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4 MAR 1981

MEMORANDUM FOR: Executive Officer,
Directorate of Science and Technology

VIA: Acting Director, Foreign Broadcast Information Services
Chief, Analysis Group, FBIS
Chief Analyst, Analysis Group, FBIS

FROM: [redacted] STAT

SUBJECT: Request for Approval of Manuscript for Oral Presentation

1. I request approval to present orally the attached text titled, "The Politics Behind China's Foreign Policy."

2. When approved, I intend to give the presentation at the Association for Asian Studies' annual meeting in Toronto, Canada, on 13 March 1981.

3. None of the material presented in the oral presentation is, to my knowledge, classified.

4. I am not under cover. I will be identified as an FBIS employee but will append the standard disclaimer indicating that the views expressed are my own and not necessarily those of FBIS.

[redacted] STAT

Attachment: two copies of text

I have reviewed the attached text and, to the best of my knowledge, have found it to be unclassified.

[redacted] STAT

Acting Director, FBIS

4 MAR 1981
Date

I have reviewed the attached text and, to the best of my knowledge have found it to be unclassified, and approve it for oral presentation.

Executive Officer
Directorate of Science & Technology

Date

SUBJECT: Request for Approval of Manuscript for Oral Presentation

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THE POLITICS BEHIND CHINA'S FOREIGN POLICY

[redacted] STAT
F.B.I.S.
(Foreign Broadcast Information Service)

Roundtable: "Chinese Foreign Policy in the 1980s"
33rd Annual Meeting
Association for Asian Studies
Toronto, Ontario
March 13, 1981

There have been a number of commendable efforts to document debate in China over foreign policy issues which arose in the past two decades. In this paper, I present some general propositions regarding the impact of the Chinese political process on foreign policy decisions. My views have been shaped partly by reading about earlier debates, but primarily are based on my analysis of developments since Mao's death. By presenting these hypotheses along with my assessment of current foreign policy options in China, I hope to provide some guidance for understanding how domestic and international developments may shape China's foreign policy during the next decade.

Propositions

1. As in every other country, there is nearly constant debate over foreign policy in China--despite the claims of Chinese leaders to the contrary, although the intensity and importance of disagreement varies over time.

2. Domestic and foreign policy approaches become integrated because domestic issues are linked by inherent logic with major strategic considerations involving relations with the U.S. and USSR. These are the foreign policy issues in which top leaders thus become involved and which are most affected by domestic political dynamics. For example, assessments of the severity and character of the Soviet threat and of the best means of meeting it--including the trust-worthiness and likely lifespan of the U.S. counterbalance and the viability of China's own military counterforce--are closely tied to decisions about the defense share of the budget, the priority to be given heavy industry, the appropriate degree of both domestic security control and economic decentralization, and the importance of ideological and political work. Estimates of the value of attracting Western input

into the Chinese economy relative to the dangers of a greater Western influence in China are related to debate over relaxing press controls, building a more constitutional and legal government, and giving better treatment to those with contacts abroad, including ex-capitalists, intellectuals, religious believers, and those with overseas Chinese connections. Estimates of the potential for a peaceful reunification with Taiwan and the wisdom of delaying a resolution of the issue in exchange for better relations with the West are tied in with nearly all of these other issues.

Debate over these issues often centers on the tradeoffs required between short-run and long-run aims. In a nutshell, in the 1980s Chinese leaders are debating to what extent it is necessary and productive to rely on the U.S. strategic counterweight to the Soviet Union and the Western input into the Chinese economy and at what risk to domestic instability and the permanent loss of Taiwan and other lesser territorial claims.

3. Inter-related domestic and foreign policies are forged into policy "packages" due to the factional nature of Chinese politics. These packages function somewhat like "campaign platforms" for individual leaders and their groups of supporters, with whom they become closely identified. Participants in policy debate use these "platforms" to attract broader support within the Politburo-level elite which will have an impact on the final decisions. For example, a policy package may be "floated" just prior to a party work conference in order on one hand, to alert provincial-level leaders and central government officials to the lines of argument they should be expected to support and on the other hand, to determine by watching the response from central and provincial organs what the probable lineup of support will be. After a high-level meeting, similar efforts will be made to urge implementation of those decisions of the meeting one favors

and obstruct others and then ascertain whether previous recalcitrants have been won over. Foreign policy issues--which are subject to much less widespread discussion and influence than domestic issues--nevertheless are raised to buttress arguments for the larger package in which the domestic program is of primary importance for attracting adherents. In this "campaign" process, policy packages become clearly attributable to individuals at the top, and efforts by others to share in the glory of his successes or his own efforts to spread the blame for acts that end in failure are largely unsuccessful.

4. Due to the prohibition on the use of official channels of communication or informal personal contacts for such factional political activities, much of this "campaigning" is done openly in the media --albeit obliquely to meet the requirement for secrecy of policy discussion. Thus, foreign policy debate becomes evident to outsiders in several ways:

--Differences appear in the ways top leaders treat the official foreign policy "line" in their public statements as well as in the ways the official media deal with those statements, perhaps by giving some prominence and others low coverage or by deleting or including key phrases in different versions of the same statements.

For example, since at least mid-1978 CCP Vice Chairmen Deng Xiaoping and Li Xiannian have differed significantly in their discussion of issues central to Sino-U.S. relations, suggesting that Deng has been pressing for major compromises on the Taiwan issue to gain strategic cooperation with the U.S. while Li has been reluctant to go as far. For instance, in mid-July 1978 Congressman Wolff revealed that Deng Xiaoping told him during his visit to Beijing that the CCP could cooperate once again with the KMT, as it had in the past, while making none of the standard references to the

to the probable need to use force against Taiwan--thus implying reunification would be peaceful. Shortly thereafter, Li repeated the standard references to force and when asked about possible future cooperation with the KMT contradicted Deng's view that it was possible. Following Chinese media play of these issues since then has proved instructive about Deng's progress in getting his view adopted as official policy.

--Rare indirect references are made to high-level debate over foreign policy. For example, a People's Daily editorial of January 19 this year defended the predominantly Dengist policies passed by the party's Third Plenum in December 1978 against unnamed domestic critics. Since that meeting had approved the decision to normalize relations with the U.S., the editorial's defensive tone in insisting that China's foreign policy "will not change" implied there is current questioning of policies associated with China's closer ties with the U.S. Similar defensive editorials earlier had revealed debate over China's attack on Vietnam. On March 26, 1979, both the People's Daily and the Liberation Army Daily discussed the matter, and the army paper defensively proclaimed that the punitive attack was a "just war" and "it would not do if we had not fought it."

--Anomalous foreign policy incidents sometimes occur which the Chinese foreign affairs apparatus has difficulty handling and explaining. For example, in April 1978 just prior to conclusion of the Sino-Japanese Peace and Friendship Treaty, armed Chinese fishing boats converged on the Senkaku Islands--controlled by Japan but claimed by China as well. This caused an uproar in Japan over an issue some Chinese leaders--most notably Deng Xiaoping--repeatedly had tried to "table" in order to improve Sino-Japanese relations. The incident was smoothed over with difficulty but has never been satisfactorily explained, and it suggests that some elements of

the Chinese leadership were afraid the treaty signing would undercut China's claims to the territory and purposely tried to force attention to the issue at the last moment.

--The foreign policy "line" on an issue sometimes changes in ways not clearly explainable by events. For instance, there have been anomalies in China's public expressions of support for North Korean positions during the past few years which suggest PRC leaders are having difficulty resolving the incompatible imperatives of developing U.S.-China relations and supporting the DPRK in order to preclude Soviet gains in influence in Pyongyang. A 9 September 1979 People's Daily editorial omitted the usual references to a U.S. troop pullout of South Korea, to support for reunification, and to criticism of the South Korean regime--references which have reappeared since then, although still without the stridency given them by the DPRK. It thus seems probable that PRC leadership debate over the compromises involved in Sino-U.S. detente extend to treatment of relations with North Korea.

--Media articles appear which use historical allegories or analogies to discuss foreign policy issues of current relevance. Key themes from Chinese history have been used in the early 1960s, in the Cultural Revolution, in the mid-1970s, and again in the post-Mao era. At each period of time, recurring lines of argument have been given specific current resonance in order to defend or attack individuals then in power and their foreign policy preferences. For example, debate over whether the Boxer Rebellion was anti-imperialist and revolutionary or purely xenophobic and reactionary as well as debate over whether Li Hongzhang and other late nineteenth century modernizers were patriotic or traitorous in their reform efforts to adapt Western ways and technology to China have both been vehicles for disagreement over China's political and economic relationship with the West.

Media references to China's past historical relationship with northern barbarians and to early Soviet Russia's peace treaty with Germany, signed at Brest-Litovsk in 1918, have both been used to discuss the relative risks and gains of opposing or accomodating the USSR. Recollection of past CCP experiences with the US and the Nationalists has been symptomatic of debate over policy toward Taiwan. Allegories on all these themes with clear current relevance have appeared as late as last month. In the past two years, another similar means of discussing foreign policy has been more frequent than in the past. Media articles rehabilitating Chinese leaders purged during the Cultural Revolution either explicitly or implicitly have exonerated the views they held on foreign affairs and thus removed former strictures against certain foreign policy options in current deliberations.

Analysis of these media revelations of foreign policy debate must be kept quite close to the domestic political context. A sense of the relative strengths of contending groups and their access to the propaganda department and individual media organs is essential. For example, Guangming Daily and professional journals like HIstorical Research are heavily influenced by the pro-Deng Xiaoping Academy of Social Sciences and are likely to reflect his views, but give biased interpretations of the views of Deng's critics. Moreover, since these critics have had less ready access to the media in general since 1978, we can ascertain their views only from defenses against them. Evidence of disagreement in People's Daily and Red Flag, especially in editorials, which are supposed to present a party consensus view, will mean debate is significant but since it will appear as ambiguity resulting from the patching together of contradictory points of view, the lines of argument will not likely be revealed.

One must also take care to determine whether a foreign policy decision is being discussed prior to a meeting--in which case our own actions might

influence the outcome--or is being reviewed later for other purposes. For example, evidence of disagreement in late March 1979 over the earlier attack on Vietnam, read in its proper context, was not debate over whether to attack again but part of a larger critique of the underlying assumptions behind the first attack; the foreign policy decision at stake was rather how far to carry the overtures to the Soviet Union then underway. Another example would be allegories since 1978 rehashing Cultural Revolution era arguments over foreign policy actions of Peng Dehuai and Liu Shaoqi which are connected primarily to efforts to exonerate them and return to their domestic policies. It is difficult therefore to determine whether there is equally heated debate over whether to adopt foreign policies similar to Liu's. Other evidence must be carefully considered. For example, when proponents of a policy proposal in the early 1960s to reconcile differences with the USSR were exonerated just two days after the PRC proposed to open talks to improve relations with the USSR in early 1979, it became difficult to argue the two events were mere coincidence rather than related results of foreign policy discussion.

5. Due to both the prohibition against factionalism and the "campaign" nature of discussion of policy, packages are argued in exaggerated terms. Adherents of a package must prove their proposals are presented in the interests of the nation, not of their faction, and in order to win the argument, tend to exaggerate the urgency of adopting their policies over others in order to "save the nation." Thus, one set of policies is presented as "patriotic" and its alternative as "capitulationist." Moreover, given China's commitment to Marxist solutions to problems, policy options must be presented also in the language of orthodoxy. Arguments on behalf of policy programs are buttressed with quotations and examples from the history of Marxism, Western

and Chinese. In general, in this competitive atmosphere, the benefits and risks of a given policy package--including its foreign policy components--easily become exaggerated.

6. When a single element of a policy package is criticized due to obvious failure or emergence of problems in implementation, the whole package tends to be called into question. Domestic developments normally carry greater weight in opening up debate, determining the credibility of a package and affecting the power of its proponents. Thus, a decisive shift in the power balance through the purge or death of a top leader such as Mao opens up debate across the board once the transition period is over. Lesser events, such as the incidents of political disruption which occurred in China in early 1979 and again in late 1980 attributable to Deng's advocacy of democracy, can also open discussion of the whole package, as in March 1979 and December 1980.

International events, however, can usually be interpreted differently--partly because of their complexity--and assessments can be tailored to support preferred domestic programs. At most, foreign events like problems involved in the attack on Vietnam will be used to buttress calls for reassessment engendered by domestic developments. Only events of great import can trigger major debate, decisively "prove" one view superior to another and greatly affect the domestic power balance. The most obvious examples include the Soviet invasions of Czechoslovakia in 1968 and Afghanistan in 1979 which swayed argument in favor of those who stressed the risks of accomodating the USSR and advocated closer alignment with the US.

7. The constantly shifting domestic balance of power--even when a major power change is not underway--plays an important part in the timing and the nature of action in the international arena. For example, China's

recent shrill reaction to the Netherlands' decision to sell submarines to Taiwan and to Taipei's claim to have received official invitations to the Reagan inauguration--at a time when it had appeared the Chinese would rather "wait and see" how the new Administration's China policy evolved--may be explained by the fact that Deng Xiaoping's whole policy package had again come unraveled in late December, bringing critical attention to evidence that his compromise approach to the Taiwan issue was helping Taipei strengthen its international posture.

Current Options for Foreign Policy Strategy

From mid-1978 through mid-1979, international events and domestic politics interacted in such a way as to reveal the existence of competing policy packages with quite different foreign policy implications. This period, and the debate over policy involved, have been discussed in detail in other papers, so I intend only to summarize these programs as I see them and then discuss recent evidence suggesting the likely evotuion into the 1980s of debate over these options in the wake of the Soviet invasion of Afghanistan.

The divergence of views among the Chinese leadership centers on how to deal with the Soviet Union and stems from differing evaluations of the requirements of China's modernization effort in an uncertain international environment. One viewpoint, associated most prominently with Deng Xiaoping, began to emerge in the Spring of 1978, as Deng consolidated his political position and regained a dominant role in foreign policy. His view stresses that China is threatened rather immediately by an implacably aggressive Soviet Union at a time of serious economic backwardness and military weakness. To ensure China's survival and progress in these circumstances, Deng has urged a rapid, all-out economic development effort and drastic political reform at home combined with bold efforts to curtail

Soviet influence abroad in concert with the U.S. and its allies.

This assessment accounts for Deng's far-reaching domestic reform efforts to remove the constraints of Maoist dogma from policy formulation, purge officials committed to Maoist policies and promote those willing to adopt Deng's pragmatic, technocratic approach to boosting production through an increased role for the market mechanism, as well as to implant a more rigorously legal and democratic political system which will be more responsive to such efforts. Since Deng believes the West offers the greatest potential for economic and technological support for such a rapid modernization effort--including in defense--as well as the strategic counterbalance needed to assure China's security for the duration, he has been the foremost proponent for closer ties of a "long-term strategic"nature, approaching an alliance, with the U.S. and its allies. Thus, his liberal domestic reforms are formulated with one eye on attracting such foreign support, and making credible his approach to Taiwan which aims to encourage eventual peaceful reunification through negotiations.

To stress the urgency of domestic reform and developing ties with the West, Deng has been foremost among the leadership in pointing out the relentless and global character of the threat of Soviet expansion which requires both combined international action to meet it and the maintenance of Beijing's traditional hardline approach in bilateral relations with Moscow. In his view, efforts to conciliate the USSR would be dangerous both in that they would frighten off would-be friends in the West who fear the monolithic Communist bloc may be reconstituted and would invite aggression because the Soviets "bully the weak and fear the strong."

Chinese leaders like Chen Yun, Ye Jianying and Li Xiannian, who may be described as moderate or centrist, tend to disagree with some or

all of Deng's policy package. Their competing views began to emerge in the wake of China's attack on Vietnam in early 1979 when Deng's domestic reforms had led to incidents of social disruption and his foreign policy to a high state of tension with the USSR. These leaders do not endorse Deng's program of far-reaching reform either out of ideological reservations and concern for their own political interests or because they fear the potentially destabilizing economic and political effects. Instead they urge a more cautious gradual approach in the interests of "stability and unity." In particular, they believe China's economic state is so serious that it can neither afford to "buy modernization" from the West nor manage to absorb a massive Western input. Moreover, they believe the harmful social effects of a larger Western presence would outweigh the economic benefits. They propose instead a slower, indigenous growth of the civilian economy--with heavy defense cuts.

In foreign policy, these leaders argue that given the likely long-term state of China's weakness, it cannot afford to actively antagonize an aggressive Soviet Union. Such leaders worry that the U.S. may prove unreliable as a counterweight to the USSR or even that the U.S. might use China's cooperation to put it on the front line. They want, instead, to introduce a degree of detente into Sino-Soviet relations--stopping well short of rapprochement, but at least achieving a more neutral posture in the case of superpower confrontation. Given the greater mistrust of the US, and lesser need for the U.S. implicit in their approach, such leaders are less willing to compromise with the U.S. over Taiwan or to delay movement toward reunification. They may also see some logic to "playing" China's "Soviet card" to induce U.S. adherence to Chinese interests in a number of areas, including Taiwan.

This alternative approach was pursued briefly in Spring 1979 when China opened bilateral talks with the USSR, but ground to a halt as Deng recovered lost political ground later that summer. The Soviet invasion of Afghanistan served to strengthen once again Deng's argument for strategic cooperation with the West, and Chen Yun's views in both domestic and foreign affairs receded into the background through 1980. Just now, however, we are seeing a resurgence of Chen Yun's insistence on the absolute necessity of severe economic retrenchment, enforced political stability, and delays in Deng's reform program. Evidence too of a Chen Yun argument in foreign affairs has again reemerged in the media, indicating it will continue to be a live option in the 1980s.

Since a party work conference in late December last year, there has been widespread evidence in the media that Deng's policy package was reopened to questioning and a change in line effected in domestic policies. People's Daily editorials have painfully argued that Deng's policies have just been delayed, not overturned, and that his foreign policy strategy will not change. The media suggests, however, that Deng's critics are still trying to reopen foreign policy issues to further discussion and change prior to the party's upcoming sixth plenum.

The fact of debate over foreign policy was inadvertently revealed in a defensive 19 January People's Daily editorial which in insisting on the continuing viability of the Dengist policy package ratified by the 1978 third plenum--which included normalization of relations with the U.S.--argued that "policies such as our economic policy of opening up to foreign countries on the premise of independence and self-reliance, our foreign policy insisting on opposing hegemonism and safeguarding world peace and so forth...will not change." That Sino-Soviet relations are again at stake was suggested in a long discussion in a 4 February

Workers' Daily article of the past contributions to the party by deceased party elder Wang Jiaxiang, first ambassador to Moscow and pre-Cultural Revolution head of the International Liaison Department. Wang was first exonerated in April 1979--two days after China proposed talks with the USSR to improve relations--in an article in the same newspaper which said Wang's early 1960s proposal to moderate hostilities toward the USSR (along with the U.S. and other potential enemies) was a reasonable option at a time of economic difficulties (similar to those China now faces). The 1981 repetition of this appraisal of Wang's views, written by several currently high-ranking officials with influence in foreign affairs, in a political environment strikingly similar to early 1979, was phrased in most suggestive terms. The article quoted Wang's argument that "It is better to adopt a moderate policy in foreign affairs in order to work against time to tide over difficulties and quicken accomplishment of our country's socialist construction...During the struggle against imperialism, revisionism and reaction, we should pay attention to strategy and tactics, guard against diverting a local war to our country and avoid being taken as the main target of attack..." The article's many pointed references to the fact that Wang's views have often been right in the past, but were not pursued by the leadership seemed to suggest that Wang's proposed approach is once again--wrongly--being overruled.

Other recent media references defending Lenin's signing of the Treaty of Brest-Litovsk in 1918--at a time of economic chaos and international danger--suggest that the Chinese leadership is debating whether to reopen Sino-Soviet talks, perhaps under secret Soviet prodding. An article titled "Advance and Retreat" in Red Flag's first issue this year defended the new economic retrenchment as a necessary antidote to impetuous and rash methods which exceeded objective possibility. To bolster

its argument, the article pointed out how the Treaty of Brest was necessary--despite its "regressive" nature--in order to give the "exhausted" state "an opportunity to regain its breath" in order to "consolidate the proletarian regime, maintain the proletarian leadership over the peasants, readjust its economy, build its Red Army to defeat the White Army and the foreign armed meddlers and stand rock-firm."

The reference to the Russian Civil War and foreign meddlers in Red Flag may have had current relevance to debate over how to handle the problem of Taiwan, just as the other references have obvious relevance for current Chinese concern about party control and economic recovery. An article in People's Daily on 8 January, in discussing a section from the new publication of Zhou Enlai's works, pointedly insisted "we should... learn from" a proposal of Zhou's in 1927 to repudiate the Soviet-sponsored alliance between the CCP and the KMT and attack Chiang Kaishek in the wake of his annihilation of Shanghai's communists earlier that year. According to the article, the party wrongly assessed that following Zhou's suggestion would bring in imperialist support for Chiang and thus spell certain defeat, while reducing the chances for aid from Moscow. The article thus seemed to imply that today China should use the threat of force against Taipei rather than "hesitate, intending to settle by relaxation or preparing for long-term struggle"--an approach which would only result in "Chiang's political power...becoming more consolidated and his relationship with the imperialist powers gradually growing closer." The article seemed to argue that if China were to deal more harshly with Chiang (Ching-kuo), the U.S. would not back him and that any U.S. aid to the PRC which would be risked through this approach was either not forthcoming in any case, or was not needed. The article concluded with the argument

that "we should rely on the people's revolutionary strength but should not rely on foreign assistance to find solutions to problems when we are in a difficult situation."

Such insistence on "self-reliance" with its distinctively xenophobic flavor has of course characterized debate in China over how much to involve China in the international Western economy throughout the 1970s, with deeper roots in the bitter 1950s experience with the Soviet Union and in the anti-imperialism of the late nineteenth century. Other similar recent media references strengthen the conclusion that debate has again broken out on this sensitive subject.

This People's Daily article underscored the importance of current debate when it insisted the 1927 debate was "not a manifestation of the controversy over policy, but was in fact a struggle between two different strategic ideologies...related to finding a path for the revolution." Like the article on Wang Jiaxiang, the theme of this piece reminded the reader of a minority opinion which proved later to be right but which was wrongly overruled at the time, thus suggesting that Deng's critics are still being overruled, but are arguing for reopening of discussion.

Prospects for the 1980s

The ways in which domestic political dynamics have influenced the course of debate over foreign policy in the recent past suggest several developments will be important for the course of Chinese foreign policy in the 1980s:

--The removal through death of top leaders involved in these debates, including Deng, Chen, Li, and Ye, will have an important impact on the policy packages adopted. As with Mao and Zhou, the order of their deaths will significantly influence who from the next generation emerges at the top, and the relative stability or instability of the succession.

The several potential successors now visible--Hu Yaobang and Wan Li (close to Deng), Hua Guofeng (backed by Ye Jianying), and Zhao Ziyang (a seeming compromise candidate), each have political weaknesses, especially in gaining the backing of the military, and none have much foreign affairs experience or influence. No second-echelon leader with foreign affairs experience--such as Geng Biao--is a potential political force or is being allowed involvement in top foreign policy decisions.

--The economic situation will prove critical in swaying foreign policy preferences. The go-slow approach is sensible but unpopular and may prove to represent only stagnation, not the slow sure progress it claims. Neither caution nor exuberance have proven capable of solving intractable problems and swings in policy are likely, contributing to complementary shifts in foreign policy.

--The working out of evident civil-military tensions too may prove quite important to foreign policy, given the evidence with regard to Vietnam, the Senkakus, and Taiwan, that an influential group favors more militant approaches to foreign policy matters.

--Outside events will be important. Soviet policy toward China may change in the period surrounding Brezhnev's demise. If an openness to improving relations on China's part happened to coincide with an openness on the Soviet side, progress in decreasing the debilitating hostility between the two may gather momentum. The new U.S. administration's policy toward the USSR and toward China, including its dealings with Taiwan, as well as developments on Taiwan at the time of CCK's death, will be important to China's assessment of its options.

While some of these events may be some time ahead of us, evidence of hot debate in China now suggests a turning point in Chinese policy choices may come sooner rather than later. The timing and combination of domestic and foreign events will prove key to those choices.