

Clinton, Brown state-to-state deals with China threatened Kissinger

by Kathy Wolfe

One year ago, on April 3, 1996, U.S. Secretary of Commerce Ron Brown was killed in a mysterious plane crash in Bosnia. (Brown is being remembered in Washington this week.) Earlier, in August 1994, before he led a delegation of 24 U.S. corporate leaders on a tour of China, Brown had announced an initiative to foster \$25 billion worth of U.S. investments there, to improve the quality of Chinese products. Brown proposed industrial, nuclear-power electricity plants, and other projects meant specifically to raise living standards and wages in China. The idea was to re-employ millions of Americans at high wages, producing these heavy industrial goods, and fund it with \$10 billion in U.S. Export-Import Bank credits. His policy of state-to-state cooperation on infrastructure development was in the tradition of former American President Franklin D. Roosevelt. The deals were largely killed by Congress when Newt Gingrich's "neo-cons" took over in November 1994.

Kissinger is no friend of China

Ron Brown's policy was certainly unwelcome to Sir Henry Kissinger, the self-professed "friend" of China, who has made millions of dollars for himself and his British and Anglophile cronies in private sector business deals with China over the past 15 years. Kissinger, who, on May 10, 1982, in a speech at Chatham House, proudly proclaimed himself a life-long agent of the British Crown, has always seen China as a geopolitical pawn, to be manipulated and courted, but *never* allowed to develop as a modern industrial giant. In this regard, Kissinger's policies are identical to those of fanatical China-hater Margaret Thatcher. Kissinger is just too greedy to allow his mouth to run off in a direction that might jeopardize the flow of consulting fees into his pockets.

This profile of Kissinger was recently corroborated by one of Kissinger's fans, who, until recently, was at the Heritage Foundation, the Washington, D.C.-based Thatcherite British intelligence outpost, and who was interviewed by a journalist on April 1.

The Heritage analyst, himself British, offered that Kissinger stood to lose power from the Clinton-Brown initiative for direct state-to-state industrial development and infrastructure programs in China. Kissinger's view is that he has convinced China that only he can secure the major food and

banking deals which Beijing urgently needs, the analyst said.

"Ron Brown was trying to do something else, which had very little to do with free enterprise," the source said. "He was trying to negotiate these state-to-state mega-deals. . . . Brown basically was like Clinton, for big government." Kissinger, on the other hand, he said, "believes . . . that government connections exist to serve the private sector. . . . Had a Democratic U.S. government gotten very involved in state-to-state direct deals with China, circumventing the private sector," then neither China nor American business interests would have had much further use for the likes of Henry Kissinger. Kissinger, he said, was "more or less relieved," when Brown was no longer on the scene.

'Music to Kissinger's ears'

Now, Kissinger is profiting from the barrage of press attacks on him—part of the drive for a new "Cold War" against China, being run in the United States. The press attacks from the right-wing help his media image, the Heritage source observed. The Chinese believe that "Kissinger is the big man with the power connections in New York and Europe, who can bring in the large deals," he said. Kissinger convinces China to use him, "by maintaining himself as a media superstar. That is very important. That's why all these attacks right now from the Christian Right must be music to his ears."

Kissinger and the Thatcherite China-bashers have the *identical policy*, the analyst said. "Remember, Kissinger gets along with the Chinese, because both he and they believe in geopolitics," he claimed. "That's what he was doing there [in China] in 1971; he believes in balance of power: If there is no balance, then there will be war."

"This is all very amusing; it's great theater," the source said, speaking of the chapter attacking Kissinger in *The Coming Conflict with China*, a book promoted by the New York Council on Foreign Relations (CFR), which is run by the London Royal Institute for International Affairs.¹

Yet, the bashers, "[Richard] Bernstein, [Ross] Munro, maybe [Zbigniew] Brzezinski is in there—are basically saying the same thing: China will soon have one-and-a-half bil-

1. *The Coming Conflict with China*, Richard Bernstein and Ross H. Munro (New York: Alfred A. Knopf, 1997).

lion people, and the U.S. will never match that, so we can't let China's military, which means China's economy, get too strong. Bernstein and Munro said it in *Foreign Affairs*: We believe in balance of power."

After the February publication of *The Coming Conflict*, Kissinger miraculously regained the headlines. He has been attacked in front-page articles and columns by the *Washington Times* (run by Bush intimates such as Count Arnaud de Borchgrave and Rev. Sun Myung Moon); former Bush employee Oliver North; former Republican candidate Pat Buchanan; and other CFR pawns, posing as right-wing populists. Munro, co-author with Bernstein of *The Coming Conflict*, even staged a rift with his employer, Philadelphia's Foreign Policy Research Institute (FPRI), because of the book's attack upon Kissinger's associate, Gen. Alexander Haig, who sits on the FPRI board. Yet, *The Coming Conflict* was written and funded while Munro was firmly ensconced at Haig's FPRI. FPRI President Harvey Sicherman was special assistant to Secretary of State Haig during 1981-82.

"It sells books and TV spots," the Brit laughed. "By attacking Kissinger, Munro is helping him to stay a celebrity. . . . Kissinger can't come out and say that we can't let China get too uppity. . . . He'll lose his 'in' with Beijing, where he makes his fortune. Now the Chinese will be more eager than ever to cultivate Kissinger."

How was China-gate set-up?

It is not to be excluded that Kissinger and his far-flung "pro-China" GOP business networks in Asia, set up President Bill Clinton for the current China-gate scandal. Crippling Clinton's ability to promote projects in China, has certainly strengthened the hand of Kissinger's private business empire in the Middle Kingdom.

It was Sir George Bush, former ambassador to Beijing and second only to Kissinger in the "China Lobby," who created the near-war crisis between the United States and China over the 1996 visit of Taiwanese President Lee Teng-hui to America. As *EIR* reported at that time, Bush, James Baker III, and Bush's China Ambassador James Lilley attended a meeting of the U.S.-Republic of China Economic Council in Taipei in November 1994, where Bush gave the keynote on building up Taiwan as the "alternative to Hong-kong" after 1997.

"This was not just a photo op," a British analyst had told *EIR* in 1995, "but meant to give legitimacy" to the separation of Taiwan from China. Bush invited Lee to the United States. Having set the play in motion, when Lee visited in May 1996, causing Beijing to withdraw its ambassador from Washington and a major furor, Bush made a fuss of defending Beijing and the "One China" policy.

Recall, too, that China-basher Thatcher, in her memoirs, boasts that Sir George Bush has always been her personal tool.

Of course, Kissinger and Bush's Asian business connections, which go back to the 1960s, are massive, in sheer dollar



The policy of the late Secretary of Commerce Ron Brown and President Clinton envisioned state-to-state deals with China for industrial and infrastructure development, which threatened the geopolitics of Henry Kissinger.

volume. Kissinger's crowd has numerous Asian assets who might try to channel money to the Clinton Democrats, or just plant rumors about it—enough to raise a media hue and cry.

Kissinger is an adviser to the Lippo Group of Indonesia, and was in Jakarta in November 1994, at Lippo's expense, for a conference of the Asian Bankers Association, the *Washington Times* reported on March 24. Yet, the Lippo Group was the first Asian company accused of unseemly contributions—to Clinton circles. China "lobbyist" Haig is on the payroll of China Ocean Shipping Co. (Cosco), the state-owned Beijing merchant fleet. Yet, it is President Clinton who is now accused, without proof, of accepting bribes from Cosco's president, for arranging a port lease in California.

Kissinger Associates, Sir Henry's multimillion-dollar Park Avenue consulting firm, is paid a \$300,000 or more annual retainer by each of the largest U.S. multinationals in China, to garner political favors from Chinese leaders. Such clients include Continental Grain, Coca-Cola, Chase Manhattan Bank, American Express, American International Group insurance, Atlantic Richfield, Fluor, Union Carbide, and dozens more.

Add to this the far-flung Asian business empires of George Bush, his brother Prescott Bush, who does investment banking (including with the underworld) in Japan, Korea, and China, and James Baker III. The number of possible dirty-trick channels becomes endless.