers", Current History, vol.67, no.397, September 1974, pp.97-100, 134-135.
- Clute, Robert B., "Some Legal Implications of American Recognition of the PRC", Asian Affairs, vol.6, no.4, March-April 1979, pp.223-230.
- Copper, John, Franklin, "Taiwan's Options", Asian Affairs, vol.6, no.5, May-June 1979, pp.282-294.
- Dutt, Gargi, "China and the Shift in Super-Power Relations", International Studies (New Delhi), vol.13, no.4, October 1974, pp.635-662.
- Gandhi, Madan G., "Peking's Foreign Policy : Ideological Debate", Journal of Political Studies (Jullundur), vol.12, no.2, September 1979, pp.55-67.
- Gelman, Harry, "Outlook For Sino-Soviet Relations", Problems of Communism (Washington, D.C.), vol.28, nos. 5-6, September-December 1979, pp.50-66.
- Gupta, Sisir, "Sino-US Detente and India", India Quarterly (New Delhi), vol.17, no.3, July-September 1971, pp.179-84.
- Hinton, Harold C., "Moscow and Peking Since Mao", Current History, vol.75, no.440, October 1978, pp.120-122, 126-127.
- Hsu, King-yi, "Sino-American Relations and the Security of Taiwan", Asian Affairs, vol.6, no.1, September-October 1978, pp.48-66.
- John, Kuon C., "Principal Aspects in Washington-Peiping Relations", Issues and Studies, vol.12, no.7, July 1976, pp.9-34.

- Johnson, Chalmers, "New Thrust in China's Foreign Policy", Foreign Affairs, vol.57, no.1, Fall 1978, pp.125-137.
- Kallgren, Joyce K., "China in 1979 : On Turning Thirty", Asian Survey, vol.20, no.1, January 1980, pp.1-18.
- _____, "China in 1979 : The New Long March", Asian Survey, vol.19, no.1, January 1979, pp.1-19.
- Kamlin, Muhammad, "Russia in Afghanistan", no.8, Spring 1980, pp.67-93.
- Kinter, William R., "Strategic Triangle of 'Two and a Half Powers'", Orbis (Philadelphia), vol.23, no.3, Fall 1979, pp.525-34.
- Levine, Steven I., "China Policy During Carter's Year One", Asian Survey, vol.18, no.5, May 1978, pp.437-447.
- Lien, Li, "Teng Hsiao Ping's Foreign Policy and the Peril of War", Issues and Studies, vol.15, no.5, May 1979, pp.33-65.
- Malhotra, Vinay Kumar, "Post-Mao Shifts in China's Foreign Policy", Journal of Political Studies, vol.12, no.2, September 1979, pp.35-54.
- Mates, Leo, "Establishment of Diplomatic Relations Between Washington and Peking", Review of International Affairs (Beograd), vol.30, no.690, 5 January 1979, pp.21-23.
- Michael, Franz, "Moscow and Peking", Asian Affairs : An American Review, vol.6, no.4, March-April 1979, pp.203-22.
- Millar, T.B., "Triumph of Pragmatism : Ching's Links With the West", International Affairs (London), vol.53, no.2, April 1979, pp.195-205.
- Morgenthau, Hans J., "Gambling on China : Should We Play the Chinese Card?", Current History, no.205, September 1978, pp.53-54.

- Newman, John Michael, "The Chinese Succession Struggle : Sino-American Normalization and the Modernization Debate", Asian Affairs, vol.6, no.3, January-February 1979, pp.164-86.
- Overholt, William H., "The Geopolitics of the Afghan War", Asian Affairs, vol.7, no.5, May-June 1980, pp.305-334.
- Pollack, Jonathan D., "Political Succession and Foreign Policy in China", Journal of International Affairs (New York), vol.32, no.2, Fall/Winter 1978, pp.275-289.
- Prybyla, Jan S., "United States Trade With China", Current History, May-June 1979, vol.76, no.447, pp.209-213, 222-223.
- Rhee, T.C., "The Lin Biao Affair and Its Implications on Sino-American Relations", Asia Quarterly (Brussels), 1980/3, pp.141-179.
- Sutter, Robert G., "The Evolution of China's Approach to the Soviet Union and the United States", Korea and World Affairs (Seoul), vol.3, no.1, Spring 1979, pp.27-45.
- Tsai Wei-ping, "Washington-Peiping Relations After Mao", Issues and Studies, vol.14, no.6, June 1978, pp.1-12.
- Yahuda, Michael B., "China's New Outlook : The End of Isolationism?", The World Today (London), vol.35, no.5, May 1979, pp.180-188.
- Yin Ching-yao, "Resumption of Negotiations Between Peiping and Moscow", Issues and Studies, vol.15, no.7, July 1979, pp.5-9.
- Yung Wei, "Peiping-Washington Relations in the Post-Mao Era", Issues and Studies, vol.12, no.11, November 1976, pp.21-34.
- Zagoria, Donald S., "The Soviet Quandary in Asia", Foreign Affairs, January 1978, pp.306-329.
- _____, "Normalizing Relations With China Without Abandoning Taiwan", Pacific Community, vol.9, no.1, October 1977, pp.73-83.

IV. Newspapers.

Amrita Bazar Patrika (Calcutta).

Bangladesh Observer (Dacca).

Ceylon Daily News.

Economic Times (New Delhi).

Financial Times

Hindustan Times (New Delhi).

Indian Express (New Delhi).

International Herald Tribune (Paris).

New York Times.

Patriot (New Delhi).

Sunday Standard (New Delhi).

The Statesman (New Delhi).

Times of India (New Delhi).

Tribune (Chandigarh).