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China-U.S. Summit, October 1, 1997

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Abstract. At this year's summit between Presidents Clinton and Jiang Zemin, several agreements may be reached, including the creation of a telephone hotline, and understandings on nonproliferation, nuclear cooperation, and military exchanges.

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Summary

Despite being troubled throughout much of the 1990s, U.S.-China relations have improved in recent months. On October 28, 1997, China's President, Jiang Zemin, will arrive in Washington D.C. for a summit meeting with President Clinton. It will be the first official Chinese state visit in the Clinton Administration, and the first time a Chinese head of state has been in Washington D.C. since 1985. Unlike the unofficial New York "summit" meeting between the two leaders in 1995, the 1997 summit stands to be more than symbolic. This year several agreements may be reached, including the creation of a telephone "hotline," and understandings on non-proliferation, nuclear cooperation, and military exchanges.

Introduction and Background

U.S.-China relations have been troubled since the 1989 Tiananmen Square crackdown – an event from which China has not yet been rehabilitated in American eyes. With an ambiguous policy direction from the executive branch, no concrete overtures or concessions from Beijing, and with congressional attitudes and actions increasingly fractionalized, U.S.-China relations drifted through the early 1990s. No state visits occurred after 1989. Congress increasingly challenged China's most-favored-nation (MFN) trading status. Although the Clinton Administration by 1994 was fielding a policy of "engagement" with China, several informal meetings between President Clinton and senior Chinese leaders were only marginally productive. One such meeting, a brief 1995 meeting in New York between President Clinton and Chinese President Jiang Zemin, was especially illustrative of U.S.-China problems; not a state visit, the only accomplishment of the meeting was the symbolic one of its having occurred at all.

Tensions in U.S.-China relations reached a peak in 1996 when China conducted live-fire missile exercises in the Taiwan Strait to protest the policies of Taiwan's president, Lee Teng-hui. The United States responded by sending two carrier battle groups to the area. The 1996 missile crisis appeared to surprise many policymakers in both Washington and Beijing, and both governments appeared to reassess their policies in efforts to find ways to mend the relationship. On November 11, 1996, at the Asia-Pacific Economic

Cooperation group (APEC) leaders' meeting in Manila, Presidents Clinton and Jiang agreed to exchange official state visits within the next two years. In the first of those meetings, President Jiang Zemin will come to Washington on October 28, 1997 – the first time a Chinese leader has had a state visit to Washington since 1985. President Clinton is scheduled to visit Beijing in the spring of 1998.

U.S.-China State Visits

Administration	Names/Dates of Visits
Nixon	President Nixon to China — Feb. 1972
Ford	President Ford to China — Dec. 1975
Carter	<i>Vice Premier Deng Xiaoping to Washington — Jan. 1979</i> <i>Vice President Mondale to China — Aug. 1979</i> <i>President Carter with Premier Hua Guofeng in Tokyo at the memorial service for Prime Min. Ohira — July 1980</i> <i>Vice Premier Bo Yibo to Washington — Sept. 1980</i>
Reagan	<i>Vice President Bush to China — May 1982</i> <i>Premier Zhao Ziyang to Washington — Jan. 1984</i> President Reagan to China — Apr. 1984 President Li Xiannian to Washington — July 1985
Bush	President Bush to China — Feb. 1989 <i>President Bush with For. Min. Qian Qichen in Washington — Nov. 1990</i> <i>President Bush with Premier Li Peng in New York — Jan. 1992</i>
Clinton	<i>President Clinton with President Jiang Zemin in Seattle — Nov. 1993</i> <i>President Clinton with President Jiang Zemin in Jakarta — Nov. 1994</i> <i>President Clinton with Vice Premier Qian Qichen in Washington — Oct. 1994</i> <i>President Clinton with President Jiang Zemin in New York — Oct. 1995</i> <i>President Clinton with President Jiang Zemin in Manila — Nov. 1996</i>

Bold denotes official state visits. *Italics refer to informal visits involving at least one head of state.*

U.S. Summit Position

Administration officials have been working hard to find summit “deliverables” that could demonstrate improvement in U.S.-China relations. In the past, the Clinton Administration has been criticized domestically — at times heavily — for vacillating on foreign policy decisions, including those relating to China. The Executive-Congressional disagreements over China policy that began in the Bush Administration have continued in the Clinton Administration, with various Members of Congress pushing the Administration toward a more forceful policy line on human rights, weapons proliferation, trade, Tibet, and Taiwan. The Administration’s flexibility has been further hampered recently by allegations that China was the source of illegal campaign contributions in the 1996 election in an attempt to buy influence and favorable policy decisions.

In early October, Administration officials began a series of briefings for Members of Congress and congressional staff about U.S. objectives and expectations for the summit. Administration officials have described the summit as holding out positive but

limited prospects. They see it as an opportunity to move U.S.-China relations to a new plateau – one no longer at the mercy of separate, sensitive bilateral issues. There will be no “fourth communique” dealing with Taiwan, say Administration briefers. Instead, the summit will help revive and improve the strategic Sino-U.S. dialogue of the early 1980s. Administration officials say they believe that Beijing has reassessed its policy toward the United States of the early 1990s, and that Chinese leaders now place a high priority on developing good U.S.-China relations. Administration officials have described the following “baskets” of issues likely to be discussed at the summit.

Security/Foreign Policy Issues. The summit’s most direct achievement is likely to be the extent to which it results in enhanced strategic dialogue and security cooperation. Once fairly regular and high level, U.S.-China cooperation in strategic and military matters was halted after the Tiananmen Square crackdown, and dialogue, interrupted until 1992, continued only intermittently and at lesser levels. U.S. officials expect the summit to result in the start of regular, high-level meetings in both capitals. This would include regular presidential summits; routine visits by cabinet-level and other top officials charged with defense, arms control, and foreign policy briefs; and regular military-to-military exchanges.

In a new development, U.S. officials expect to set up a special telephone hotline reminiscent of that once established with the Soviet Union. U.S. officials expect that other potential security cooperation could include the conclusion of agreements in several areas, such as an agreement on “Incidents at Sea,” bilateral talks on a “humanitarian response” agreement, and regular discussions on nuclear security and safety issues.¹ Cooperation in several foreign policy areas – notably, the situation on the Korean Peninsula – also have helped to improve the strategic dialogue in U.S.-China relations. U.S. officials hope that the summit will help strengthen this dialogue, not only on issues involving Korea, but on Cambodia, Vietnam, and the Persian Gulf. Related to this, U.S. officials also expect that the summit dialogue will broach the subject of U.N. reform, including a possible trade-off in which the United States would pay its arrears and reduce its current U.N. contribution level while China would increase its U.N. contribution (now at 1% of the U.N.’s budget) to perhaps 3%.

Non-proliferation Issues. Administration officials also expect developments on the nuclear non-proliferation front, based on what one official termed a “dramatic transformation” in China’s attitude toward nuclear proliferation in recent years. According to one U.S. official, the Administration believes there is “no doubt” that China now sees nuclear non-proliferation to be in its own security interests, and that China is “winding down” its peaceful nuclear cooperation with Iran. Based on U.S. assessment of China’s current nuclear non-proliferation policies, and on Chinese pledges on nuclear non-proliferation (expected to be reinforced at the summit), Administration officials have suggested that the United States could soon be able to proceed with Sino-U.S. nuclear cooperation under the 1985 Nuclear Energy Cooperation Agreement.² Under U.S. law, before initiating nuclear energy cooperation, the President must first certify that China has

¹A “humanitarian response” agreement would permit the cooperation of U.S. and Chinese military forces in military actions involving humanitarian situations.

²President Reagan and Chinese President Li Xiannian signed the U.S.-China Nuclear Energy Cooperation Agreement in 1985. See CRS Issue Brief 92056, *Chinese Proliferation of Weapons of Mass Destruction: Current Policy Issues*, by Shirley Kan.

not sold or transferred nuclear technology to countries that, like Pakistan, do not submit to inspections by the International Atomic Energy Agency (IAEA).³ Administration officials are less optimistic about China's commitment to non-proliferation of medium-range ballistic missiles or chemical weapons, or its willingness to join the Zanger Group or the Wassenaar Arrangement, and they have said that the 1997 summit is not likely to produce any agreement in these areas.

Human Rights. China's human rights record has been a chief irritant in U.S.-China relations throughout the 1990s. Human rights issues in particular have involved China's arrests of people for the peaceful expression of their political views, prison conditions and treatment of prisoners, export of products made with prison labor, policies toward Tibet, and, more recently, restrictive policies toward religious practices and treatment of so-called "underground" churches. U.S. officials indicate that they have seen some hopeful signs on human rights issues recently. They cite in particular China's recent release of a new namelist of prisoners, the first release since 1994.

U.S. officials say that they have advised their Chinese counterparts that progress on human rights would have a greater impact on American attitudes toward China than would progress on any other issue. U.S. officials hope that the summit may result in the release of some prominent dissidents and in China's agreement to discussions of human rights in other fora, perhaps through non-governmental organizations (NGOs). U.S. officials have said, for instance, that the International Red Cross is now taking the lead in pushing for inspections of Chinese prisons. Administration officials also anticipate China's signature on international human rights agreements, such as the International Covenant on Economic, Social, and Cultural Rights (ICESR) and the International Covenant on Civil and Political Rights (ICCPR).⁴ Finally, U.S. officials are encouraging China to resume a dialogue with the Dalai Lama, although they are doubtful of progress on this issue.

Economic and Trade Issues. Although it was once thought that the October summit could produce an agreement on China's accession to the World Trade Organization (WTO), Administration officials have indicated that this is now highly unlikely. What the United States is seeking, according to Administration officials, is a "down-payment" by China on the WTO — some trade concessions that will be seen as steps in the right direction for eventual WTO membership. A "down-payment" that is substantial enough, say U.S. officials, could allow the President to advocate permanent MFN for China.

Law Enforcement/Rule of Law. In discussions with Beijing, the United States has emphasized the importance it ascribes to the rule of law, and Administration officials judge that China is serious in wanting to develop its legal system. The United States has

³Iran's nuclear facilities are subject to IAEA inspections.

⁴China's signature of these two U.N. agreements reportedly was part of a deal, proposed by France during the March 1996 meeting of the U.N. Commission on Human Rights in Geneva, whereby the United States and the European Union would drop the resolution criticizing China's human rights record if China signed the two agreements and made other concessions. See *China: Chinese Diplomacy, Western Hypocrisy and the U.N. Human Rights Commission*, Human Rights Watch/Asia, Vol. 9, No. 3 (C), March 1997.

begun a “Rule of Law” initiative with China through the State Department. As part of this initiative, Administration officials expect there to be high-level exchanges and training, and possibly an eventual Mutual Legal Assistance Treaty (MLAT) — a type of bilateral agreement designed to combat transnational financial and drug crime.⁵ In addition, Administration officials hope that the summit will lead to closer mutual cooperation on transnational problems of concern to both countries, including international terrorism and drug enforcement. As part of the latter effort, U.S. officials hope to be able to establish a Drug Enforcement Administration (DEA) office in Beijing. According to one DEA spokesman, the United States and China already enjoy good cooperation on narcotics interdiction through Hong Kong. DEA officials based in Hong Kong say that they share information and work closely with Chinese officials, raising the likelihood that China will agree to a DEA office in Beijing.

Energy and Environment Issues. China has enormous and growing energy needs, and is the world’s fastest growing emitter of carbon gases. Administration officials would like to further mutual cooperation and exchanges in both of these areas. Areas of particular focus include clean coal technology and rural electrification programs. Achieving Chinese cooperation on environmental issues may also be facilitated by American willingness to implement the Nuclear Energy Cooperation Agreement.

Science and Technology Cooperation. Since 1979, the United States and China have had an umbrella agreement on science and technology cooperation that includes over 20 protocols involving different U.S. government departments. Administration officials would like to try to consolidate these diverse aspects of Sino-U.S. cooperation. In addition, the Administration would like to see an expansion of the U.S.-China Fulbright scholarship program, and would like to initiate research cooperation in space technology.

China’s Summit Position

Unlike the Clinton-Jiang meeting of October 1995, President Jiang Zemin in October 1997 appears to be in a more secure position, having emerged from the recent 15th Party Congress as a stronger authoritative figure. Nevertheless, it seems clear that Jiang very much wants the further validation and prestige at home that a U.S. summit would give him. Reports in recent weeks by official Chinese media quoting senior Chinese officials are emphasizing positive aspects of U.S.-China relations, saying that “the overall atmosphere for Sino-U.S. relations is good”⁶ and that China “makes Sino-U.S. relations the core of its foreign policy.”⁷ In addition, Chinese officials appear to believe that an “interest structure” has developed in the United States, favoring better U.S.-China relations.⁸

⁵One model for a U.S.-China mutual legal assistance agreement is a similar agreement recently crafted with Hong Kong, which reverted to Chinese sovereignty on July 1, 1997.

⁶*Xinhua* official news media report quoting President Jiang Zemin, October 6, 1997.

⁷*Hong Kong Ming Pao* quoting Jin Canrong, director, Research Office of American Politics, Institute of North America, under the Chinese Academy of Social Sciences, October 7, 1997.

⁸*Ibid.* The so-called “interest structure” reportedly includes some Administration officials; some experts at U.S. “think-tanks”; large U.S. corporations with investments in China; U.S. importers of Chinese goods; and U.S. trade organizations.

Apart from the prestige of the summit itself, Chinese leaders also expect limited results on specifics. Items on China's long-standing wish list include the receipt of permanent MFN status and the implementation of the U.S.-China Nuclear Energy Cooperation Agreement, signed by President Reagan in 1985. Beijing wants the United States to strongly reiterate the principles of the existing U.S. communique with China about Taiwan,⁹ one of which involves a statement about the level of U.S. arms sales that will be made to Taiwan. Chinese leaders also have wanted the United States to lift the so-called "Tiananmen sanctions," put into place in 1990 after the Tiananmen Square crackdown.¹⁰ Primarily, such a move would allow the Overseas Private Investment Corporation (OPIC) and the Trade and Development Program to resume working with U.S. investors in China. Finally, Chinese leaders would like the Administration to refrain from bringing resolutions before the U.N. Human Rights Commission that criticize China's human rights record, and work to restrain U.S. legislation criticizing China.

Implications for the United States

Even in the improved atmosphere of U.S.-China relations, the October 1997 summit is not without its controversies. Some Members of Congress and others object – sometimes strenuously — to the Administration's reinvigorated policy of engagement. They believe that Washington should not improve its contacts with China until Beijing has improved its record on human rights, weapons proliferation, trade, and treatment of Taiwan. China's pursuit of undesirable policies, according to these observers, should not be without cost, and the leader in imposing that cost must be the United States. Emphasizing this position, congressional critics of China have introduced legislation in the 105th Congress that would target China for sanctions and increase spending for Radio Free Asia, human rights monitoring, and other U.S. programs.¹¹ Members supporting this legislation may object to some possible outcomes of the summit, particularly on an already sensitive issue such as the Nuclear Energy Cooperation Agreement.

Other observers argue that this is a good time for the United States to achieve progress in U.S.-China relations. The United States has sanctioned and criticized China for years, say these observers, and has been rewarded with a deeply troubled relationship beset by crises. U.S. interests would be better served by focusing on the common ground in U.S.-China relations, building some elements of trust between Chinese and U.S. leaders and dealing with key bilateral problems incrementally. Also, these observers argue, a summit meeting with President Jiang would further bolster his position in Beijing, and U.S. interests could be advanced by having a Chinese leader who is secure enough in his position to make bolder commitments in negotiating with the United States.

⁹See CRS Report 96-246 F, *Taiwan: Texts of the Taiwan Relations Act and the U.S.-China Communiqués*, by Kerry Dumbaugh, March 18, 1996.

¹⁰See CRS Report 96-272 F, *China: U.S. Economic Sanctions*, by Dianne Rennack.

¹¹See CRS Report 97-933 F, *China: Pending Legislation in 1997*, by Kerry Dumbaugh, October 11, 1997.