

# Kissinger plays double game with China

by Kathy Wolfe

China's expulsion on Aug. 2 of two U.S. attachés caught in military espionage is but the latest incident in a crisis in U.S.-China relations, which began with the June 7-11 U.S. visit of Taiwanese President Lee Teng-hui and escalated with the mutual withdrawal of ambassadors from Washington and Beijing in mid-June. "U.S.-China relations are in the most serious difficulty since the opening of diplomatic relations in 1971," President William Clinton's Assistant Secretary of State for East Asia Winston Lord said in Washington on July 21.

A chronology of events and interviews with top London figures shows, however, that it was the British oligarchy and its retainers, most prominently Henry Kissinger, who started the conflict. London's objective is to hand a foreign-policy debacle to Clinton, the man who broke the "special relationship" with London, and to destroy China, which the London Institute for International and Strategic Studies (IISS) has repeatedly said must be broken into pieces.

President Clinton's policy toward China, to be carried out with Commerce Secretary Ron Brown, was to forge a new relationship with China, through which China would become a market for high-tech U.S. goods. On Aug. 12, 1994, a Clinton official told *EIR* that a proposed trip to China by Brown represented a decision to stop investing in cheap-labor projects and shift into "very high-tech" investment in China, in infrastructure, even nuclear power. This will help U.S. exporters "who produce heavy capital goods in the U.S., which creates jobs here. It's an effort to treat China as a serious market for U.S. capital goods."

During Aug. 27-Sept. 3, 1994 Brown traveled to China with 24 U.S. corporate executives, and discussed \$25 billion in infrastructure deals, of which \$5 billion were signed. "President Clinton has sent substantive signals that we regard China as a commercial ally and a partner," Brown said in Beijing. "A new relationship is being built."

During the same period, Central Bank chief Zhu Rongji began attacking the free trade and *laissez-faire* policies foisted on China by the World Bank and Britain's dope lords from Hongkong, saying they had caused "chaos and speculation" in China. In May 1994, Chinese Vice Minister of Science Hui Yongzhen, in an *EIR* interview, called for a major American-style rail infrastructure buildup in China. By February 1995, the Beijing press was praising "Clintonomics" as a way to "replace *laissez-faire* with activism, and re-strengthen government intervention in economic life."

The prospect of Washington-Beijing cooperation for economic development, as dreamt of by Abraham Lincoln, Sun Yat-sen, and Franklin D. Roosevelt, was not greeted with enthusiasm in London. The British decided that Clinton's strategy toward China, as with his peace plans in the Mideast and in Ireland, had to be brought to a halt, and the United States brought into open conflict with a China whom the London and allied press would portray as "a military superpower," the next enemy image on the horizon after the collapse of the Soviet Union.

The campaign began in earnest in March 1995. The initial point-man for the attack was Kissinger, architect of the "China card" and a man who avowed his loyalty to the British Foreign Ministry above his loyalties to the U.S. President, during a 1982 speech at the Royal Institute of International Affairs (RIIA). On March 21, 1995, the newly knighted Kissinger announced the new doctrine in Bombay. China, he said, is a threat to Asia due to its "extraordinary economic progress," which threatens "especially Northeast Asia."

On March 29, Kissinger addressed the RIIA, demanding that Washington adopt a British geopolitical policy of *containment* and balance-of-power toward China. "It is against the American interest that any major region of the world, either Europe or Asia, be dominated by any country," he said. He further predicted that Asia would become an arena for an outbreak of wars.

Precisely then, the March issue of the *American Spectator* magazine issued a lengthy feature attacking Clinton and Commerce Secretary Brown for massive exports of military goods including fighter-jet engines and arms-producing machine tools to China. The *Spectator*, owned by the same British Hollinger Corp. whose *Sunday Telegraph* and others have led the Whitewater attacks on President Clinton, even charged Brown with illegally exporting an entire aircraft carrier to China via India, without Defense Department approval. Yet Resource Recovery International, the company that bought the carrier, charged in August that the *Spectator* article "is a complete lie." The carrier was chopped down into scrap metal, and the sale approved by the Navy.

Shortly after this, Kissinger's friends in Congress suddenly went high-profile, with demands for a visa for Taiwan's President Lee, and demands for a stepped-up policy to separate Tibet from China (see *EIR*, June 23, p. 45, "Kissinger's China War Comes to Congress"). The crisis escalated, as China recalled its ambassador, arrested British-sponsored provocateur Harry Wu, and tested missiles off the Taiwan coast.

At this point, Kissinger, hoping to cash in yet again on his China card, put on his "diplomat" hat and publicly offered to help smooth the crisis in U.S.-China relations, in July 25 columns in the *New York Post* and the German daily *Die Zeit*. After "encouraging Sen. Jesse Helms, Rep. Newt Gingrich," and other Republicans to attack Beijing, one *EIR* source, a friend of George Bush and Kissinger, said, "We are now

positioned to mediate.”

As Lyndon LaRouche put it on July 26, “The British are saying to China: ‘Clinton is finished. Our friends in the United States are coming into power. . . . The United States is against you. Forget Clinton, he’s a lame duck. What’s happening from the Senate, from Jesse Helms and company, is the real policy of the U.S. And we, of course, are more flexible and more friendly.’ ”

### London’s game of cat and mouse

David Howell, chairman of the British House of Commons Foreign Affairs Select Committee, corroborated Britain’s double game, in an interview with *EIR* on June 21. Howell noted that Bush, and his China Ambassador James D. Lilley, had met Lee Teng-hui in Taipei to make the original U.S. invitation to Lee. But he averred that Kissinger’s real policy was that of his March 29 RIIA speech. Kissinger’s analysis “is certainly one that we share,” Howell said. “We’ve noted the Chinese are getting more strident, over Taiwan and over Tibet, and are getting more possessive about the Spratlys. . . . China’s path is toward being a more aggressive military power.”

Deteriorating U.S. relations with China will be helpful to Britain, which China will see as the lesser of two evils, Howell noted. “We try to do it differently in London,” he said. “We have our Hongkong play, as you know. . . . There

is no doubt that there is a limited amount of anger from Beijing, and it’s all being directed at the U.S. That diverts some of the heat and fire from Britain, and allows us to proceed undercover.”

“I’m afraid it sounds very devious,” Howell continued, “but we’ve learned—ever since the McCartney mission of 1793—that there are various ways, of handling the Chinese. . . . We politely bow, and say: ‘We quite understand. It’s *One China*, and Taiwan’s a rebel state’—and meanwhile develop our own ties with Taiwan.

“And that’s why our relations with China are in a different place, than yours in Washington,” he concluded.

Indeed, Britain is already reaping the benefit of the U.S.-China chill. During June 23-25, after years of stalled negotiations, China suddenly agreed to British plans for the huge boondoggle Hongkong Airport, for which China has agreed to assume the \$21 billion construction debt after 1997, when Hongkong reverts to Chinese sovereignty. Beijing also agreed that Britain-appointed Hongkong politicians may stay in office after 1997, and canceled a planned overhaul of Britain’s civil service.

In early July, Kissinger met with Prime Minister Li Peng in Beijing, and on July 11 it was announced that Kissinger’s business partner, AIG Insurance magnate Hank Greenberg, had been appointed to as an adviser to the Beijing City Council.

## The Harry Wu provocation

On June 19, Harry Wu, a naturalized U.S. citizen and human rights crusader, was detained trying to enter China. He has since been charged with stealing state secrets and other serious charges, relating to his earlier visits there. Since 1991, Wu has made several trips to China, often with the British Broadcasting Corporation, with the stated intent of exposing China’s prison system. In 1994, BBC and CBS’s “60 Minutes” released film footage made by Wu, where he tried to show that the Chinese use prison slave labor for producing goods for exports, and even sell the organs of prisoners.

Whatever the truth of such allegations, the coverage documents that Wu broke Chinese law. In Qinghai, he impersonated a policeman in order to gain access to a prison. His film footage of labor camps was taken with a hidden camera. He entered military and related areas declared off-limits to foreigners. In his broadcast, he claimed to have obtained secret “internal” government documents praising the quality of exports produced there.

Wu had been a prisoner in a Chinese labor camp during

1960-79. Since arriving in the United States, he has worked for several Republican Party-linked outfits, including the Heritage Foundation and the Hoover Institute, his current employer. Director of the Laogai Research Foundation, dedicated to exposing human rights violations in China’s prison system, Wu has often testified before Congress at the request of Senate Foreign Relations Committee Chairman Jesse Helms (R-N.C.). Funding for his operations in part comes from the International Division of the AFL-CIO. The coordinator of his trips to China has been Lord Avebury, of the British Parliamentary Human Rights Committee, among others.

Reaction to the arrest has been swift. Sen. Jesse Helms wrote Secretary of State Warren Christopher, insisting that “there will be severe implications for China in the U.S. Congress” if any harm comes to his “friend” Wu, he said. On July 14, Helms, Sen. Bob Dole (R-Kan.), and House Speaker Newt Gingrich (R-Ga.) wrote Clinton demanding that the United States boycott the U.N. Conference on Women scheduled for Beijing this fall unless Wu is released. On July 20, Gingrich pushed through the China Policy Act in the House, on a vote of 416-10, demanding Wu’s unconditional release, and demanding China stop human rights abuses.